APPRAISAL REPORT

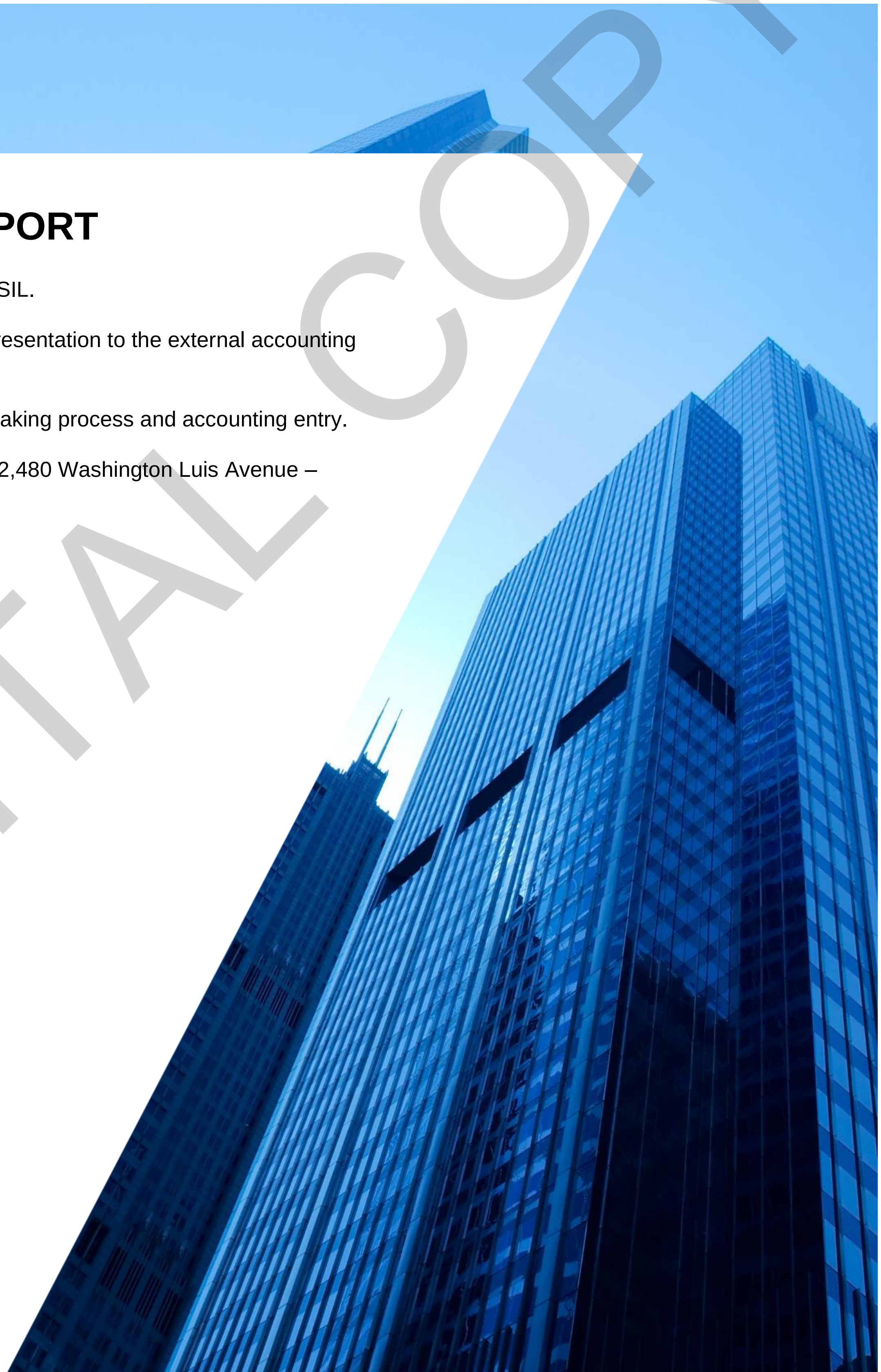
PREPARED FOR: GAZIT BRASIL.

USE: Internal use, except for presentation to the external accounting auditors of the contractor.

PURPOSE: Internal decision-making process and accounting entry.

PROPERTY: Shopping Prado, 2,480 Washington Luis Avenue – Campinas / SP.

DATE: December 31st, 2020.



CUSHMAN & WAKEFIELD

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São Paulo, December 31st, 2020.

GAZIT BRASIL LTDA
Mr. Sergio Koffes
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skoffes@gazitbrasil.com

Valuation Report of Shopping Prado, Located at 2,480 Washington Luis Avenue, City of Campinas and State of São Paulo.

Dear,

In response to your request, Cushman & Wakefield has the pleasure to present the report of the “free market value” for the purchase/sale of the Property in question, with the purpose of internal decision-making process and accounting entry, which is located at 2,480 Washington Luis Avenue, City of Campinas and State of São Paulo.

This report was prepared based on the market available data and the data provided by the Contractor, in accordance with the provisions of the NBR. 14653-1/2001 and NBR 14653-4/2004, from the A.B.N.T. – Brazilian Association of Technical Standards.

This real property appraisal report is exclusively for internal use of the Contractor, its affiliates, controlled or controlling companies, officers, directors, partners, members, shareholders, legal counsels, managers, employees, external auditors and consultants which are involved with the Property. No part of it may be published or disclosed to third parties without the formal, written consent of the issuer, Cushman & Wakefield. The source must always be cited when reproducing any of the data contained, under penalty of applicable civil and criminal penalties for violating copyright law. Furthermore, in the event that any of the Contractor is requested or required by law, legal process or any regulatory or governmental or quasi-governmental administrative authority to disclose this real property appraisal report, Contractor will promptly notify Cushman & Wakefield so that it can take the legal measures applicable.

We appreciate the opportunity and remain at your entire disposal for any clarifications that may be necessary.

Regards,

DocuSigned by:
Naiá Ribeiro
969E0CAC1990458...

Naiá Ribeiro
Consultant, Valuation & Advisory
Cushman & Wakefield, Brazil

DocuSigned by:
Alan Constantino
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Alan Constantino
Coordinator, Valuation & Advisory
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Mauricio Itagyba
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Signing Time: 15/01/2021 | 15:51:37 PST
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Mauricio Itagyba, CREA, MRICS, RICS
Registered Valuer
CREA n° 5061069994
Senior Manager, Valuation & Advisory
Cushman & Wakefield, Brazil

INDEX

Executive Summary

DATE OF THE APPRAISAL:		December 31st, 2020.	
DATE OF THE INSPECTION:		December 13th, 2020.	
TIPO DE PROPRIEDADE:		Shopping Center.	
1	OBJECTIVE:	Determine the “free market value” for the purchase/sale of the property in question.	
2	APPROACH:	Direct Income Capitalization approach based on a Discounted Cash Flow.	
3	ADDRESS:	2,480 Washington Luis avenue, city of Campinas, state of São Paulo.	
	• Access:	The property has its main accesses the Lux Aeterna street and Jorge Tibiriça avenue, among other secondary access ways.	
	• Neighborhood:	Mixed (commercial and residential).	
	• Transportation:	By road (public transportation or private car).	
	• Public Utilities:	Electricity, roads, mass transport, telephone, solid waste collection, drinking water, sewage collection, rainwater collection, gas, post office, road cleaning and conservation.	
4	DESCRIPTION OF THE PROPERTY:		
	• Site:	Topography:	Flat.
		Shape:	Irregular.
		Area:	15,915.47 sqm (informed by the client).
	• Constructions:	Description:	Shopping Center Regional.
		Apparent age:	7 years.
		Remaining Lifetime:	54 years.
		Total Built Area:	20,010.55 sqm (informed by client).
		Gross Leasable Area:	10,119.89 sqm (rent roll provided the client).
		Parking:	284 parking spaces (informed by client).

5 SCENARIO USED:

• Period of Analysis:	10 years.	
• Minimum Rent:	R$ 2,833,226.00	In the 1st year.
• Annual Increase In Rents Paid (Real):	1.50% in the 2nd year onwards during the discounted cash flow period.	
• Discounts:	(R$ 75,000.00)	In the 1st year.
	(R$ 50,000.00)	In the 2nd year.
	(R$ 25,000.00)	In the 3rd year.
	(R$ 15,000.00)	In the 4th year onwards during the projected cash flow.
• Turnover Rent:	R$ 935,000.00.	In the 1st year.
	R$ 1,000,000.00.	In the 2nd year.
	R$ 1,050,000.00.	In the 3rd year onwards during the projected cash flow.
• Mall Income:	R$ 350,000.00.	In the 1st year.
	R$ 450,000.00.	In the 2nd year onwards in the projected cash flow.
• Merchandising:	R$ 350,000.00.	In the 1st year.
	R$ 300,000.00.	In the 2nd year onwards in the projected cash flow.
• Key Money	R$ 10,000.00.	Per year.
• Car Parking Revenues (Net):	R$ 900,000.00.	In the 1st year.
	R$ 1,050,000.00.	In the 2nd year onwards in the projected cash flow.
• Other Revenues	R$ 100,000.00	In the 1st year.
	R$ 150,000.00	In the 2nd year.
	R$ 200,000.00.	In the 3rd year onwards in the projected cash flow.

• General Vacancy:	10.00%	In the 1st year.	Over minimum rent (excluding anchor stores and movie theater).
	8.00%	In the 2nd year.	
	6.00%	In the 3rd year.	
	5.00%	In the 4th year.	
	4.00%	In the 5th year and beyond.	

• Collection Loss:	8.00%	In the 1st year.	Over minimum rent (excluding anchor stores and movie theater).
	3.00%	In the 2nd year.	
	2.50%	In the 3rd year.	
	2.00%	In the 4th year.	
	2.50%	In the 5th year and beyond.	
• NRE - Service Charge:	(R$ 1,099,100.00)		In the 1st year.
	(R$ 879,300.00)		In the 2nd year.
	(R$ 732,700.00)		In the 3rd year.
	(R$ 586,200.00)		In the 4th year.
	(R$ 439,600.00)		In the 5th year onwards during the discounted cash flow.
• Promotion Fund:	(R$ 35,000.00)		In the 1st year.
	(R$ 30,000.00)		In the 2nd year onwards during the discounted cash flow.
• Other Non-Reimbursable Expenses:	(R$ 125,000.00)		In the 1st year.
	(R$ 100,000.00)		In the 2nd year onwards during the discounted cash flow.
• CAPEX:	(R$ 642,075.00)		In the 1st year.
	(R$ 0.00)		In the 2nd year onwards during the discounted cash flow.
• Maintenance & Repairs:	1.50%		Over effective gross revenue, starting in January/2022.
• Forecast Average Inflation:	Discounted cash flow calculations use as inflation 3.75% in 2022, 3.50% in 2023 and 3.25% in 2024. For the years beyond 2024, we used the same rate by analogy.		
• Discount Rate (Nominal):	13.58%		Per Year.
• Capitalization Rate:	9.00%		Per Year.
• Property's Sale Commission	2.50%		Over net operating income of the 11th year

MARKET VALUE OF THE SHOPPING:

R$ 58,768,100.00 (FIFTY-EIGHT MILLION, SEVEN HUNDRED AND SIXTY-EIGHT THOUSAND AND ONE HUNDRED REAIS)

Note:

1- The projected cash flow starts on January 1st, 2021;

2 - Discounted cash flow calculations use as inflation 3.75% in 2022, 3.50% in 2023 and 3.25% in 2024. For the years beyond 2024, we used the same rate by analogy;

3- As requested by the client, we considered a satelization project starting in January 2021. For this project, we assumed the expenses and revenues according to the client projections;

4 - As requested by the client, we did not consider the taxation of PIS / COFINS (3.65% of EGR) in the discounted cash flow, Property Management Fee and Leasing & Commissions.

OBJECTIVE

PROPERTY IN ANALYSIS

SOURCE: CUSHMAN & WAKEFIELD.

In response to your request, this report is to determine the “free market value” for the purchase/sale, with the purpose of internal decision-making process and accounting entry.

The recipient of the appraisal report is the Contractor, Gazit Brazil.

This Appraisal Report shall be solely and exclusively for the internal use of the Contracting Company, except for the presentation of the physical route of the report to its external accounting auditors and business partners in the evaluated property. The publication or disclosure of this Appraisal Report shall not be permitted without the formal written authorization of the issuing company, Cushman & Wakefield, and in the case of eventual permission, shall be made in its entirety, and in no case shall the disclosure or publication partial. Still in the reproduction of any information, the source should always be cited, under the civil and criminal penalties imposed by the violation of copyright.

Note: This complete appraisal report is intended exclusively for the uses described herein.

APPROACH

The approach used for this appraisal consisted of an analysis of the physical characteristics of the property and of information collected in the market. This information was processed to determine the final value of the property. This methodology complies with Brazilian Standards Association (ABNT - Associação Brasileira de Normas Técnicas) NBRs 14,653-1/2001, 14.653-4/2002 and 14.653-2/2011.

Below we describe the normal appraisal procedures employed to assess the value of an asset, its fruits and rights, as well as the method used to determine feasibility indicators, as required by applicable standards:

METHODS TO IDENTIFY THE VALUE OF AN ASSET, ITS FRUITS AND RIGHTS

SALE/LEASE COMPARISON APPROACH

This approach calculates the market value of an asset by adjusting the attributes of comparable elements in a sample.

RESIDUAL APPROACH

This approach uses a feasibility study to establish the market value of an asset based on its highest and best use, using a hypothetical development of comparable characteristics to those of the asset in question, and the situation of the market of which it is part, using different feasible scenarios for the construction and sale of the product.

REPLACEMENT COST APPROACH

This approach calculates the value of an asset as the sum of the value of its components. If the object of the appraisal is to determine the market value, then factors related to the sale must also be taken into consideration.

DIRECT CAPITALIZATION APPROACH

This approach establishes the value of on asset based on the present capitalization of the net revenue expected from the property under feasible scenarios.

METHODS TO IDENTIFY THE COST OF AN ASSET

SALE/LEASE COMPARISON APPROACH

This approach establishes the cost of an asset by adjusting the attributes of a comparable set of properties in a sample.

REPLACEMENT COST APPROACH

This approach identifies the cost of an asset or of its parts using summary or analytical budgets based on the quantity of services included and their respective direct and indirect costs.

METHODS TO IDENTIFY FEASIBILITY INDICATORS OF THE ECONOMIC USE OF A DEVELOPMENT

The usual appraisal procedures to determine feasibility indicators for the economic use of a given development are based on its projected cash flow, from which are obtained decision-making indicators based on the net present value and internal rate of return, among others.

CRITERIA USED

An appreciation of the basic methodology available shows that all methods are generically comparable. All of the methodologies are based on a comparison of elements, be they sale or offer values, lease fees, revenue rates or even the efficient use of available land.

Shopping malls are a financial real estate enterprise designed to generate sustainable and relatively stable revenue over their lifetime. Each Shopping Mall is designed bearing a few factors in mind:

- The primary and secondary areas (location of the described demand);
- Location;
- Project characteristics (mall, power center, regional, theme, etc.);
- Size (GLA);
- Anchor stores (type);
- Shop mix; and
- Layout, etc.

TECHNICAL DEFINITIONS

"Free Market Value" is understood to be the most likely value for which an asset would be willingly and knowingly negotiated on a reference date under prevailing market conditions for the sale/purchase or lease of said asset.

For the purposes of the present appraisal, the market value was taken to be equivalent to the enterprise economic value, represented by the present value of future cash flows and the residual value, discounted using discount rates compatible with the future phase of the enterprise. This technical approach is recommended given that the market for equity in enterprises such as this one normally uses this concept to analyze value.

APPLICATION OF THE METHODOLOGY

The applicable methodology is basically a function of the nature of the asset being appraised, the purpose of the valuation and the availability, quality and quantity of the information collected in the market.

The appraisal process is concluded by analyzing the results of the different approaches to value used. When more than one approach is used, each one is judged based on its applicability and reliability, as well as the quantity and quality of the information available. Thus, the final value of the property may be based on one approach alone or on a correlation of some or all of them.

Thus, each shopping mall will have a unique configuration of variables. In this particular case, we opted to use the **"Income Capitalization Approach"** using a **"Discounted Cash Flow"** to determine the free market value for the sale of the property. To segregate the value, we choose the "**Replacement Cost Approach**".

VALUATION SPECIFICATIONS

The specifications of any valuation are related to the effort of the valuation engineer, the market and the information available. The objective of having the client define an initial desired level of foundation is to determine the effort to be used in the valuation, but this does not guarantee that significant levels of foundation can be reached. Accuracy, on the other hand, depends exclusively on the characteristics of the market and the sample, and therefore cannot be set in principle.

According to item 10 of NBR 14653-4, a report must meet Level I, II or III requirements as to its fundamentals, where 1 point is awarded for level I items, 2 points for level II items and 3 points for level III items. The overall classification is the sum of the scores obtained on all items.

Based on these criteria, the current effort is classified as "**Level II**" regarding the fundamentals of valuation, and as "**Level II**" regarding feasibility indicators, as per A.B.N.T. standards. We stress that the foundation of any appraisal is directly related to the information that can be extracted from the market and therefore does not depend exclusively on the will of the valuation engineer and/or the party who contracted the valuation service.

