

Valuation report # CV-047/2016

An apartment with a total area of 47.5 m² located at Moscow region, Podolsk district, Klenovskoe settlement, recreation complex "Vitro Village", near the village Kiselevo, building 3, room. 30 and non-residential premises with a total area of 1,097.3 m² located at 11A, Derbenevskaya Str., Moscow, Russia

**Prepared on behalf of Herbovital 2 S.r.l.
For the internal use of the Client**

August 2016

Prepared by

Knight Frank AO
26, Valovaya Street,
Floor 11
Moscow 115054 Russia

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Executive Summary

The executive summary found above is to be used in conjunction with the valuation report to which it forms part and is subject to the assumptions, caveats and bases of valuation stated herein. It should not be read in isolation.

Address	<ul style="list-style-type: none"> • Moscow region, Podolsk district, Klenovskoe settlement, recreation complex "Vitro Village", near the village Kiselevo, building 3, room. 30; • 11A, bld. 15 Derbenevskaya Str., Moscow, Russia; • 11A, bld. 20 Derbenevskaya Str., Moscow, Russia; • 11A, bld. 9a Derbenevskaya Str., Moscow, Russia.
Location	The property is located in Podolsk district, Klenovskoe settlement, recreation complex "Vitro Village", near the village Kiselevo at the distance of approximately 35 km from Moscow Ring Road (referred to below as MKAD) and in Danilovskiy subdistrict which is an administrative division of Southern Administrative District of Moscow.
Description	<p>The subject property is presented by following properties:</p> <ul style="list-style-type: none"> • apartment with a total area of 47.5 m², conditional/cadastral number 50-50-62 / 068 / 2008-205, located at the address: Moscow region, Podolsk district, Klenovskoe settlement, recreation complex "Vitro Village", near the village Kiselevo, building 3, room. 30, hereinafter referred to as the "Property 1"; • non-residential building with a the total area of 595.8 m², conditional / cadastral number 6261, located at the address: 11A, bld. 15 Derbenevskaya Str., Moscow, Russia, hereinafter referred to as the "Property 2"; • non-residential premises with a total area of 172.9 m², rooms on the floor plan: floor 1 - room 1,2, 9 and 11, conditional / cadastral number 77-77-05 / 086 / 2012-720, located at the address: 11A, bld. 20 Derbenevskaya Str., Moscow, Russia hereinafter referred to as the "Property 3"; • non-residential premises with a total area of 263.4 m², rooms on the floor plan: floor 1 - room 3, conditional / cadastral number 77-77-05 / 012 / 2011-260, located at the address: 11A, bld. 20 Derbenevskaya Str., Moscow, Russia, hereinafter referred to as the "Property 4"; • non-residential premises with a total area of 65.2 m², rooms on the floor plan: floor 1 - room 7, conditional / cadastral number 77-77-05 / 012 / 2011-264, located at the address: 11A, bld. 9a Derbenevskaya Str., Moscow, Russia, hereinafter referred to as the "Property 5".
Tenure	Freehold.
Tenancies	The valuation is based on the assumption that the properties are vacant at the valuation date.
Valuation	The valuation was based on the following special assumptions:

considerations

- As agreed with the Client we didn't inspect the subject property 1. According to the information provided by the Client and information of open internet resources, the subject property 1 is presented by apartment located in recreation complex "Vitro Village". The apartment is in a good condition and fully fitted out.
- The subject property 1 is located on the territory of Troitskiy administrative district, Moscow. The Troitskiy administrative district was integrated with Moscow in 2012. Previously the subject property was located on the territory of Podolsk district, Moscow region. The Client did not provide any documents consisting updated address. Thus, the address of the subject property 1 is pointed out in accordance with Ownership certificate dated 29 December, 2009 throughout the Report. Nevertheless the valuation is based on the assumption that all Title documents are registered properly, including address.
- The subject property 2 represents a 3-storey office building after reconstruction. As agreed with the Client we didn't inspect the property inside. According to the information provided by the Client premises are fitted out, subject property is in a good physical condition.
- The subject properties 3, 4, 5 are located on the first floors of the buildings and are adjacent to each other forming one unit of 501.5 sq m. It may be used as a general purpose area. As agreed with the Client we didn't inspect the property inside. The valuation is based on the assumption that the premises are fitted out, subject property is in a good physical condition.

Valuation date

18 August, 2016.

Market Value, rounded

Property	Address	Market value, RUB, net of VAT
Apartment with a total area of 47.5 m ² , conditional/cadastral number 50-50-62 / 068 / 2008-205	Moscow region, Podolsk district, Klenovskoe settlement, recreation complex "Vitro Village", near the village Kiselevo, building 3, room. 30	2,540,000
Non-residential building with a the total area of 595.8 m ² , conditional / cadastral number 6261	11A, bld. 15 Derbenevskaya Str., Moscow, Russia	73,400,000
Non-residential premises with a total area of 172.9 m ² , rooms on the floor plan: floor 1 - room 1,2, 9 and 11, conditional / cadastral number 77-77-05 / 086 / 2012-720	11A, bld. 20 Derbenevskaya Str., Moscow, Russia	23,940,000
Non-residential premises with a total area of 263.4 m ² , rooms on the floor plan: floor 1 - room 3, conditional / cadastral number 77-77-05 / 012 / 2011-260	11A, bld. 20 Derbenevskaya Str., Moscow, Russia	35,945,000
Non-residential premises with a total area of 65.2 m ² , rooms on the floor plan: floor 1 - room 7, conditional / cadastral number 77-77-05 / 012 / 2011-264	11A, bld. 9a Derbenevskaya Str., Moscow, Russia	9,290,000

Total Market Value, rounded

145,115,000 (One Hundred Forty Five Million, One Hundred Fifteen Thousand) Russian Rubles, net of VAT.