TABLE 4 – IDENTIFICATION OF VALUE AND FEASIBILITY INDEXES

ITEM	ACTIVITY	RESULT	POINTS
7.5.1.1	Operational analysis of development	Large, with operational elements properly explained.	3
7.5.1.2	Analysis of historical data of development (*)	Based on analysis of the stochastic process for the key variables, in a minimum period of 36 months.	3
7.5.1.3	Sector analysis and market diagnosis	Of the conjecture.	2
7.5.1.4	Discount Rate	Justified	2
7.5.1.5	Choice of model	Deterministic associated to scenarios	2
7.5.1.5.1	Basic structure of cash flow	Complete	3
7.5.1.5.2	Grounded scenarios	1 at least	1
7.5.1.5.3	Sensitivity analysis	Simulation with detection of elasticity per variable.	2
7.5.1.5.4	Risk analysis	Justified risk	2
(*) Only for development in operation		SUM	20

TABLE 5 - FRAMEWORK OF VALUATION REGARDING ITS LEVEL OF GROUNDING			
(TO DETERMINE THE VALUE)			
LEVELS	III	II	I
Minimum points	More or equal to 22	from 13 to 21	from 7 to 12
Restrictions	Maximum of 3 items in lower levels, allowed maximum of one item in Level I.	Maximum of 4 items in lower levels or not covered.	Minimum of 7 items covered.
REGARDING GROUNDING TO DETERMINE THE VALUE, THE VALUATION WAS FRAMED AS:			II
(FOR FEASIBILITY INDEXES)			
LEVELS	III	II	I
Minimum points	More or equal to 18	from 11 to 17	from 5 to 10
Restrictions	Maximum of 4 items in lower levels, allowed maximum of one item in Level I.	Maximum of 4 items in lower levels or not covered.	Minimum of 5 items covered.
REGARDING GROUNDING FOR FEASIBILITY INDEXES, THE VALUATION WAS FRAMED AS:			II

ASSUMPTIONS AND "DISCLAIMERS"

"Report" refers to this complete report of real estate appraisal and conclusions described herein, to which these assumptions and "disclaimers" refer.

"Property" refers to the object of this report.

"Cushman & Wakefield" refers to Cushman & Wakefield Real Estate Business Ltd. Company issuing this full report of real estate appraisal.

"Appraiser (s)" refers to the employee (s) of the Cushman & Wakefield who prepared and signed this report.

"Hirer" refers to the requesting addressee of this report.

The work leading up to this report was based on the following assumptions and conditions:

- The information contained in the report or on which it is based were obtained from surveys of parties that the appraiser assumed to be reliable and accurate. The hirer and / or administration of the enterprise may have provided some of this information. Both the appraiser as the C&W cannot be held responsible for the accuracy or completeness of such information, including the accuracy of estimates, views, dimensions, sketches, exhibitions and factual issues. Any authorized user of the report is bound to bring to the attention of Cushman & Wakefield any inaccuracies or errors that he believes exist in this report;
- The areas of land and / or the built area were based on information provided by the hirer and / or the administration of the project, as mentioned in this report and has not been measured "in situ" by the appraiser;
- The documents were not analyzed from the legal point of view, so we do not assume responsibility for any legal description or any issues that are of a legal nature or require legal experience or expertise as well as a real estate appraiser;
- Studies and structural framework analysis for existing buildings and their foundations have not been conducted;
- Likewise, we did not test or calibrate any type of equipment or facilities existing on the property and required for proper operation, but assumed all to be in perfect running order;
- The physical conditions of the improvements considered by the report are based on visual inspection performed by the appraiser. Cushman & Wakefield assumes no responsibility for the strength of structural components or the operating condition of mechanical equipment, plumbing or electrical components;
- To value calculation purposes, we consider that the property does not have any alienated title and any charge record or due to the same liability lawsuit;
- Value feedbacks are founded only to the date indicated on or from the report. From this date changes in external factors and market or own property could significantly affect the conclusions of the report;
- We stress that the values determined in our appraisal are based on Appraisal Engineering methodology, procedures and criteria, and are not intended as exact figures but rather as the most likely amount for which the property would be willingly and knowingly traded on a particular reference date, given the prevailing market conditions;

- The Appraisal Report will be intended for public use. In the publication, dissemination or reproduction of any information from this study the source should always be cited, failing which the hirer be liable civilly and criminally violated by copyright. The publication or disclosure shall be made in its entirety, is not allowed under any circumstances to transfer or partial publication;
- Unless agreed the appraiser should not be called to testify in any court or administrative proceedings on the property or evaluation;
- The Report assumes (a) the responsible ownership and property from competent management, (b) there are no hidden conditions or not apparent from the property, underground or structures that makes the property more or less valuable (assumes no liability for such conditions or organize engineering studies that may be needed to discover them), (c) full compliance with all applicable federal, state, local and applicable zoning unless the breach has been named, defined and considered in the report, and (d) all necessary permits, certificates of occupancy and other governmental permits have been or may be obtained and renewed for any use that is based on the value of opinion contained in this report;
- The gross profit potential provided in the report, if any, may have been based on location summaries provided by the owner or third parties. The report does not assume any responsibility for the authenticity or completeness of the location information provided by third parties. Cushman & Wakefield recommends a legal advice concerning the interpretation of the rental rules and contractual rights of the parties;
- Provisions of future revenues and expenses, if any, are not predictions of the future. Rather, they are the best views of the appraiser based on his / her knowledge of current market thinking on future income and expenses. The appraiser and the Cushman & Wakefield offer no warranty or representation that these forecasts will materialize. The housing market is in constant fluctuation and change. It is not for the appraiser to predict or in any way guarantee the conditions for a future real estate market, the appraiser can only reflect what the investment community, from the reporting date, provides for the future in terms of rental rates, expenses and supply and demand;
- Studies and environmental reports and soil contamination are not part of the scope of this work;
- Unless otherwise stated in the report, the existence of potentially hazardous or toxic materials that may have been used in the construction or maintenance of the improvements or may be located in or on the property was not considered in the calculation of its value. These materials may adversely affect the value of the property. The appraisers are not qualified to detect such substances. Cushman & Wakefield recommends that an environmental specialist should be consulted to determine the impact of these issues in the opinion of value;
- Unless otherwise stated, we did not get a soil analysis report. However, we assume that the soil load bearing capacity is sufficient to support the existing structure (s) and / or proposed. There was no evidence of the contrary during our inspection of the property. The drainage appears to be adequate;
- Unless otherwise stated, we have not received any report and do not know of any easements, encroachments, or restrictions that may negatively affect the use of the property. However, we recommend a research to determine if any adverse condition exists;
- Unless otherwise stated, it was not provided a survey of the swamp areas, swamp or spring. If engineering data in the future reveal the presence of these regulated areas, this could affect the value of the property. We recommend a research by a professional engineer with experience in this field;
- Unless otherwise specified, do not inspect the roof or made a detailed inspection of mechanical systems. The appraisers are not qualified to give an opinion on the suitability or condition of these components. We recommend hiring an expert in this field, if detailed information is required;

- If, with the prior approval of Cushman & Wakefield, the report is submitted to a lender or investor, that party should consider this report only as a factor in its overall investment decision, together with its independent investment considerations and underwriting criteria. Cushman & Wakefield points out that this lender or investor should understand all the extraordinary and hypothetical conditions and assumptions and limiting conditions incorporated into this report;
- All descriptive information of the property and equipment were provided by the customer and / or the administration of the project and have not been verified "in situ", we consider true as their characteristics and quantities;
- For the calculations of the values we consider that the areas reported by the client and / or the enterprise administration are legitimate, and which meet the current reality of the property;
- We did not have access to the lease agreement for all of the mall shops to validate them. We used the amounts listed in the rent roll provided by the client. We took these to be true and accurate;
- Due diligence over the rent roll through spreadsheet received by the property management is not part of the scope of this assignment;
- Compliance with valuation standards: The methodology and procedure adopted by CW are compliant with the Brazilian Standards for property appraisal – NBR 14653 of ABNT-, as well as those set by the RICS (Royal Institution of Chartered Surveyors) of United Kingdom and by IVSC (International Valuation Standards Committee), which are internationally recognized and utilized for property appraisal and related matters. Particularly for this assignment we will observe the IAS 40 (Investment Property) and IFRS 13;
- Intended use: The main objective of C&W in this work is to provide assessment services to determine market value of properties mentioned in the previous item for sale and purchase accounting effect / as well as for preparation of IFRS financial statements of entities that directly or indirectly hold the appraised properties; and
- When using this Report parties do agree that the link to use all Assumptions and Disclaimers, as well Hypothetical and Special Conditions contained herein;
- **The assessment was considered sales charge on assets to 2.5% of net operating income of the 11th year of the projected cash flow that serves as the basis for calculating the perpetuity;**
- **The projected cash flow starts on January 1st, 2021;**
- **Discounted cash flow calculations use as inflation 3.75% in 2022, 3.50% in 2023 and 3.25% in 2024. For the years beyond 2024, we used the same rate by analogy;**
- **As requested by the client, we considered a satelization project starting in January 2021. For this project, we assumed the expenses and revenues according to the client projections;**
- **As requested by the client, we did not consider the taxation of PIS / COFINS (3.65% of EGR) in the discounted cash flow, Property Management Fee and Leasing & Commissions.**

LOCATION

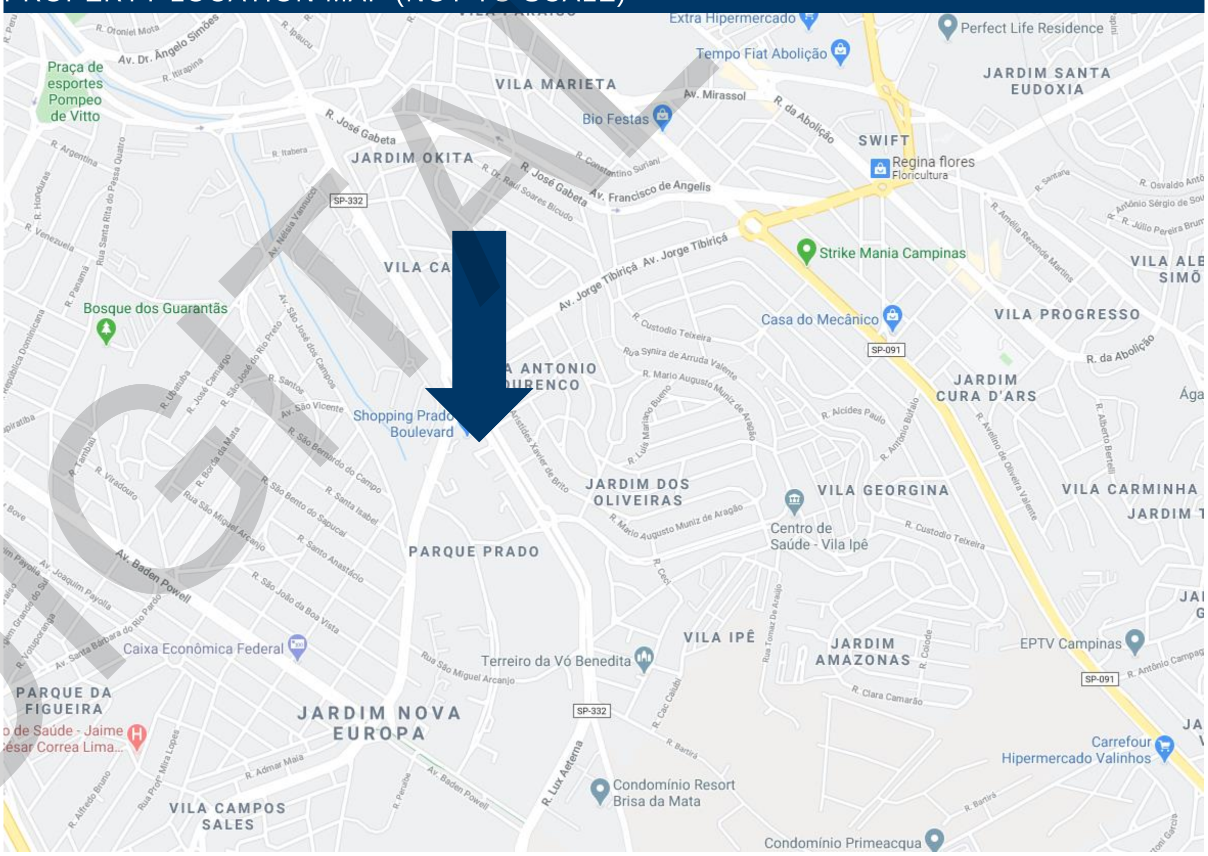
SITUATION

The property is located at 2,480 Washington Luis avenue, in the city of Campinas, state of São Paulo.

As reference points, below is the distance between the study property and other landmarks:

- 2.7 kilometers from the Campinas City Hall, Campinas, SP;
- 4.1 kilometers from the Museu de História Natural de Campinas, SP;
- 4.2 kilometers from the Moisés Lucarelli Stadium, Campinas, SP;
- 4.5 kilometers from downtown Campinas, SP;
- 5.0 kilometers from the Campinas Bus Station;
- 8.0 kilometers from the city of Valinhos, SP;
- 9.0 kilometers from Shopping Iguatemi Campinas;
- 12.5 kilometers from Shopping Parque Dom Pedro;
- 20.0 kilometers from the city of Vinhedo, SP; and
- 21.0 kilometers from Viracopos International Airport.

PROPERTY LOCATION MAP (NOT TO SCALE)



SOURCE: GOOGLE MAPS EDITADO POR CUSHMAN & WAKEFIELD

NEIGHBORHOOD OCCUPATION

The study property is located in an area of mixed occupancy, with single-family homes as well as multiple family residential buildings. There are also local trade and service establishments of normally average to high-end standard.

This area started to develop in the eighties, and development continues to this day.

The immediate surroundings have both high-rise and horizontal gated residential communities.

PUBLIC SERVICES AND UTILITIES

The neighborhood has all of the utilities available in the city, such as power, roads, mass transport, telephone, solid waste collection, drinking water, sewage collection, rainwater collection, mail and road cleaning and conservation.

Washington Luis Avenue, in the portion where the property is located, is one-way, two-lane road. The road carrying traffic in the opposite direction is a three-way road (one of them a bus lane) known as Lux Aeterna street. Lanes are marked, and the road is in fair condition. The traffic load is moderate; the road is paved with curbs, gutters, sidewalks and rainwater drainage systems.

TRANSPORTATION

In terms of public transportation, the property is served by regular bus lines that connect the neighborhood to downtown and other parts of the city.

Washington Luis Avenue connects the neighborhood to Rodovia Anhanguera and a number of other roads that connect to the downtown area.

Viracopos Airport, in the city of Campinas, is about 21 kilometers from the study property, 35 minutes ride out of rush hour. Congonhas Airport in São Paulo is about 100 km away, and it takes about 90 minutes to reach by car, outside of rush hour.

DESCRIPTION OF THE PROPERTY

Shopping Prado is a Regional Shopping Mall located in Campinas, it first opened its doors in April 2005.

The total built area is 20,010.55 sqm and GLA (Gross Leasable Area) is 9,776.71 sqm. For the cash flow, we considered the rent roll sent to valuation, totaling 10,409.04 sqm of GLA.

LAND

Below are the main characteristics of the land on which the shopping mall was built:

- Topography: Flat;
- Shape: Irregular;
- Size: 15,915.47 sqm.

APPROXIMATE LIMITS OF THE PROPERTY

SOURCE: GOOGLE EARTH EDITADO POR CUSHMAN & WAKEFIELD

Note: The plot area was supplied by client and/or development administration and was not checked "in loco".

BUILDINGS AND IMPROVEMENTS

It is a Regional Shopping Center, comprised of 02 basements, ground floor and 03 upper levels with main characteristics as described below:

SUMMARY OF EXISTING IMPROVEMENTS		
ITENS	CHARACTERISTICS	
Composition:	2nd Basement:	Parking, employee and technical areas
	1st Basement:	Parking, storage and technical areas.
	Ground Floor:	Parking, loading/unloading docks, food court and mall.
	1st Floor:	Administration, control rooms, commercial offices and rest rooms.
	2nd Floor:	Part of the movie theater and roof of part of Block A.
	3rd Floor:	Part of the movie theater and circulation.
Structure:	Concrete.	
Facade:	Information not provided.	
Sash Window:	Tile, waterproofed slab, marquise.	
Vertical Access:	Information not provided.	
Air Conditioning:	Information not provided.	
Fire Protection System:	Individual for each shop. The shopping mall has no central cooling system.	
Lighting:	Powered and natural.	
State of Repair:	New and Regular (b).	
Age:	7 years.	
Estimated Useful Life:	60 years	
Remaining Life:	53 years.	

SOURCE: SHOPPING PRADO ADMINISTRATION; CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

The internal areas are finished as follows:

MAIN FINISHING			
ENVIRONMENT	FLOORING	WALL	CEILING
Mall/ Circulation/ Social:	Portuguese mosaic.	Latex paint.	Plaster ceiling and latex paint.
Wet Areas:	Porcelanate.	Latex paint.	Not informed.
Parking Garage / Access Ramp:	Concrete.	Latex paint.	Concrete slab.

SOURCE: SHOPPING PRADO ADMINISTRATION; CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

AREA CHART

The mall has the following table of areas:

AREA DISTRIBUTION	
AREAS	AREA (SQM)
Land Area (sqm)	15,915.47
Built Area (sqm)	20,010.55
Gross Leasable Area - GLA (sqm)	10,119.89 (rent roll provided by the client).

SOURCE: SHOPPING PRADO ADMINISTRATION; CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

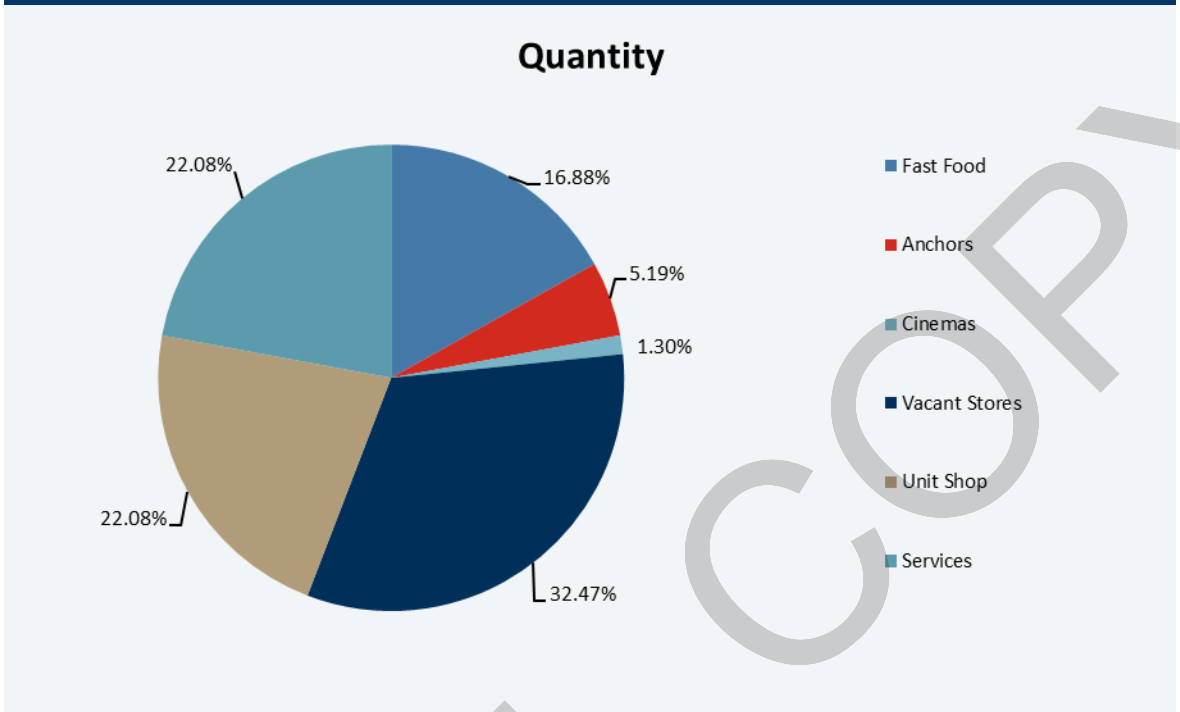
TABLE OF GLA (GROSS LEASABLE AREA)

Shopping Prado's GLA is split as shown in the following table and chart:

GLA CHART		
SEGMENT	NUMBER	GLA (SQM)
Fast Food	13	765.98
Anchors	4	5,075.46
Cinema	1	898.12
Vacant Store	25	1,122.89
Unit Shops	17	991.56
Services	17	1,265.88
TOTAL	77	10,119.89

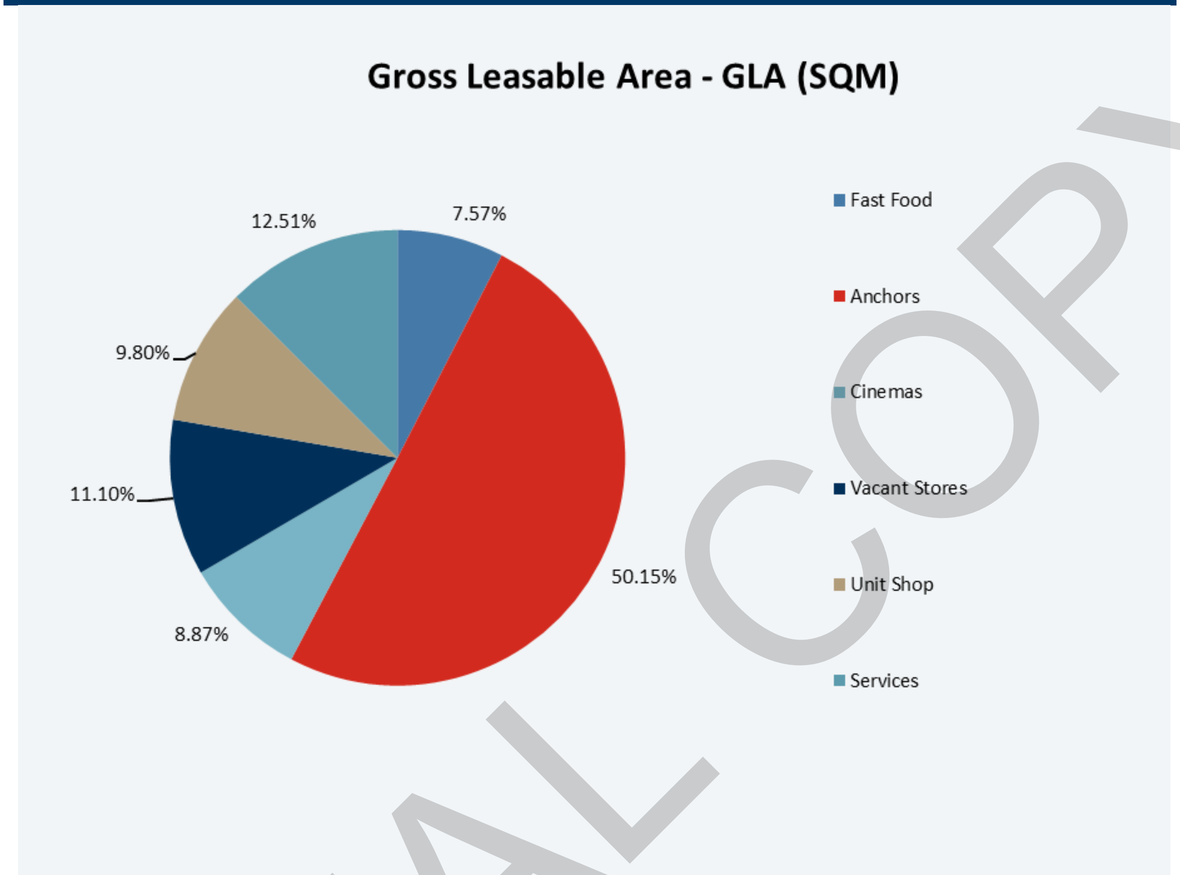
SOURCE: SHOPPING PRADO; CUSHMAN & WAKEFIELD – VALUATION & ADVISORY.

MALL SHOP SEGMENT BREAKDOWN



SOURCE: SHOPPING PRADO, CUSHMAN & WAKEFIELD – VALUATION & ADVISORY.

SHOP SEGMENT SHARE OF SHOPPING CENTER GLA



SOURCE: SHOPPING PRADO, CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

PARKING

Shopping Prado's parking lot can be reached from Washington Luis avenue and Bruno de Gasperi avenue. There are 284 parking spaces.

DOCUMENTATION, TAXES AND FEES

REGISTRATION OF PROPERTY

According to the documents that were provided, the property is registered with the “3rd Official de Registro de Imóveis, Comarca de Campinas” under several registration numbers.

URBAN PROPERTY TAX – IPTU

The property IPTU 2019 was provided.

OTHER

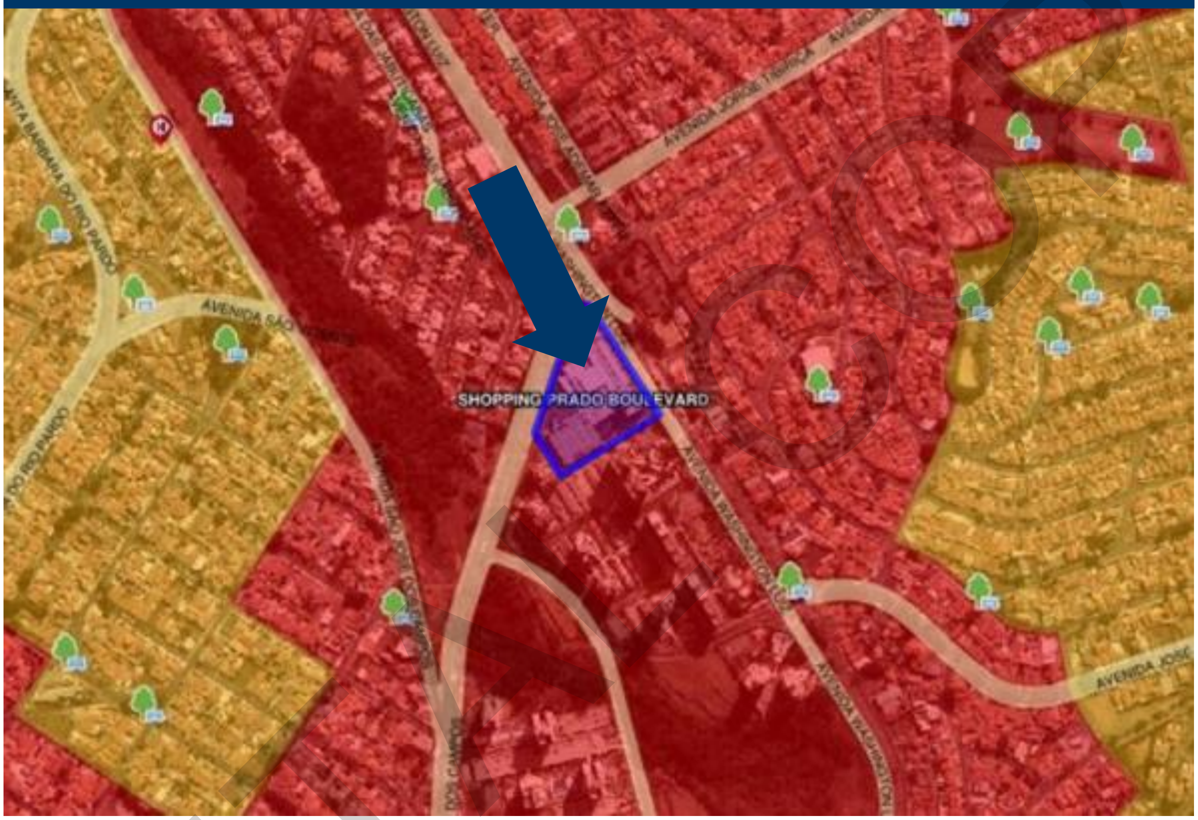
It was provided excel files with the list of stores (rent roll), with its respective discounts, vacancy history, default and DREs.

Note: For purposes of calculating the value, we are considering that the property has not sold any title and not on any register of charges due to action or responsibility thereof.

URBAN PLANNING

In Campinas, land use and occupancy are governed by Law 189 of January 8th, 2018. According to this legislation, the property is located within ZC2 (Zona de Centralidade 2).

APPROXIMATE LOCATION OF THE PROPERTY ON A ZONING MAP



SOURCE: CAMPINAS CITY HALL

RESTRICTIONS REGARDING USE

City, state and federal restrictions that generally apply to property and land use include the following:

- Restrictions regarding use;
- Restrictions regarding occupancy;
- Restrictions regarding building height; and
- Restrictions regarding computable and non-computable areas.

Restrictions on use have to do with the activities that may exist in a given area. In other words, if the property may be used for residential, commercial, industrial or other activities.

Restrictions on occupancy have to do with physical issues such as setbacks from the street and neighbors, maximum built area, how much of the land can be built on, height limits, size of lot, minimum percent area taken up by streets, green and institutional areas, etc.).

Restrictions on height define how high buildings in a given neighborhood may be and are specific for each zone.

Computable and non-computable areas have to do with the sum of all areas in a given building. The gross area is the total built-up area, which is split into computable area, which is the area that goes into calculating the plot ratio (PR), and non-computable area, which is the sum of all areas that do not go into calculating the plot ratio.

Occupancy restrictions are based on two following classical concepts:

- Coverage ratio: this is the ratio between the building footprint (area occupied by the horizontal projection) and the site area;
- Plot ratio: this is the ratio between the computable gross floor area allowed for that property and the total area of the site;
- Height limitation: this is the maximum height allowed for buildings according to applicable law and zoning restrictions for its location; and
- Computable and non-computable areas: loosely speaking computable area is the built area; however, some built areas do not go into this calculation.

RESTRICTIONS RELATED TO ZC2 - ZONA DE CENTRALIDADE 2

RATIOS:

- Coverage Ratio: Depends of specific project;
- Plot Ratio: 2.0 (maximum) - meaning that the built area may not exceed the area of the site.

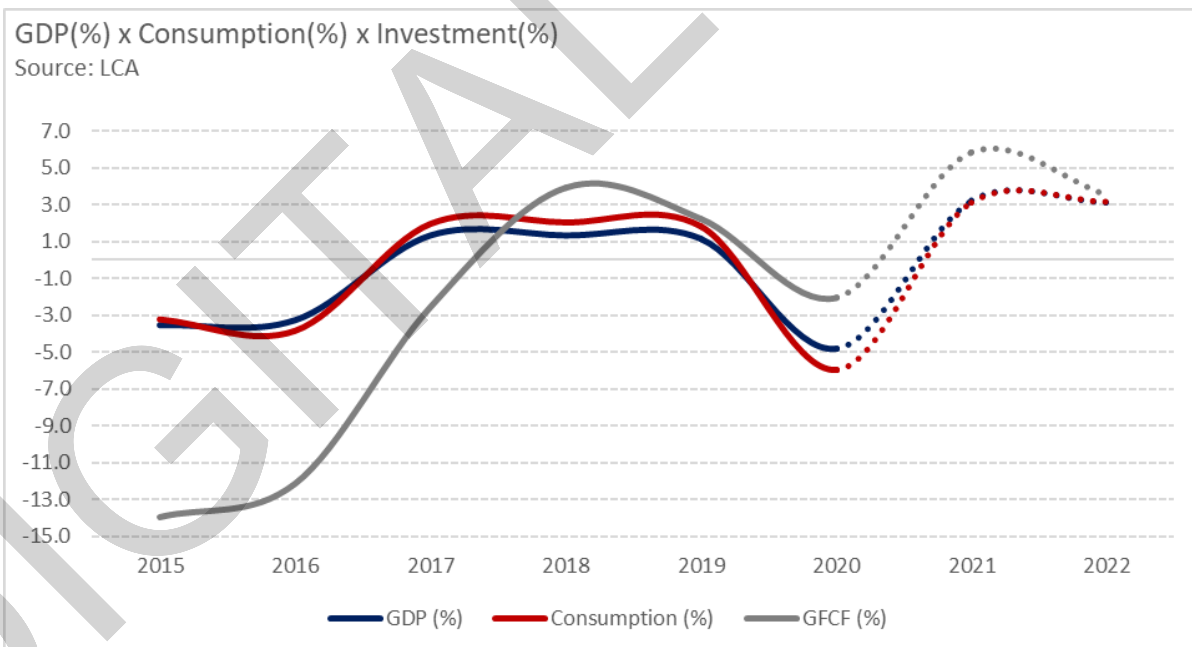
BRAZIL OVERVIEW

ECONOMIC SCENARIO

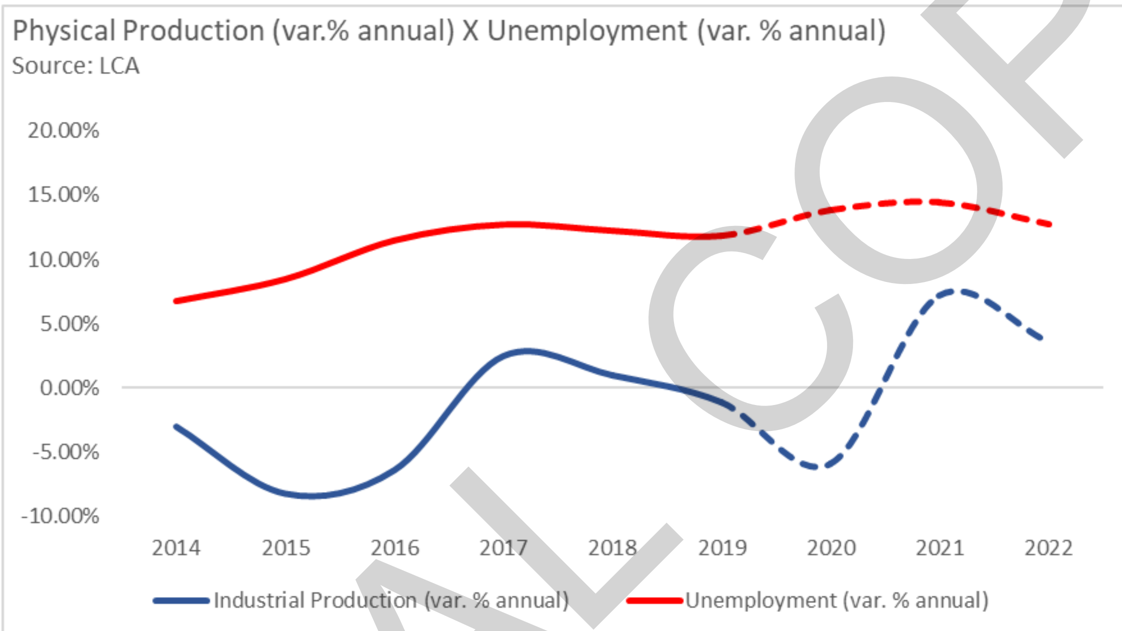
Unlike the first quarter of 2020 that felt the effects of the health crisis caused by the new coronavirus only in the last fortnight, the second quarter faced the worst phase of the pandemic throughout its period. Given this scenario, the Gross Domestic Product decreased 9.7% in the second quarter compared to the previous period, while in the first half of 2020 there was a reduction of 5.9% concerning the same period in 2019.

However, despite the adverse scenario in the first two quarters, throughout the third quarter, business and consumer expectations indicate an accelerated recovery. The Consumer Confidence Index calculated by FGV in September had already recovered 70% compared to April, which had been the worst level in the series. And the Industrial Entrepreneur Confidence Index and the Trade Confidence Index, recovered by 56% and 64% respectively concerning the same period.

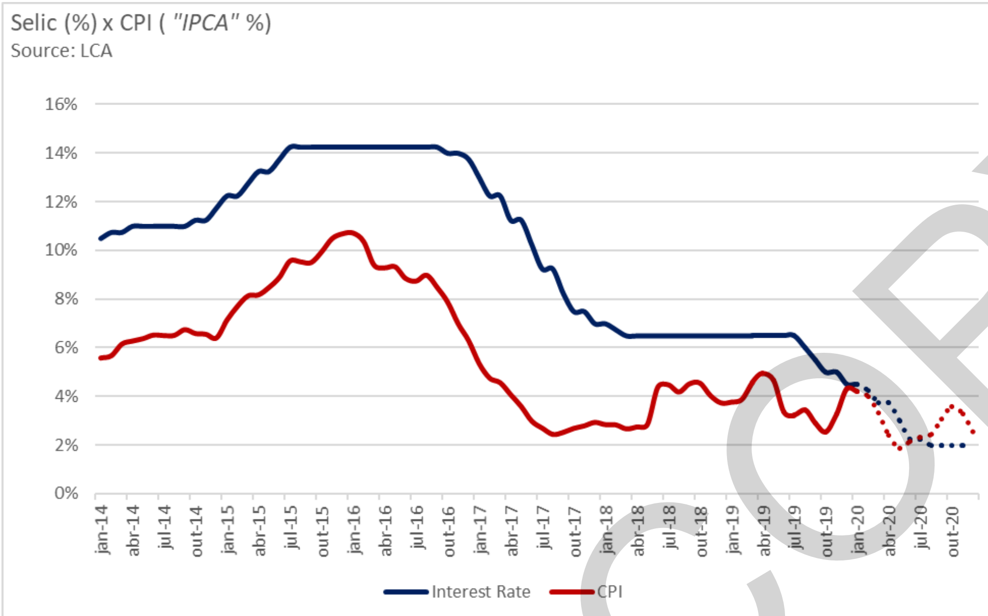
In the other hand the Brazilian stock market, between January and August, raised approximately US $ 12 billion involving 47 offers of new shares, representing a 33% growth in financial volume concerning the entire year of 2019. Real estate investments, in turn, despite having presented a 30% reduction in the number of transactions between January and September concerning the same period of the previous year, presented an increase of 7.7% in the financial volume, indicating an increase of investor appetite for premium assets and with lower risks.



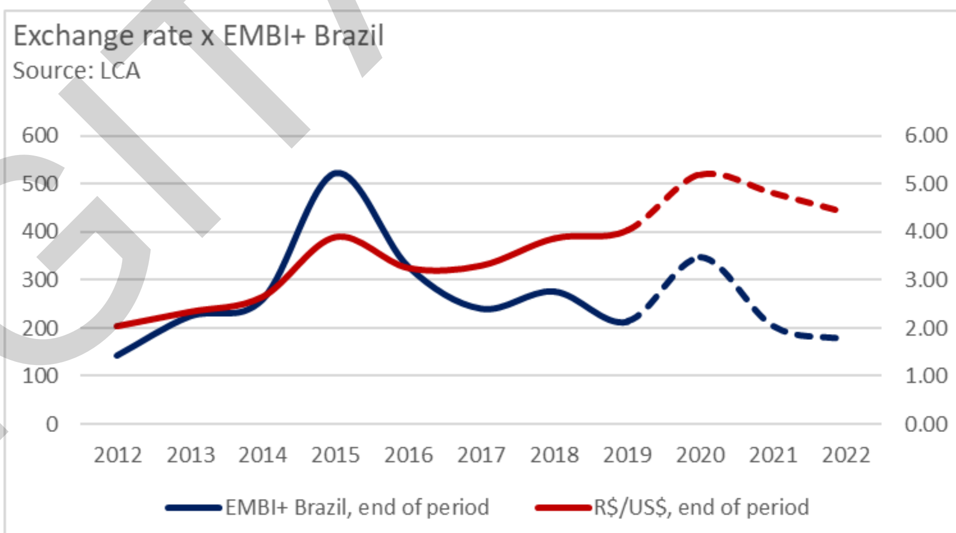
The Gross Domestic Product, which in 2019 had already been less than expected by the market, due to the impacts caused by the Brazilian political instability and the trade war between the USA and China, which is Brazil's largest trading partner. At the beginning of 2020, was forecasted a growth of 2.3%, however, the health crisis caused by the new coronavirus caused the projection to be revised to -4.8%. As well as all other macroeconomic indicators that have also been negatively revised.



Unemployment, which at the end of 2019 had registered a rate of 11.87%, was negatively revised to 13.80% in 2020, is the highest rate in the historical series started in 2012. Notwithstanding the Physical Production of General Industry, which has already presented in 2019 a retraction of -1.1%, should suffer another strong retraction of -5.93% in 2020.



Given the adverse scenario caused by the COVID-19 pandemic, the central bank reduced the Selic rate by 250 bps since the beginning of the year, reaching a level of 2% per year. In line with other countries such as the USA and the United Kingdom, which also opted to increase monetary stimulus to minimize the effects of the health crisis. However, even with the basic interest rate at the lowest historical level, household consumption as a percentage of GDP should decrease by approximately 6% in 2020, and consequently, the IPCA, projected for 2020 is 2.54%, below the Central Bank's target. 4%, with deviations of up to 150 bp up or down.



In this scenario of strong global economic deterioration, Brazil has been recording a record of capital flight to more solid economies, between January and August the Central Bank recorded a net outflow of US $ 15.2 billion, a record level since 1982. As a result of this search for investments with less risk, the Brazilian Real depreciated against the USD, projections for the end of 2020 are R$ 5.20. This devaluation of the Brazilian Real is accompanied by an increase in the country risk (EMBI +), which should end the year with 347 points, compared to 214 at the end of 2019.

FORECAST

Source: Cushman and Wakefield and LCA (08/10/2020)

Brasil	2015	2016	2017	2018	2019	2020	2021	2022
PIB TOTAL (var, %)	-3.5	-3.3	1.3	1.3	1.1	-4.82	3.20	3.08
Taxa de Desemprego, %	8.51	11.5	12.73	12.26	11.87	13.80	14.46	12.76
PMC Restrita (Volume, %)	-4.3	-6.3	2.1	2.3	1.9	0.06	3.06	2.82
PIM-PF (var, %)	-8.2	-6.4	2.5	1	-1.1	-5.93	7.20	3.55
IPCA, %	10.67	6.29	2.95	3.75	4.31	2.54	3.21	3.07
IGP-M, %	10.54	7.17	-0.52	7.54	7.3	18.67	4.22	4.21
IPA-M, % (60%)	11.19	7.63	-2.54	9.42	9.09	25.27	4.42	3.68
IPC-M, % (30%)	10.23	6.26	3.13	4.12	3.79	3.51	3.62	3.55
INCC-M, % (10%)	7.22	6.34	4.03	3.97	4.13	7.74	5.07	5.66
Selic, final de período %	14.25	13.75	7	6.5	4.5	2.00	2.50	4.25
R$/US$ (final de período)	3.9	3.26	3.31	3.87	4.03	5.20	4.80	4.40
EMBI+ Brazil (final de período)	523	328	240	276	214	347	203	177

This report was elaborated by Cushman & Wakefield with data from LCA Consulting.

THE SHOPPING CENTER MARKET

MAIN SHOPPING MALL TRANSACTIONS

The most recent shopping mall sale and/or equity transactions in Brazil for which there is publicly available data are:

- October 14th, 2020 – The Vinci Partners Group announced the conclusion of the acquisition process of a 17.26% steak of the Ribeirão Shopping. The total value of the acquisition, according to the announcement, was R$ 150.6 million.
- September 29th, 2020 – The Vinci Partners Group announced the conclusion of the acquisition process of 98.5% of the Praia da Costa mall, located in Vila Velha, Espírito Santo. The transaction was R$ 194 million.
- February 14th, 2020 –The BR Malls Group announces a 38.4% increase in it's the share of Shopping Piracicaba for the amount of R$ 202.3 million, now having a total of 75.3% of the GLA in the Shopping Piracicaba.
- February 5th, 2020 – Vinci Shopping Centers acquires 7.32% of fraction of Shopping ABC, for R$ 52 million. With this acquisition, the Fund now has stakes in 13 shopping centers, totalizing more than 105 thousand sqm of gross leasable area.
- February 3rd, 2020 – The BR Malls Group announces the purchase of an ideal fraction of 5.0% of Shopping Vila Lobos' total GLA for the amount of R$ 48.3 million. With the purchase, BR Malls now has 63.4% of the project's total GLA.
- January 31st, 2020 – The Hedge Brasil Shopping FII acquired 15% of Shopping Villa Lobos, in a transaction with a volume of approximately R$ 145 million.
- January 21st, 2020 – Multiplan announces the completion of the acquisition of a 50.10% stake in Diamond Mall from the former owner Clube Atlético Mineiro, a transaction that was disclosed in September 2017.
- January 9th, 2020 – HIS Malls completes the acquisition of 100% of the shares of REC Via Verde S.A., a company that owns 96.67% of Via Verde Shopping, in the city of Rio Branco, Acre, for the amount of approximately R$ 225 million.
- January 7th, 2020 – Iguatemi announces the acquisition of 47% of Maiojama Participações for R$ 123 million. With the acquisition, Iguatemi now holds a direct and indirect total interest of 42.58% in the Iguatemi Porto Alegre, Praia de Belas Shopping Center and Shopping Iguatemi Caxias.
- January 3rd, 2020 - XP Malls completes the acquisition of 94% of the quotas of IRB Internacional FII for the amount of R$ 308 million, therefore, acquiring 18.71% of Internacional Shopping in Guarulhos.
- December 10th, 2019 – Hedge Brasil Shopping FII purchased 25% of Shopping West Plaza, a transaction with a volume of R$ 72.5 million.
- December 9th, 2019 - Hedge Brasil Shopping FII acquired 45% of Shopping West Plaza, a transaction with a volume of R$ 130.5 million.
- December 9th, 2019 - Multiplan announces the exercise of the preemptive right of buying 2.19% of the GLA of Ribeirão Shopping, located in Ribeirão Preto, for the amount of R$ 28.7 million.
- November 28th, 2019 – The Iguatemi group announces the acquisition of 20% of the Praia Belas Shopping Center and 15% of the Esplanada Shopping Center, with a value of R$ 260 million.

- November 19th, 2019 – Multiplan announces that it has bought of 12% interest in Parkshopping, located in Brasilia, for R$ 225 million. Parkshopping has 4,045 parking spaces and has 53,400 sqm of GLA spread over 3 floors.
- November 14th, 2019 – HBR Realty sold to Hedge Brasil Shopping FII a 15% stake in Suzano Shopping, a transaction of R $ 46,500,000.00.
- November 6th, 2019 – Malls Brasil Plural informs the acquisition of a fraction corresponding to 25.00% of Suzano Shopping, which is located in the city of Suzano, São Paulo, for R$ 77.5 million. Suzano Shopping has 19,583 sqm of GLA and 1,900 parking spaces.
- October 25th, 2019 – Malls Brasil Plural announces the acquisition of an ideal corresponding to 18.0524% of Shopping Barra, which is located in Salvador, Bahia, for R $ 116 million. Shopping Barra has 50,589 sqm of GLA and receives approximately 1.5 million customers per month.
- October 8th, 2019 – Vinci Shopping Centers announces the purchase of 100% of Prudenshopping, located in Presidente Prudente, state of São Paulo, for R$ 199 million. With the acquisition, the fund will have a stake in 11 shopping malls, totaling approximately 95,000 sqm of GLA.
- September 16th, 2019 – Vinci Shopping Centers sells 6.67076% of Shopping Tacaruna for R$ 42.1 million. After the sale, the fund remains with 10.0% of the mall.
- September 13th, 2019 – HSI Malls concludes the acquisition of 93.5% of the shares of REC Saphyr, 61.8% owner of Super Shopping Osasco for R$ 88.9 million, and now holds 67,085 sqm of owned GLA.
- August 9th, 2019 – XP Malls celebrates the purchase of a fraction of 10.0% of Plaza Sul Shopping, located in the city of São Paulo, for R $ 55, 29 million reais. Opened in April 1994, the mall currently has 207 operations, including restaurants, anchors and cinema.
- August 2nd, 2019 – BR Malls sells its stake in Ilha Plaza, Casa & Gourmet Shopping, Shopping Plaza Macaé, Londrina Norte Shopping, Osasco Plaza Shopping, Shopping Contagem and Capim Dourado malls to BTG Pactual, for R $ 696.4 million.

THE SECURITIES MARKET

TRADED SHOPPING MALL COMPANIES - REGULAR STOCK

Shopping mall specialization continues to result in new formats and strategies that parallel market performance.

This type of growth aims to fight for consumer attention, and a diversity of measures have been taken to revitalize the shopping mall industry.

The groups active in shopping malls work alone or in association with administrators and developers. Currently the main shopping mall groups are Multiplan, BR Malls, JHSF, Iguatemi, Aliansce-Sonae and General Shopping.

While other groups also have shopping malls in their portfolios, largely these are more investment managers, with less influence on the day-to-day operation of the malls they have invested.

SHOPPING CENTERS – RIF

RIFs (Real Estate Investment Funds) have been widely used to securitize shopping mall projects. The first was Shopping Pátio Higienópolis, partially purchased by a RIF in 1999. Recently such funds have become more important, as interest rates and the returns on traditional investments are lower.

The following table shows some shopping centers with RIFs registered with the securities and exchange committee (CVM) as of October 2020.

RIF'S REGISTERED AT CVM

	FUND'S NAME	EQUITY VALUE (R$)
1	HEDGE BRASIL SHOPPING FUNDO DE INVESTIMENTO IMOBILIÁRIO	2,259,202,549.96
2	FII SHOPPING PARQUE D PEDRO	2,048,873,888.95
3	XP MALLS FUNDO DE INVESTIMENTO IMOBILIÁRIO FII	2,034,555,661.63
4	VINCI SHOPPING CENTERS FUNDO DE INVESTIMENTO IMOBILIÁRIO - FII	1,657,085,478.44
5	HSI MALLS FUNDO DE INVESTIMENTO IMOBILIÁRIO	1,557,925,627.43
6	FII ANCAR IC	1,567,696,480.19
7	FUNDO DE INVESTIMENTO IMOBILIÁRIO GRAND PLAZA SHOPPING	1,073,678,206.51
8	FII ELDORADO	916,614,549.11
9	FII PARQUE DOM PEDRO SHOPPING CENTER	830,883,815.84
10	MALLS BRASIL PLURAL FUNDO DE INVESTIMENTO IMOBILIÁRIO	802,691,974.00
11	FUNDO DE INVESTIMENTO IMOBILIÁRIO VIA PARQUE SHOPPING - FII	597,566,107.39
12	FUNDO DE INVESTIMENTO IMOBILIÁRIO SHOPPING PÁTIO HIGIENOPOLIS	479,275,317.76
13	FUNDO DE INVESTIMENTO IMOBILIARIO SHOPPING LIGHT	291,658,031.99
14	GENERAL SHOPPING ATIVO E RENDA FUNDO DE INVESTIMENTO IMOBILIÁRIO	279,671,538.97
15	HEDGE SHOPPING PARQUE DOM PEDRO FUNDO DE INVESTIMENTO IMOBILIÁRIO	278,683,970.44
16	FII PATEO MOINHOS DE VENTO	268,829,496.28
17	IPS PB - FUNDO DE INVESTIMENTO IMOBILIÁRIO - FII	266,044,421.97
18	FII SHOPPING JARDIM SUL	229,147,723.80
19	LA SHOPPING CENTERS FUNDO DE INVESTIMENTO IMOBILIARIO	210,479,679.79
20	FUNDO DE INVESTIMENTO IMOBILIÁRIO VOTORANTIM SHOPPING	207,316,464.59
21	HEDGE ATRIUM SHOPPING SANTO ANDRÉ FUNDO DE INVESTIMENTO IMOBILIÁRIO	189,258,865.44
22	FUNDO DE INVESTIMENTO IMOBILIÁRIO POLO SHOPPING INDAIATUBA	156,468,144.95
23	FUNDO DE INVESTIMENTO IMOBILIÁRIO CENTRO TEXTIL INTERNACIONAL	137,797,460.51

SOURCE: RIF REPORTS; (*) CVM – BASE DATE OCTOBER 2020

A traditional marketing tool often associated with an initial offer of quotas in the Real Estate Investment Fund is to include a minimum guaranteed yield for a specific period. As some assets are just starting to mature, securitization companies take over the risk for the initial years so that, there will be no real loss for investors. This offers the advantage of faster share distribution and the capital is recovered as if the project were operational.

MARKET ANALYSIS

The expertise of the entrepreneur shopping centers in Brazil is a market differentiator for the growing development of this sector in the country. The results maintain a continuous rise due to increasing trends over the past few years. Since the mid-nineties, Brazilian shopping centers have been reviewing their layouts, adopting new configurations that help drive up demand and consumption, using new models created for this segment in Brazil.

Currently, Brazil has 584 shopping centers, employing over 1.1 million people. The current Gross Leasable Area (GLA) in the country is approximately 16.91 million sqm.

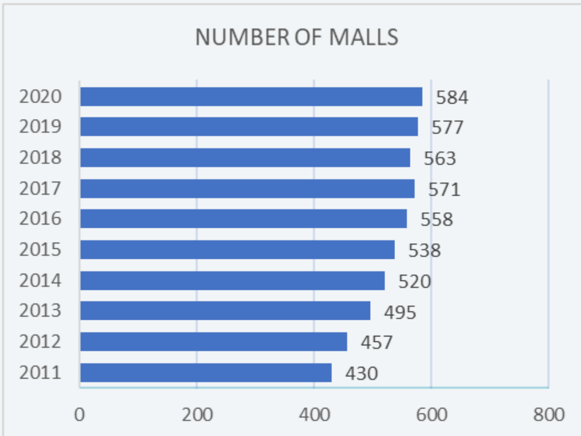
SECTOR NUMBERS

According to ABRASCE (Brazilian Association of Shopping Centers), the current status of the National Market Shopping Center is as follows (base date in December 2020):

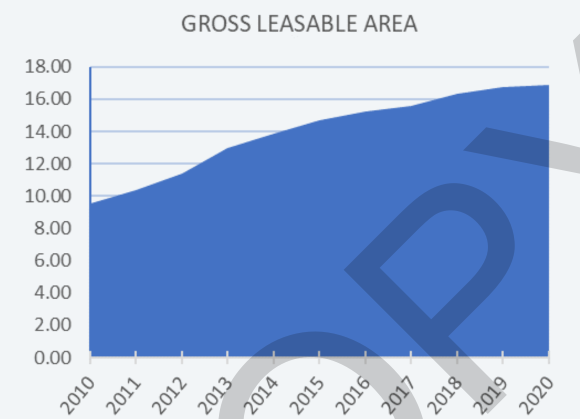
SECTOR NUMBERS	
ITEM	STATISTICS
Total of Malls	584
GLA (Millions of sqm)	16.912
Parking Spots	979,397
Total of Stores	105,592
Anchor Stores	3.5%
Megastores	4.3%
Unit Shops	62.0%
Leisure	1.4%
Food	14.9%
Service Stores	8.6%
Movie Theater Rooms	2,900
Jobs Created	1,102,171
Revenue in 2019 (BRL Billion)	192.84
Flow of People (Million/month)	502

SOURCE: ABRASCE (MONTH OF REFERENCE: DECEMBER/2020)

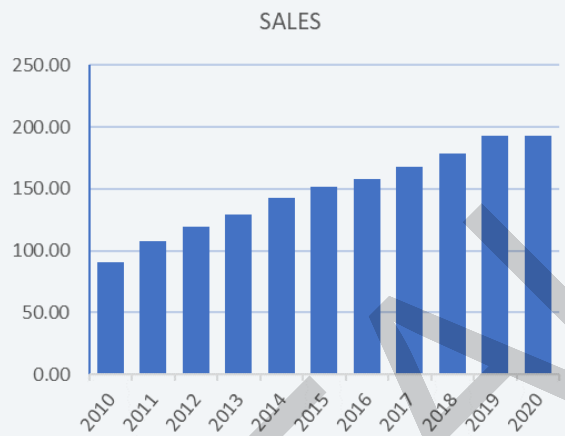
The graphs below illustrate the annual evolution of the segment according to the number of projects and Total Gross Leasable Area (GLA), between 2010 and 2020.



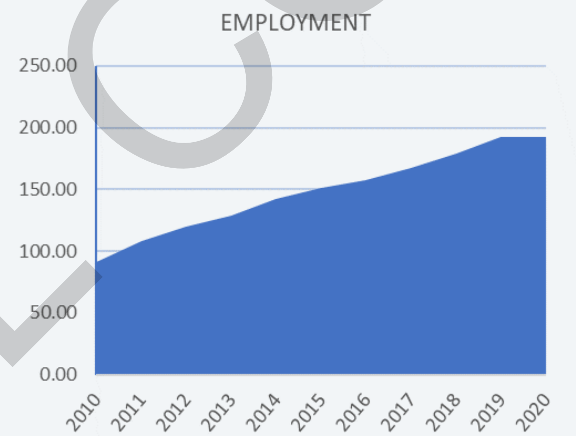
SOURCE: ABRASCE



SOURCE: ABRASCE



SOURCE: ABRASCE

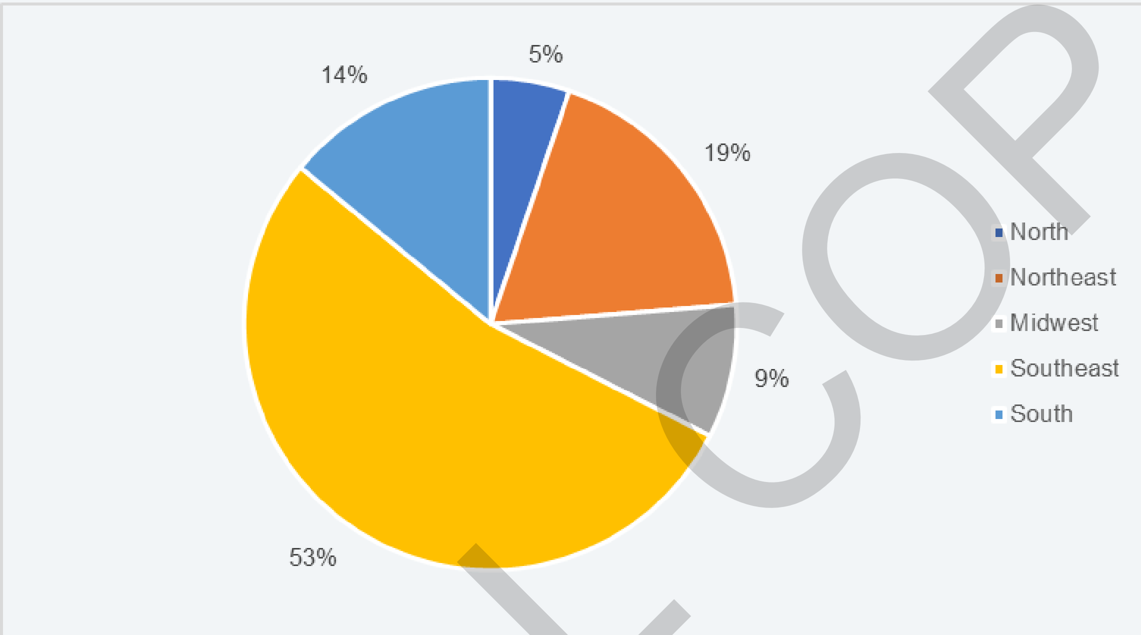


SOURCE: ABRASCE

SOUTHEAST REGION

According to ABRASCE, the Southeast Region contains 53.46% of the total Brazil GLA, as shown in the following chart:

GLA DISTRIBUTION BY REGION (%)



SOURCE: ABRASCE (MONTH OF REFERENCE: DECEMBER / 2020)

The Southeast Region retail market has 302 shopping centers representing 9,040,688.00 sqm. of GLA.

COMPETITORS

As the local market available, the closest competitor is:

- Campinas Shopping: Located at 940 Teixeira de Camargo Jacy street, Jardim do Lago - Campinas. Opened in December 1994 and receives a flow of 1,190,000 people/month. The internal space of the Mall is spread across 86,768.00 sqm of constructed area, with 36,244.00 sqm of GLA.

  SOURCE: ABRASCE (CENSO BRASILEIRO DE SHOPPING CENTERS); SITE OFICIAL DO CAMPINAS SHOPPING; CUSHMAN & WAKEFIELD – VALUATION & ADVISORY.
- Shopping Parque Dom Pedro: Located at 500 Guilherme Campos Avenue, in Campinas. It opened in March 2002 and has gone through expansion. It has a high flow and has 8,000 parking spaces. The shopping space is spread over 193,000 sqm of constructed area, with 127,662 sqm of GLA.

  SOURCE: ABRASCE (CENSO BRASILEIRO DE SHOPPING CENTERS); SITE OFICIAL DO SHOPPING PARQUE DOM PEDRO; CUSHMAN & WAKEFIELD – VALUATION & ADVISORY.
- Shopping Valinhos: Located at 200 Paiquere street, in the municipality of Valinhos. Opened in July 2007, and since its opening has surpassed the 10 million Mark of visitors and 100 thousand vehicles per month. The Shopping Center is distributed on 28,647 sqm of built area, 14,000 sqm of GLA.

  SOURCE: ABRASCE (CENSO BRASILEIRO DE SHOPPING CENTERS); SITE OFICIAL DO SHOPPING VALINHOS; CUSHMAN & WAKEFIELD – VALUATION & ADVISORY.

NEW INVENTORY

According to information obtained from the ABRASCE website, in 2020, 7 shopping centers were opened in the of 2020, as shown in the following table:

SHOPPING CENTERS OPENED IN 2020				
Shopping	CITY	UF	GLA (sqm)	OPENING
Parque Shopping Bahia	Lauro de Freitas	BA	84,000.00	March
América Shopping	Goiânia	GO	22,264.00	April
Shopping Serra Talhada	Serra Talhada	PE	8,561.00	July
Catalão Shopping	Catalão	GO	10,000.00	August
Outlet Premium Grande SP	São Paulo	SP	16,601.00	November
Cidade Jardim Shops	São Paulo	SP	6,000.00	December
Liv Mall	João Pessoa	PB	7,000.00	December
TOTAL	7		154,426.00	

SOURCE: ABRASCE (MONTH OF REFERENCE: DECEMBER/2020)

RISKS

There are a number of factors that may affect the success of a shopping mall business. These aspects can relate to the project and layout, its operation, management, fund rising and/or the socio-economic characteristics of its location and target market. Some of these factors include:

- Governmental requirements;
- Competition with new commerce models, such as e-commerce;
- Increase in supply of malls, causing increase in competition;
- Location;

Project and layout and how it favors the public and operation;

- Operation and management:
- Condominium charges;
- Promotion of shopping mall;
- Default rates etc; and
- Lease agreement negotiations.

Regarding the above factors, we found no direct risks for the subject property, but it is dependent on the National Economic Market, as the object of sale of the Shopping Center operation of tenants includes a specific market.

VALUATION PROCESS

APPROACH

The Approach used for this appraisal was the (i) Income Capitalization Approach based on a Discounted Cash Flow, which estimates the present value of a property at an appropriate discount rate. To segregation the value between construction and land, we choose the Replacement Cost Approach. To determine the sale of the land (adjacent site) we adopted the (ii) Sales Comparison Approach.

ANALYSIS MODEL

The model used for the valuation was a Discounted Cash Flow for the enterprise lifecycle, which may be defined as the period of time during which the mall will be in operation. Projections can be usually split into two parts:

- An explicit period, a future period that is closer in time and thus easier to predict, normally 10 years;
- A residual value, equivalent to the remaining period in the lifetime of the asset. The future long-term cash flow is replaced with a single equivalent value at the end of the projected period, or in "perpetuity".

The analytical model consists of calculating the enterprise results before taxes. To determine the market value of the property we developed a cash flow over a projected 10 years

BASIC ASSUMPTIONS

In the valuation of Shopping, we adopted a number of basic premises to guide our analyses and arrive at a conclusion regarding the market value for this property. We assumed that 10 years is a sufficient and realistic period to determine the sale value of this type of property. Although this type of asset has a longer lifetime, an investment analysis is more significant if limited to a period of time that is considerably shorter than its actual economic lifetime, yet sufficiently long for a potential investor.

The revenues and expenses an investor would incur in will vary over the period of time analyzed. The parameters that guide projections of future net operating income were based on information provided by the client and current practices in the Brazilian shopping mall industry. Below are the main premises:

- We have assumed that there will be no major changes in the country’s economic scenario over the projection period;
- The valuation was conducted based on the information provided by the Contractor. The assumptions employed consider the parameters indicated by the Contractor, adjusted by Cushman & Wakefield to fall within market parameters where needed;
- The review acknowledged that no outstanding debts of competence from previous months of liability of owners, which, if raised through specific audit should be discounted from the arbitrated values in this report;

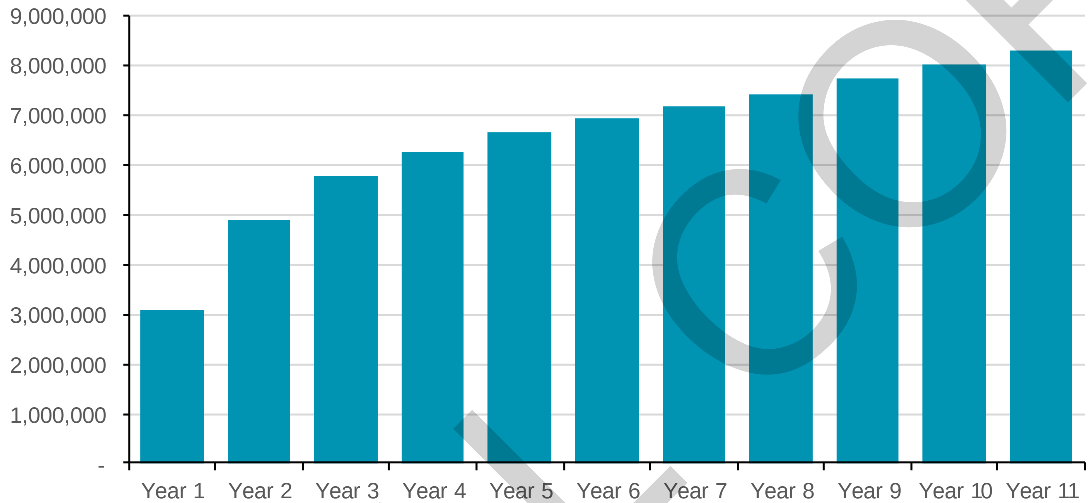
- This real property appraisal report is exclusively for internal use of the Contractor, its affiliates, controlled or controlling companies, officers, directors, partners, members, shareholders, legal counsels, managers, employees, external auditors and consultants which are involved with the Property. No part of it may be published or disclosed to third parties without the formal, written consent of the issuer, Cushman & Wakefield. The source must always be cited when reproducing any of the data contained, under penalty of applicable civil and criminal penalties for violating copyright law. Furthermore, in the event that any of the Contractor is requested or required by law, legal process or any regulatory or governmental or quasi-governmental administrative authority to disclose this real property appraisal report, Contractor will promptly notify Cushman & Wakefield so that it can take the legal measures applicable;
- Cushman & Wakefield, has no employment or any other type of subordinate link to the companies that control or are controlled by the administrator;
- We did not have access to all lease agreements from shopping stores for validation. We consider to be true all the data supplied by the Contractor in regard to the rent roll and other lease-specific and property-specific data;
- The shopping mall's sales potential was defined based on the future projections presented, adapted to C&W's analytical approach;
- We classify the mix of stores according to criteria defined by Cushman & Wakefield, using as reference the group's activity box lease provided by the Contractor;
- We assume the mall will be operated by experts who will manage it professionally, taking full advantage of the market potential, thus generating operating results that will provide a return on the capital invested;
- The appraisal considers a sales commission of 2.50% on the net operating income in the 11th year of the projected cash flow, which serves as the basis for calculating the perpetuity;
- We stress that the relationship between Cushman & Wakefield and Contractor does not in any way affect the independence and the objectivity of this work. We also certify that we have no present or future interest in the Property under analysis in this report, and that neither the fees nor any other costs related to the execution of this appraisal do in any way depend on our Opinion of Value about the Property as described here;
- We are not aware of any conflict of interests that could influence this work;
- In the calculation of the sale / purchase value of the Property in reference, only the GLA (gross leasable areas) was considered, according to the item "description of the property";
- **The projected cash flow starts on January 1st, 2021;**
- **Discounted cash flow calculations use as inflation 3.75% in 2022, 3.50% in 2023 and 3.25% in 2024. For the years beyond 2024, we used the same rate by analogy;**
- **As requested by the client, we considered a satelization project starting in January 2021. For this project, we assumed the expenses and revenues according to the client projections;**
- **As client request, we do not consider the discounted cash flow taxation of PIS / COFINS (3.65% of EGR), Property Management Fee and Leasing & Commissions;**
- It is important to point out that this report is comprised of estimates and projections made by Cushman & Wakefield using an economic-financial analysis model and information provided by current mall management, in addition to market surveys carried out by our technical team regarding the future performance of the study property. These statements, estimates and projections significantly reflect premises and judgments regarding future performance, including assumptions of the operating plan, economic scenario and other premises on which the projected results depend.
- Cushman & Wakefield Negócios Imobiliários Ltda. has no employment or any other type of subordinate link to the companies that control or are controlled by the Fund Administrator.

SCENARIO USED

PERIOD OF ANALYSIS

We used a 10-year period starting in January 2021 to assess the value of the shopping center, and a monthly distribution to better reflect performance. This calls for including all contracts, renewals, discounts and adjustments shop-by-shop, month by month.

CASH FLOW BEFORE DEBT SERVICE & TAXES

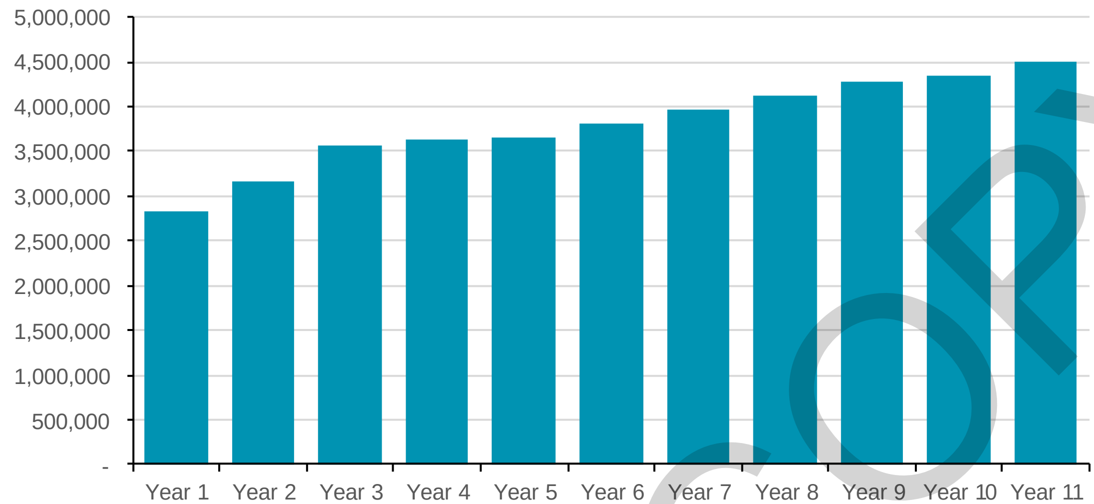


SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

MINIMUM RENT

Lease Revenue expected is R$ 2,833,226.00 for the 1st year. The real growth of the minimum rent comprises 1.50% in the 2nd year onwards during the discounted cash flow period.

BASE RENTAL REVENUE

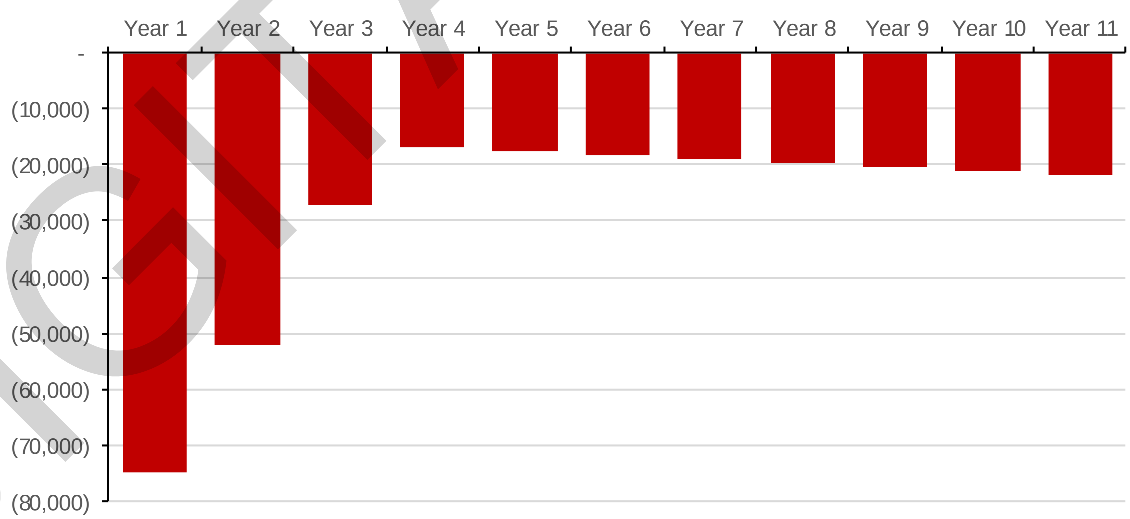


SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

EXTRA DISCOUNTS

It represents the expenses related to discounts from rents conceded by the shopping center to the shopkeepers. We considered an expense of (R$ 75,000.00) for the 1st year, (R$ 50,000.00) for the 2nd year, (R$ 25,000.00) for the 3rd year, (R$ 15,000.00) for the 4th year onwards during the projected cash flow, with inflation adjustments. The real growth comprises 1.50% in the 2nd year onwards during the discounted cash flow period.

EXTRA DISCOUNTS

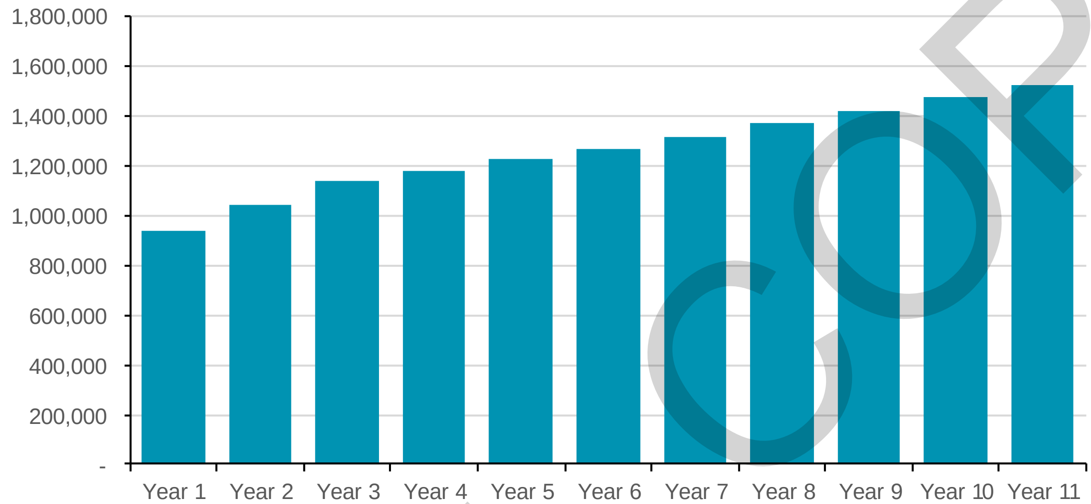


SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

TURNOVER RENT

We projected the Turnover Rent R$ 935,000.00 in the 1st year, R$ 1,000,000.00 in the 2nd year and R$ 1,050,000.00 in the 3rd year onwards during the discounted cash flow period. The real growth comprises 1.50% in the 2nd year onwards during the discounted cash flow period.

TURNOVER RENT

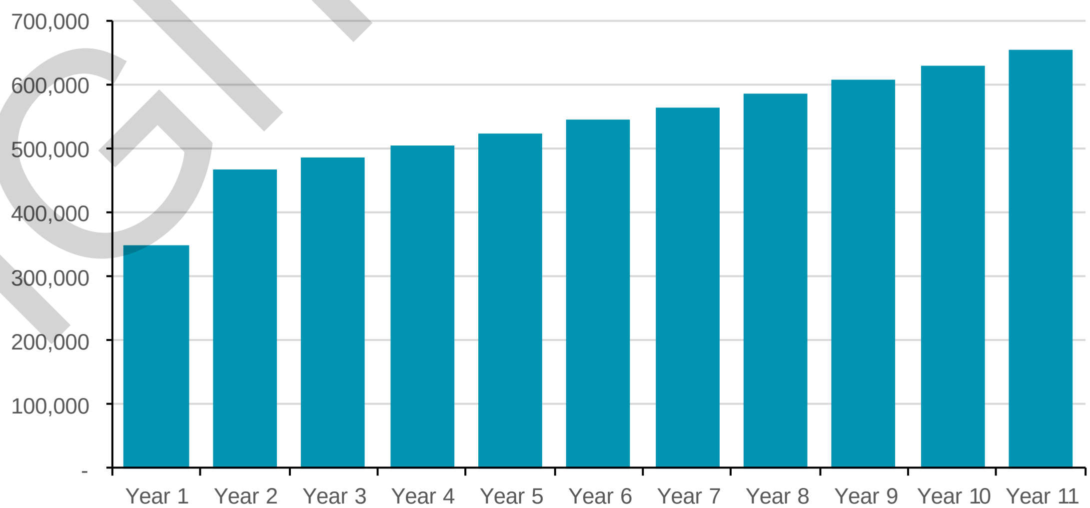


SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

MALL INCOME

We projected the amount of R$ 350,000.00 in the 1st year and R$ 450,000.00 in the 2nd year onwards during the projected cash flow, from the "Mall". The real growth comprises 1.50% in the 2nd year onwards during the discounted cash flow period.

MALL INCOME

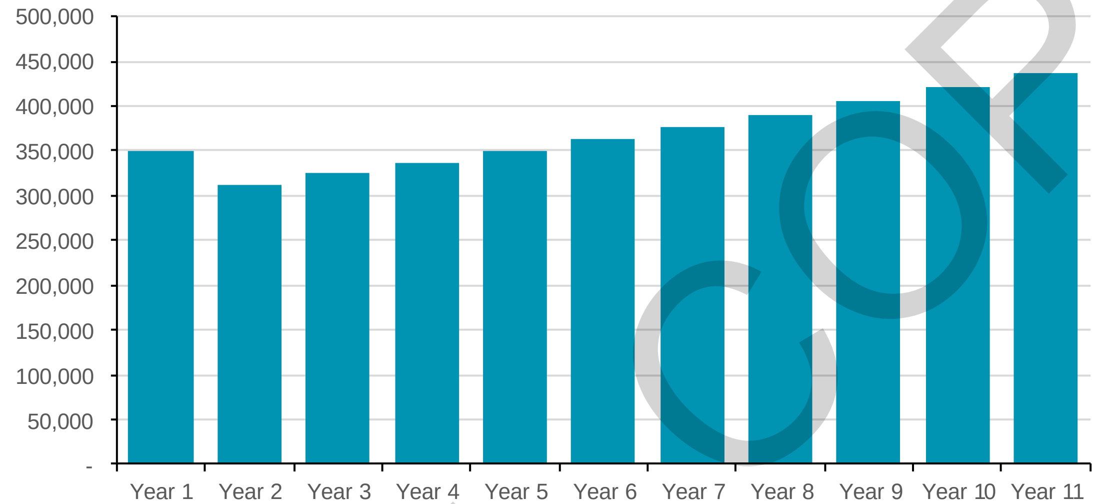


SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

MERCHANDISING

We projected the amount of R$ 350,000.00 in the 1st year and R$ 300,000.00 in the 2nd year onwards in the projected cash flow for revenues from the "Merchandising". The real growth comprises 1.50% in the 2nd year onwards during the discounted cash flow period.

MERCHANDISING

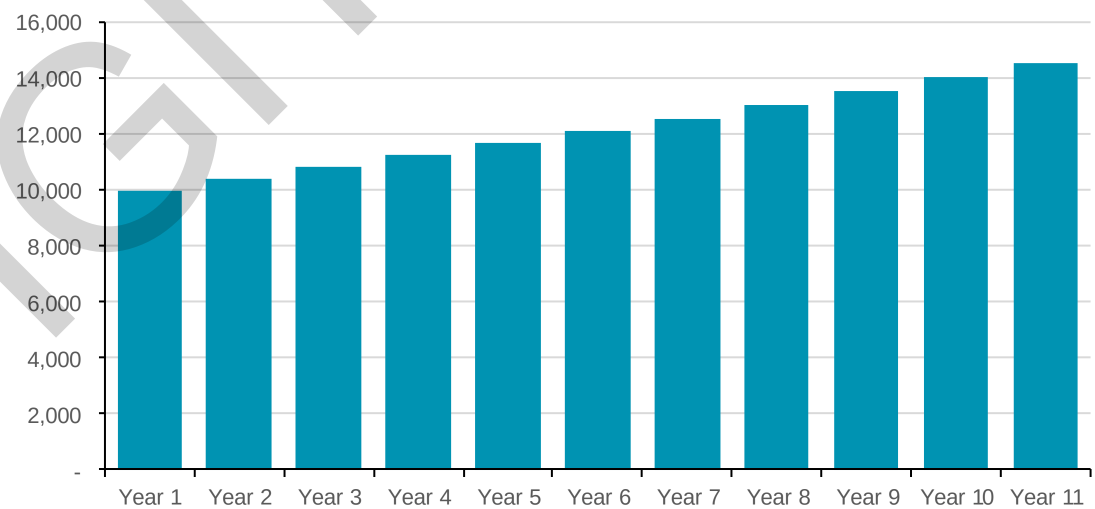


SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

KEY MONEY

We projected the amount of R$ 10,000.00 per year, during the projected cash flow, for revenues from the "Key Money". The real growth comprises 1.50% in the 2nd year onwards during the discounted cash flow period.

KEY MONEY

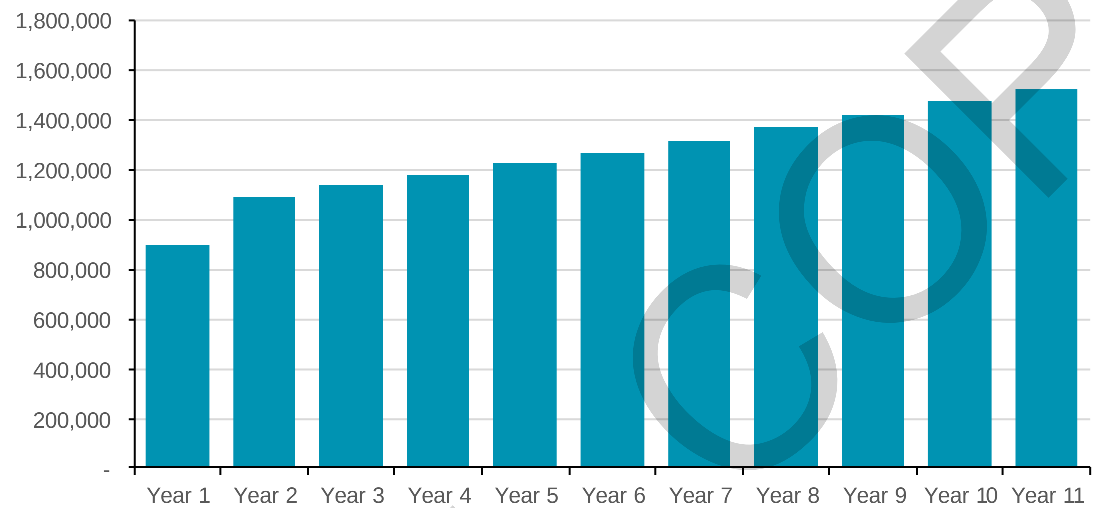


SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

CAR PARKING REVENUES (NET)

Expected revenue from parking is R$ 900,000.00 in the 1st year and R$ 1,050,000.00 in the 2nd year onwards, during the projected cash flow. . The real growth comprises 1.50% in the 2nd year onwards during the discounted cash flow period.

CAR PARKING REVENUES (NET)

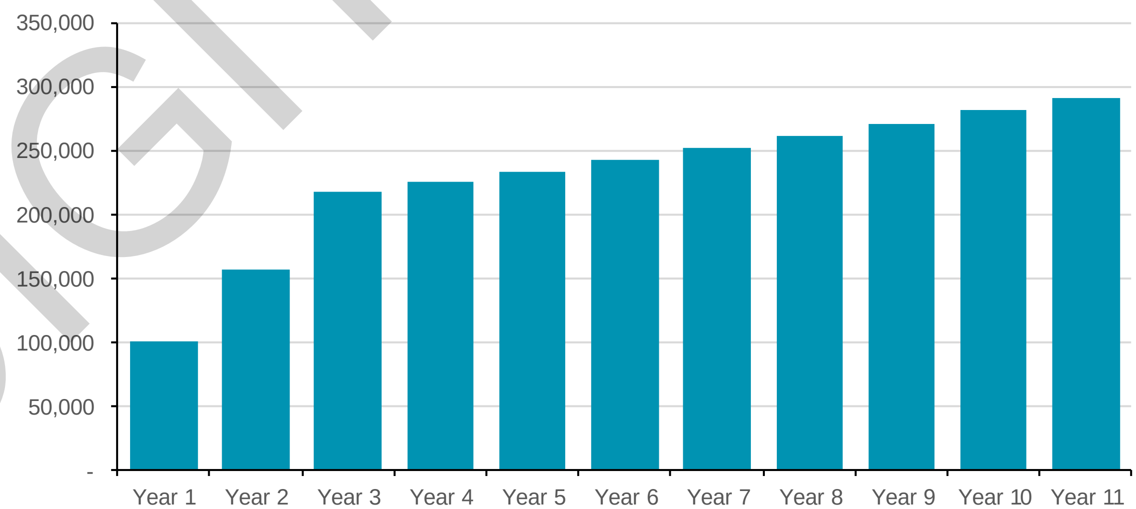


SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

OTHER REVENUES

For Other Revenues, we projected the amount of R$ 100,000.00 in the 1st year, R$ 150,000.00 in the 2nd year and R$ 200,000.00 in the 3rd year onwards, during the projected cash flow. The real growth comprises 1.50% in the 2nd year onwards during the discounted cash flow period.

OTHER REVENUES

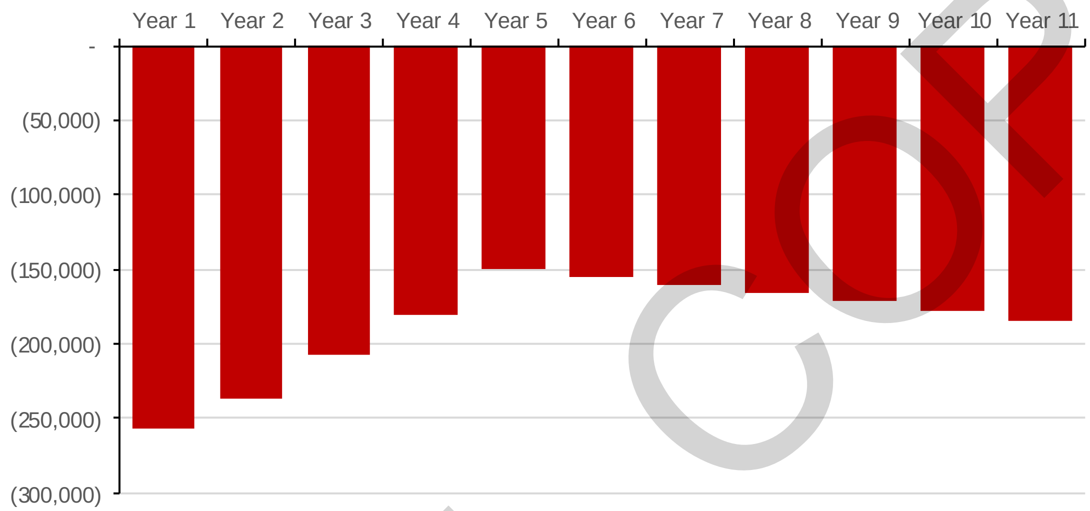


SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

GENERAL VACANCY

We took into account a financial vacancy level of rent revenue (not considering anchor and cinema) equivalent to 10.00% in the 1st year, 8.00% in the 2nd year, 6.00% in the 3rd year, 5.00% in the 4th year and 4.00% in the 5th year onwards of the discounted cash flow period.

GENERAL VACANCY

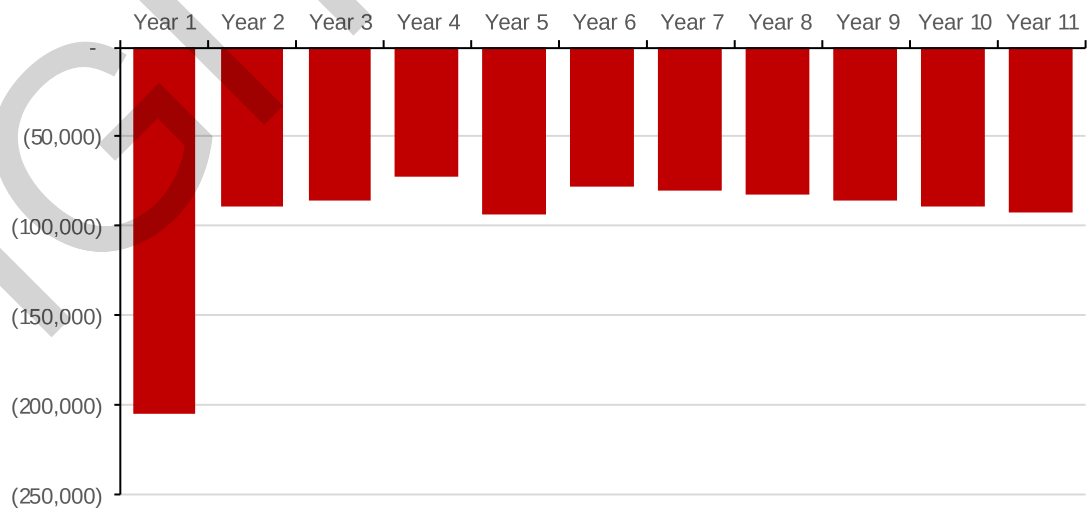


SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

COLLECTION LOSS

We took into account an irrecoverable default level as percentage of rent revenue (not considering anchor stores and cinema) equivalent to 8.00% for the 1st year, 3.00% for the 2nd year, 2.50% for the 3rd year, 2.00% for the 4th year and 2.50% for the 5th year onwards of the discounted cash flow period.

COLLECTION LOSS

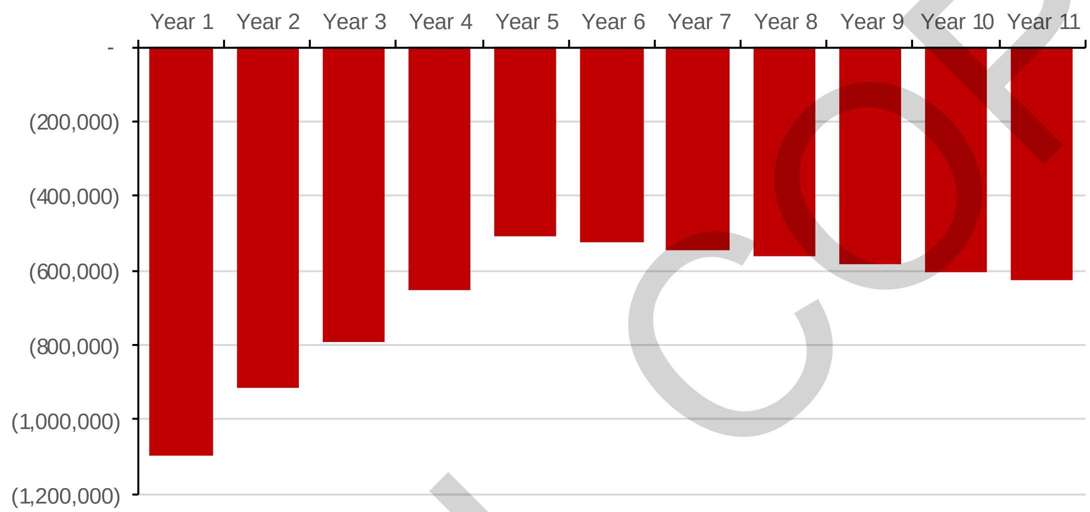


SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

NRE – SERVICE CHARGE

Regarding charges for vacant stores (NRE – Service Charge), we projected the amount of (R$ 1,099,100.00) for the 1st year, (R$ 879,300.00) for the 2nd year, (R$ 732,700.00) for the 3rd year, (R$ 586,200.00) for the 4th year and (R$ 439,600.00) for the 5th year onwards. The real growth comprises 0.25% in the 2nd year onwards during the discounted cash flow period.

NRE – SERVICE CHARGE

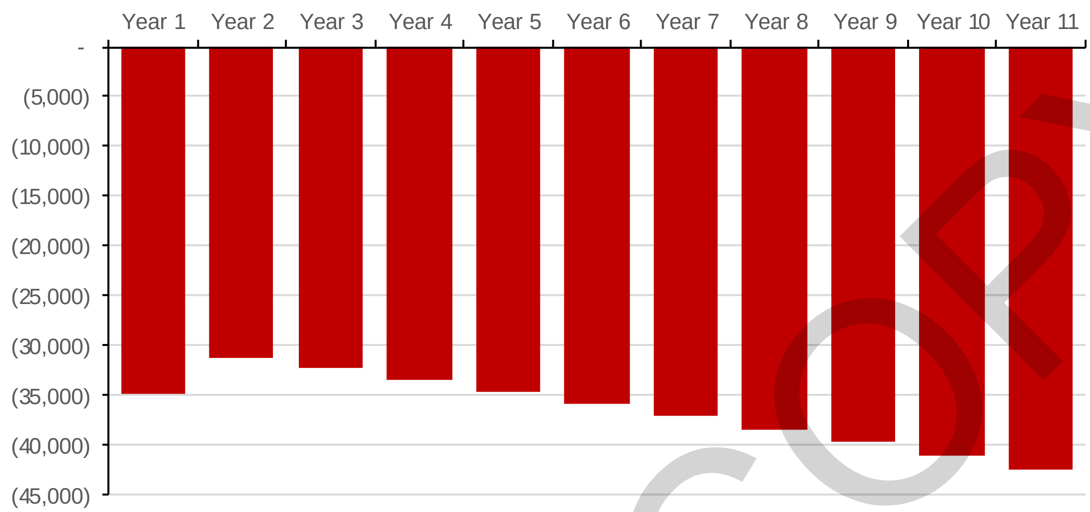


SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

PROMOTION FUND

We projected the amount of (R$ 35,000.00) in the 1st year and (R$ 30,000.00) in the 2nd year onwards, during the projected cash flow. The real growth comprises 0.25% in the 2nd year onwards during the discounted cash flow period.

PROMOTION FUND

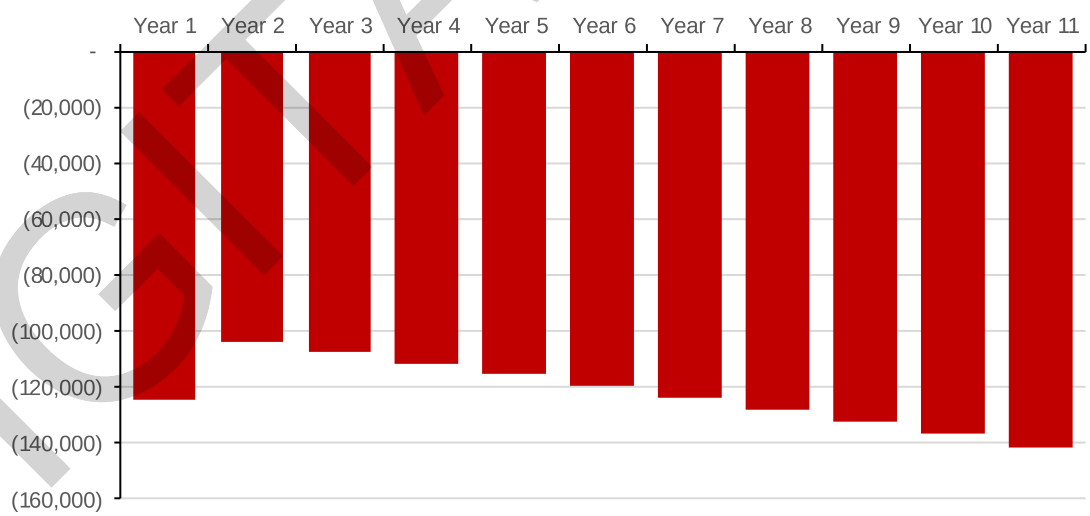


SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

OTHER NON-REIMBURSABLE EXPENSES

The other expenses were scaled to the projection value of (R$ 125,000.00) in the 1st year and (R$ 100,000.00) in the 2nd year onwards, during the projected cash flow. In this item was considered all expenses not identified in previous section. The real growth comprises 0.25% in the 2nd year onwards during the discounted cash flow period.

OTHER NON-REIMBURSABLE EXPENSES



SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

CAPEX

For the CAPEX, we expected (R$ 642,075.00) in the 1st year and R$ 0.00 in the 2nd year onwards, during the projected cash flow.

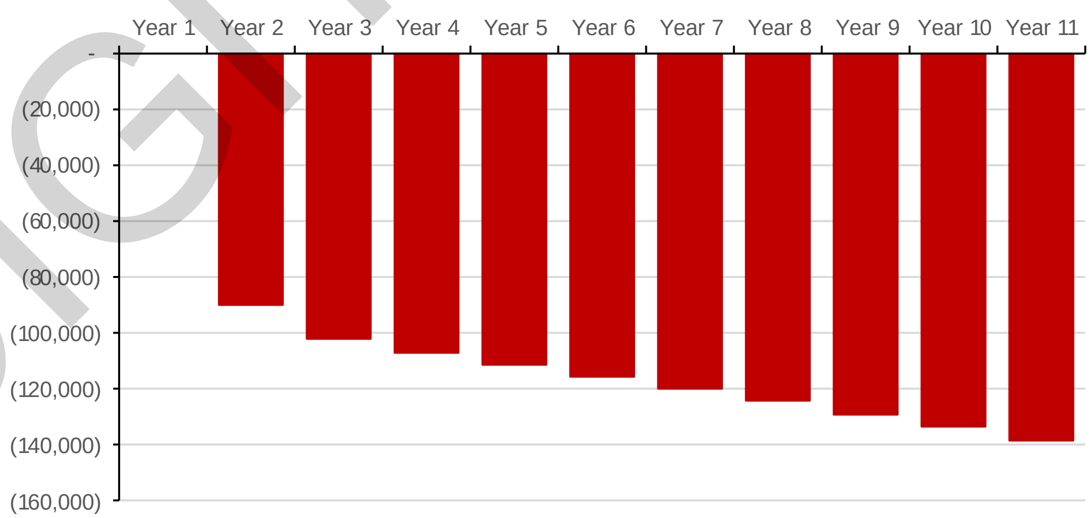
CAPEX

SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

MAINTENANCE & REPAIRS

In order to support established growth projections and ensure the market share of the Shopping Center towards its competitors, we projected the reinvestment, that is, an asset reposition fund. For this expense (not operational), we considered 1.50% over the effective gross revenue, starting in January/2022.

MAINTENANCE & REPAIRS



SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

EXPANSION

We considered in this study the performance projection of the shopping in its current status, without the influence of future expansions.

INFLATION

Discounted cash flow calculations use as inflation 3.75% in 2022, 3.50% in 2023 and 3.25% in 2024. For the years beyond 2024, we used the same rate by analogy.

DISCOUNT RATE

This is the rate used to discount the 10-year operational cash flow to calculate the present value of the property, and reflects the risk profile regarding the:

External environment: the current situation of the real estate market in Brazil and in the area of influence, as well as the economic fundamentals of the country;

Internal environment: the operating conditions and performance of the shopping center itself, and the equity structure of its investors.

The discount rate, also known as weighted average cost of capital (WACC), is equivalent to the Opportunity Cost of the Company and consists of Equity Capital and Debt Capital.

"The opportunity cost of capital, or simply the cost of capital is the return shareholders expect for investing in the company" (Ross, 669).

Considering the current Brazilian and global economic scenarios, in addition to the specific risk analysis for the enterprise, we estimated a nominal discount rate of 13.58% per year. For the exhaustion period, the capitalization rate for calculating the residual value is 9.00% per year.

Below is a breakdown of the rates used:

BREAKDOWN OF THE RATES		
COMPONENTS	OPERATION	EXHAUSTION
Risk Free Rate (*)	3.23%	3.23%
Enterprise Risk Spread	7.02%	5.77%
Inflation	3.33%	0.00%

SOURCE: (*) TREASURY DIRECT PROFITABILITY (IPCA+ 2035 - NTN-B PRINCIPAL 150535) – POSITION 12/30/2020

The "spread" risk of the development consists of specific variables of malls market. The composition of the "spread" were considered components such as location, market competition, a segment of the operation, social and economic status of the consumer market, composition of tenant mix, the administrator of the operation performance, dominance of gross leasable area and the operating performance history.

VARIANCE ANALYSIS TO ACCOUNT FOR CHANGES IN THE EXPECTED SCENARIO

The variance analysis was performed using a number of scenarios that in turn are based in simulating changes in the discount rate and yield at exhaustion, thus showing a range of possible results given these alternative hypotheses. If we project these changes in the more significant variables, we obtain the following variations for the Economic Value of the property.

SENSITIVITY ANALYSIS

	DISCOUNT RATE (%)				
CAP RATE (%)	12,58%	13,08%	13,58%	14,08%	14,58%
8.00%	66,038,690	63,958,899	61,966,571	60,057,476	58,227,611
8.50%	64,188,819	62,189,214	60,273,265	58,436,940	56,676,418
9.00%	62,544,489	60,616,160	58,768,105	56,996,463	55,297,580
9.50%	61,073,246	59,208,691	57,421,382	55,707,615	54,063,883
10.00%	59,749,127	57,941,970	56,209,332	54,547,652	52,953,556

SOURCE: CUSHMAN & WAKEFIELD – VALUATION & ADVISORY

The market value for purchase / sale of Shopping Prado, according to projected scenarios, is between R$ 66.04 million to R$ 52.95 million.

SEGREGATION OF VALUE - REPLACEMENT COST APPROACH

As defined in article 8.2.1 of ABNT NBR 1463-1:2001, the Cost Approach calculates the value of an asset as the sum of the value of its components. If the object of the appraisal is to determine the market value, then factors related to the sale must also be taken into consideration.

The Replacement Cost Approach is based on the concept that a well-informed buyer would not pay more for a property than it would cost to reproduce a similar facility for the same use. Depreciation is applied to the cost to reproduce buildings and improvements, bearing in mind physical and functional elements, facility lifetimes and state of repair. This approach is particularly suited to properties with relatively new buildings and betterments that make better use of the site they are on, or where the property includes unique or specialized facilities, as well as when similar properties for sale and/or lease are in very short supply.

The value calculated using the cost approach is also used to separate the value of the land from the value of the buildings and other betterments. The percent assigned to the land and buildings in the cost approach is used when segregating the property's market economic value.

If there is a difference between the values calculated using the cost approach and the market value, one may decide if the value of the buildings will be used, choosing the best of a range of likely uses.

LAND VALUE

RESIDUAL APPROACH

To determine the value of the plot of land of Shopping Prado we used the residual approach on the market value of the Shopping Center, defined in previous item through the discounted cash flow.

This calculation methodology was adopted due to the lack of large size plots of land being offered in the region and to the lack information of values of last transactions in the area, and therefore there were no comparative elements similar to the plot of valuated property.

For the calculations, we used the built projected areas supplied by client.

The calculations related to determine the residual value of land, with characteristics of simulated development, deployment cost assumptions, revenues and accepted economic scenario are presented below:

RESIDUAL APPROACH - COMMERCIAL DEVELOPMENT - SHOPPING CENTER				
GENERAL INFORMATION				
Total Property Area			15,915.00	sqm
Total Area of Development			20,010.55	sqm
Proportionality Ratio			1	
Plot Proportional Area			15,915.00	sqm
Gross Rental Area			10,119.49	sqm
Total Built Area (Total area of development x Proportionality Ratio)			20,010.55	sqm
MARKET VALUE FOR SALE (DISCOUNTED CASH FLOW)		R$	58,768,105	
Taxes (PIS/COFINS):	(0% of gross revenue)	R$	-	
Marketing and Brokerage	(2% of gross revenue)	R$	1,175,362	
ESTIMATED NET REVENUE		R$	57,592,743	
DEPLOYMENT COSTS				
Shallow construction cost (shallow cost/sqm x Equivalent Area)	(R$1900/sqm)	R$	38,023,207	
Project, fees and charges	(2.5%)	R$	950,580	
Management fees	(7%)	R$	2,768,089	
Possible (Demolition of existing building)		R$	-	-
Contingencies	(1.5% of construction cost)	R$	570,348	
TOTAL COSTS		R$	42,312,224	
REMAINING NET VALUE		R$	15,280,519	
Acquisition Cost	(4.0% of purchase price)			
Expected profit	(50.0% on land cost)			
Land financing	0%	0%		
VALOR MAXIMO DO IMÓVEL HOJE:		R$	9,922,415	
		R$	623	p/sqm
PROFIT =		R$	4,961,207	
Recalculating Profit	9	% over net revenue		
	12	% over net revenue		
	50	% over net revenue		
	PROPERTY VALUE =	R$	9,920,000	

DETERMINATION OF THE VALUE OF THE CONSTRUCTION

To determine the value of the buildings we used studies with the cost of similar, but not identical buildings of similar size and use as those in the projected development. To the cost to build we added the cost of foundations, urban development, utility hookups, builder compensation and other costs normally associated with such an enterprise.

In this case, we used the unit cost of construction table, developed by our technical team working with builders and based on specialized publications, and data from unions and regional boards to come up with the following values.

To take into account exterior obsolescence, we applied a depreciation factor to the unit cost to build. A detailed explanation of this method is described below.

DEPRECIATION CRITERIA

Depreciation is the difference between the cost of new construction and the current value of a building. Depreciation describes the loss of value in three basic categories: (1) physical deterioration; (2) functional obsolescence and (3) obsolescence of the exterior. Physical deterioration is the result of wear and tear and of the environmental factors acting on the building, which reduce its value.

Functional obsolescence is the decrease in value resulting from architectural factors that affect current utilization. This may be caused by changes over time that render parts of the structure, materials used or architectural design obsolete by current standards.

External obsolescence is due to effects that, while adversely affecting its value, are not strictly related to the property itself. This includes changing use and occupancy regulations and unfavorable economic scenarios.

ROSS-HEIDECKE PHYSICAL DEPRECIATION CRITERIA

The Ross-Heidecke methodology was developed to calculate physical depreciation as a result of building age and conservation. In practice, age is estimated as a percentage obtained by dividing the apparent age of a property by the economic lifetime estimated for that type of construction.

The state of repair is determined following a site visit, using the following table:

ROSS-HEIDECKE CRITERIA FOR STATE OF REPAIR			
a	New	e	Simple repairs
b	Between new and fair	f	Simple to major repairs
c	Fair	g	Major repairs
d	Between fair and simple repairs	h	Between major repairs and no value

PLOT – REPLACEMENT CALCULATION

ADDRESS	LAND AREA (SQM)	AVERAGE UNIT VALUE (R$/SQM):	TOTAL VALUE (R$)
Washington Luis Avenue- Campinas / SP	15,915.47	623.29	9,920,000.00

BUILDINGS

NAME	TOTAL AREA (SQM):	UNIT COST (R$/SQM)	APPARENT AGE (YEARS)	CONSERV.	USEFUL LIFE (YEARS):	REMAINING USE LIFE (YEARS)	DEPR EC.	NEW COST (R$)	DEPRECIATED COST (R$)
Built Area	20,011.55	2,114.50	7	b	60	53	0.945	42,312,224.38	40,006,023.86
TOTAL	20,011.55							42,312,224.38	40,006,000.00

TOTAL REPLACEMENT COST (R$)	49,926,000.00
Marketing Factor	1.00
SALE MARKET VALUE (R$)	49,926,000.00
Property, value per built area	2,494.98 /sqm
Property, value per land area	3,136.95 /sqm

FOR THE PURPOSES OF ASSET RE-VALUATION

To calculate the book value, we used the areas in Determination of the Land Value, separating the value of the land from that on the buildings in the following proportion:

PARTS	AREA (SQM)	UNIT (R$/SQM)	REPLACEMENT (R$)	(%)	DISCOUNTED CASH FLOW (R$)
LAND	15,915.47	623.29	R$ 9,920,000	19.87%	R$ 11,676,900
CONSTRUCTION	10,119.49	3,953.36	R$ 40,006,000	80.13%	R$ 47,091,200
TOTAL			R$ 49,926,000	100.00%	R$ 58,768,105
USEFUL LIFE		60 years.			
AGE		7 years.			
CONSERVATION		Between New and Regular (b).			
REMAINING LIFE		53 years.			

SOURCE: CUSHMAN & WAKEFIELD. – VALUATION & ADVISORY

FINAL VALUATION CONCLUSION

Taking into account the physical characteristics of the property, according to information supplies, trends and practiced in the real estate market of the region, the risks and premises presented, we conclude that the market value for purchase/sale of the property **Shopping Prado** situated at **2,480 Washington Luis Avenue – Campinas / SP, on December 31st, 2020** is:

MARKET VALUE FOR SALE:

R$ 58,768,100.00

(FIFTY-EIGHT MILLION, SEVEN HUNDRED AND SIXTY-EIGHT THOUSAND AND ONE HUNDRED REAIS)

- The projected cash flow starts on January 1st, 2021;
- Discounted cash flow calculations use as inflation 3.75% in 2022, 3.50% in 2023 and 3.25% in 2024. For the years beyond 2024, we used the same rate by analogy;
- As requested by the client, we considered a satelization project starting in January 2021. For this project, we assumed the expenses and revenues according to the client projections;
- As client request, we do not consider the discounted cash flow taxation of PIS / COFINS (3.65% of EGR), Property Management Fee and Leasing & Commissions.

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Signed By: MAURICIO PEDROSO ITAGYBA:13036512896
CPF: 13036512896
Signing Time: 15/01/2021 | 15:51:50 PST
ICP Brasil
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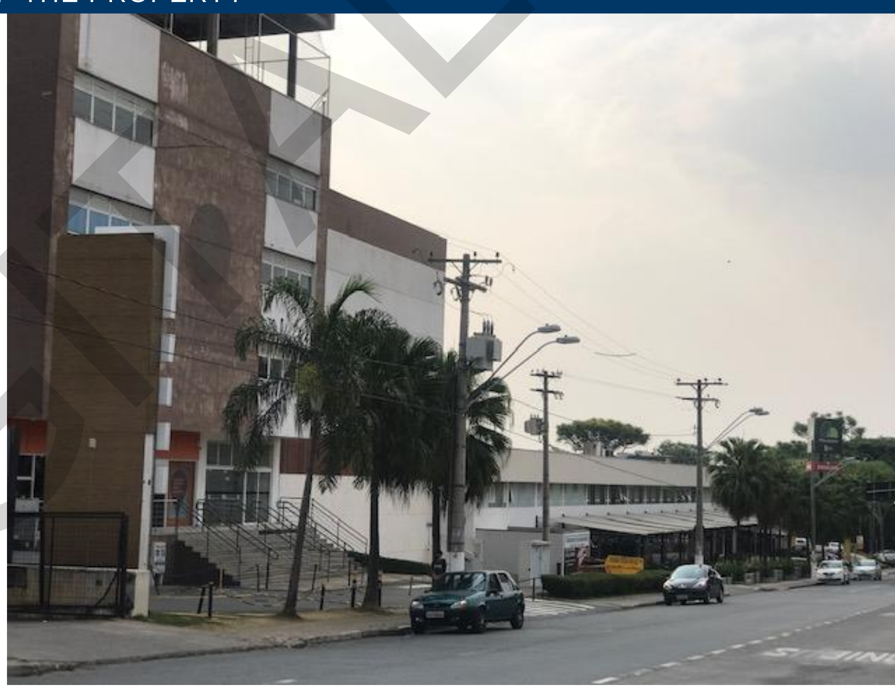
Mauricio Itagyba, CREA, MRICS, RICS
Registered Valuer
CREA n° 5061069994
Senior Manager, Valuation & Advisory
Cushman & Wakefield, Brazil

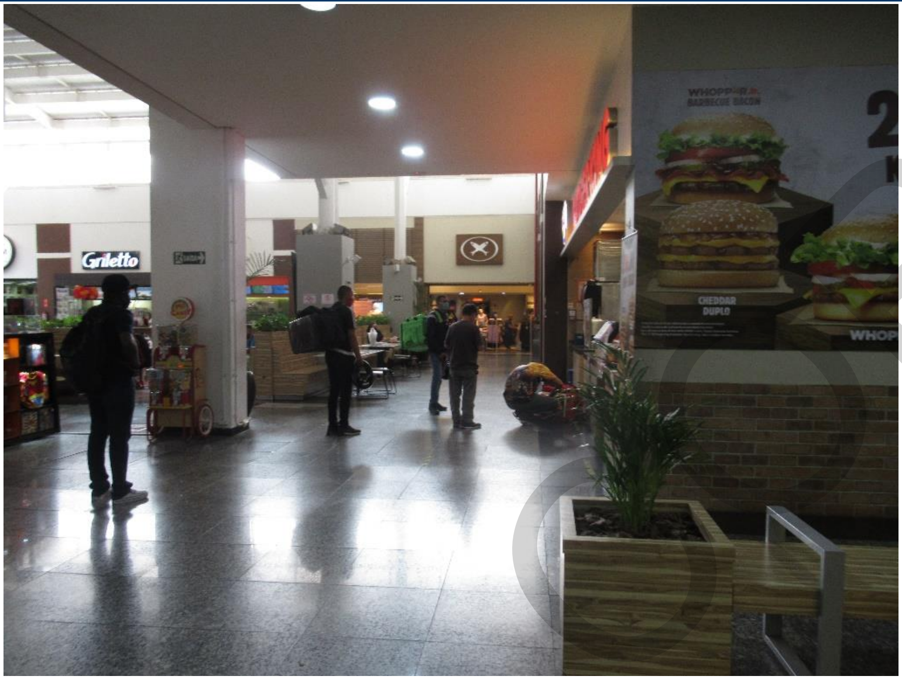
ATTACHMENT I - PHOTOGRAFIC REPORT

ASPECTS OF THE PROPERTY

FAÇADE OF THE PROPERTY

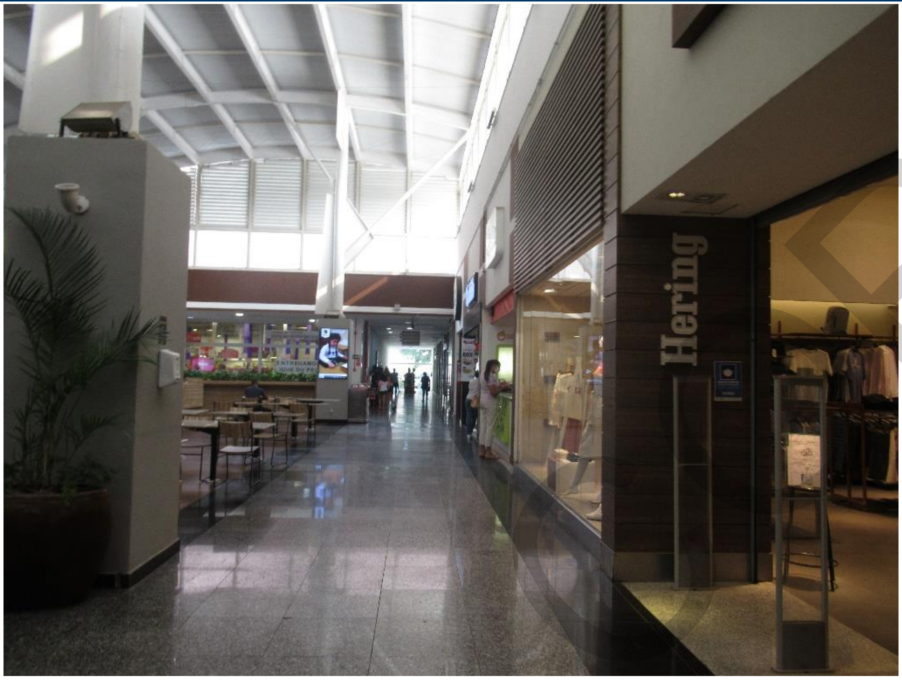


ASPECTS OF THE MALL



ASPECTS OF THE MALL

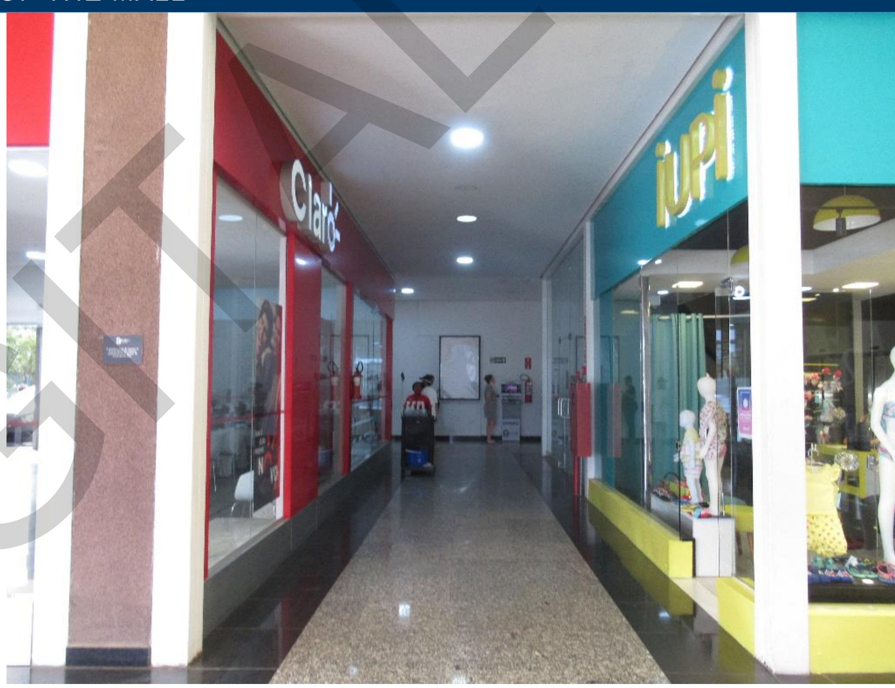
ASPECTS OF THE MALL



ASPECTS OF FOOD COURT

ASPECTS OF THE ELEVATORS

ASPECTS OF THE MALL



ASPECTS OF THE PARKING LOT

ASPECTS OF THE GENERATOR

ASPECTS OF SUBSTATION

ASPECTS OF DOCKS

ATTACHMENT II – ANNUAL CASH FLOW

ATTACHMENT II – ANNUAL CASH FLOW

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	
For the Years Ending	dec-2021	dec-2022	dec-2023	dec-2024	dec-2025	dec-2026	dec-2027	dec-2028	dec-2029	dec-2030	dec-2031	Total
Rental Revenue												
Potential Base Rent	2,833,226	3,164,643	3,571,431	3,634,268	3,666,201	3,803,466	3,974,057	4,125,853	4,281,283	4,353,713	4,494,156	41,902,298
Scheduled Base Rent	2,833,226	3,164,643	3,571,431	3,634,268	3,666,201	3,803,466	3,974,057	4,125,853	4,281,283	4,353,713	4,494,156	41,902,298
CPI Increases	58,440	142,220	230,516	345,900	470,506	479,882	449,624	446,618	471,337	575,362	598,031	4,268,435
Total Rental Revenue	2,891,666	3,306,862	3,801,947	3,980,168	4,136,707	4,283,348	4,423,681	4,572,471	4,752,620	4,929,075	5,092,187	46,170,732
Total Tenant Revenue	2,891,666	3,306,862	3,801,947	3,980,168	4,136,707	4,283,348	4,423,681	4,572,471	4,752,620	4,929,075	5,092,187	46,170,732
Other Revenue												
Discounts	-75,000	-52,125	-27,105	-16,873	-17,506	-18,162	-18,843	-19,550	-20,283	-21,043	-21,833	-308,322
Turnover	935,000	1,042,500	1,138,410	1,181,100	1,225,392	1,271,344	1,319,019	1,368,482	1,419,801	1,473,043	1,528,282	13,902,373
Mall Income	350,000	469,125	487,890	506,186	525,168	544,862	565,294	586,492	608,486	631,304	654,978	5,929,785
Merchandising	350,000	312,750	325,260	337,457	350,112	363,241	376,863	390,995	405,657	420,869	436,652	4,069,857
Key Money	10,000	10,425	10,842	11,249	11,670	12,108	12,562	13,033	13,522	14,029	14,555	133,995
Car Parking Revenues (NET)	900,000	1,094,625	1,138,410	1,181,100	1,225,392	1,271,344	1,319,019	1,368,482	1,419,801	1,473,043	1,528,282	13,919,498
Other Revenues	100,000	156,375	216,840	224,972	233,408	242,161	251,242	260,663	270,438	280,580	291,101	2,527,779
Total Other Revenue	2,570,000	3,033,675	3,290,547	3,425,191	3,553,636	3,686,897	3,825,156	3,968,599	4,117,422	4,271,825	4,432,018	40,174,965
Potential Gross Revenue	5,461,666	6,340,537	7,092,494	7,405,359	7,690,343	7,970,245	8,248,837	8,541,070	8,870,041	9,200,900	9,524,205	86,345,698
Vacancy & Credit Loss												
Vacancy Allowance	-256,220	-237,072	-206,684	-180,478	-150,088	-155,377	-160,392	-165,723	-171,784	-178,155	-183,966	-2,045,940
Credit Loss	-204,976	-88,902	-86,119	-72,191	-93,805	-77,689	-80,196	-82,861	-85,892	-89,077	-91,983	-1,053,691
Total Vacancy & Credit Loss	-461,196	-325,973	-292,803	-252,670	-243,893	-233,066	-240,588	-248,584	-257,675	-267,232	-275,950	-3,099,631
Effective Gross Revenue	5,000,470	6,014,564	6,799,691	7,152,690	7,446,449	7,737,179	8,008,249	8,292,486	8,612,366	8,933,668	9,248,256	83,246,067
Operating Expenses												
Non Recoverable Service Charge	1,099,100	914,472	790,583	654,648	508,112	525,896	544,303	563,353	583,071	603,478	624,600	7,411,617
Promotion Fund	35,000	31,200	32,370	33,503	34,676	35,889	37,145	38,445	39,791	41,184	42,625	401,828
Other Non Recoverable Expenses	125,000	104,000	107,900	111,677	115,585	119,631	123,818	128,151	132,637	137,279	142,084	1,347,761
Total Operating Expenses	1,259,100	1,049,672	930,853	799,827	658,373	681,416	705,266	729,950	755,498	781,941	809,309	9,161,206
Net Operating Income	3,741,370	4,964,892	5,868,838	6,352,863	6,788,076	7,055,763	7,302,983	7,562,536	7,856,868	8,151,727	8,438,947	74,084,861
Capital Expenditures												
CAPEX	642,075	0	0	0	0	0	0	0	0	0	0	642,075
Maintenance & Repairs	0	90,218	101,995	107,290	111,697	116,058	120,124	124,387	129,185	134,005	138,724	1,173,684
Total Capital Expenditures	642,075	90,218	101,995	107,290	111,697	116,058	120,124	124,387	129,185	134,005	138,724	1,815,759
Total Leasing & Capital Costs	642,075	90,218	101,995	107,290	111,697	116,058	120,124	124,387	129,185	134,005	138,724	1,815,759
Cash Flow Before Debt Service	3,099,295	4,874,674	5,766,842	6,245,572	6,676,379	6,939,705	7,182,859	7,438,148	7,727,682	8,017,722	8,300,223	72,269,102
Cash Flow Available for Distribution	3,099,295	4,874,674	5,766,842	6,245,572	6,676,379	6,939,705	7,182,859	7,438,148	7,727,682	8,017,722	8,300,223	72,269,102

ATTACHMENT III – DOCUMENTATION PROVIDED