Gian Luca Mattioli Belmonte Cima
The official receiver of the bankruptcy of the Herbovital 2 S.r.l.
40128, Italy, Bologna, str. Calzolari 7

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August 2016

RE: an apartment with a total area of 47.5 m² located at Moscow region, Podolsk district, Klenovskoe settlement, recreation complex "Vitro Village", near the village Kiselevo, building 3, room. 30 and non-residential premises with a total area of 1,097.3 m² located at 11A, Derbenevskaya Str., Moscow, Russia.

1.0 Instructions

In accordance with the Agreement # CV-047/2016 dated 19 July 2016 and Knight Frank's General Terms of Business for Russian Valuations, the following report is provided using a qualified and independent opinion based on the market value in respect of the apartment with a total area of 47.5 m² located at Moscow region, Podolsk district, Klenovskoe settlement, recreation complex "Vitro Village", near the village Kiselevo, building 3, room. 30 and non-residential premises with a total area of 1,097.3 m² located at 11A, Derbenevskaya Str., Moscow, Russia.

This report was carried out for Herbovital 2 S.r.l.

The identification of the market value of the aforementioned property has been undertaken in accordance with the International Valuation Standards 2013 (IVS 2013) and the International Valuations Standards Committee (IVSC). The valuation has been carried out by External Valuers who are all suitably qualified.

The report provided under this instruction has no status of valuation services in Russia and is not carried out in accordance with the requirements stipulated in Federal Law 'On Valuation in the Russian Federation' № 135 dated July 29, 1998.

The report was undertaken for the internal purposes of the Client.

We confirm that we do not have any information giving rise to a conflict of interest, any financial interest in the project or have any relationship to a 3rd party with involvement in the site, and are providing an objective and unbiased valuation.

The given valuation is undertaken with complete confidentiality to the Client taking into account the pre-determined aims of the valuation. The contractor has no responsibility to a third-party with respect to both the valuation as a whole, and its individual parts. The contractor can only take responsibility for the content of the report to a third party if written confirmation is received on the basis of an additional agreement of both sides or if stipulated by law.

If the data found in the valuation is disclosed to persons other than the Client, it needs to be laid out in a special agreement with Knight Frank AO. Neither the whole, or any part of this valuation, nor any reference thereto may be included in any published document, brochures or instructions, nor published in any way without the prior written approval of the contractor.

The Client agrees to not make any claim, arising out of or in connection to the preparation of this report, against any specialist, partner or consultant from Knight Frank AO (or any employee of Knight Frank). Any claim in relation to a loss incurred, must be taken against the company Knight Frank AO itself, and not an employee of said company.

Knight Frank's AO total liability for any direct loss or damage caused by negligence or breach of contract in relation to this instruction and valuation report is limited to the amount specified in the General Terms of Business, applicable to a Knight Frank Assessment made in the Russian Federation. We do not accept liability for any indirect or consequential losses, such as a loss of profits.

This report was prepared by Evgenia Akulova, Project manager, Valuations, Russia and CIS and Olga Baranova, Deputy Head of Valuations, Russia and CIS, AO Knight Frank. We confirm that our Property specialists work in accordance with the International Valuation Standards and have the necessary qualifications and experience in the Property Market to provide a valuation.

This report has been vetted in accordance with Knight Frank's quality assurance procedures.

2.0 Inspection and Documentation for the Property

The outside inspection of the Property took place on the 18 August 2016 by Evgenia Akulova, Project manager, Valuations, Russia and CIS, AO Knight Frank.

In the process of preparing the report, the Consultant used information of all documents involving the Property that were provided by the Client.

We have been provided with the following documents:

Subject property 1:

- Ownership Certificate series 50-НД #686137 dated 29 December 2009.

Subject property 2-5:

- Ownership Certificate series 77-AM #422159 dated 20 July 2010;
- Ownership Certificate series 77-AO #406804 dated 26 February 2013;
- Ownership Certificate series 77-AH #374427 dated 01 July 2011;
- Ownership Certificate series 77-AH #374463 dated 01 July 2011;
- Cadastral passport 45:296:002:000042980 dated 20 April 2011;
- Technical passport of the building;
- Photographs and plans of the subject property 2.

In the event of the absence of any additional documents or information, we had to rely on our supplementary standards, assumptions and constrictions. In such a case, any assumptions will be noted in a suitable part of the report.

3.0 Valuation Standards

The property has been valued on the basis of Market Value in accordance with the International Valuation Standards 2013 (IVS 2013) commissioned by the International Valuation Standards Council (IVSC) and by the consultant who meets all requirements of valuation standards.

The market value is defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

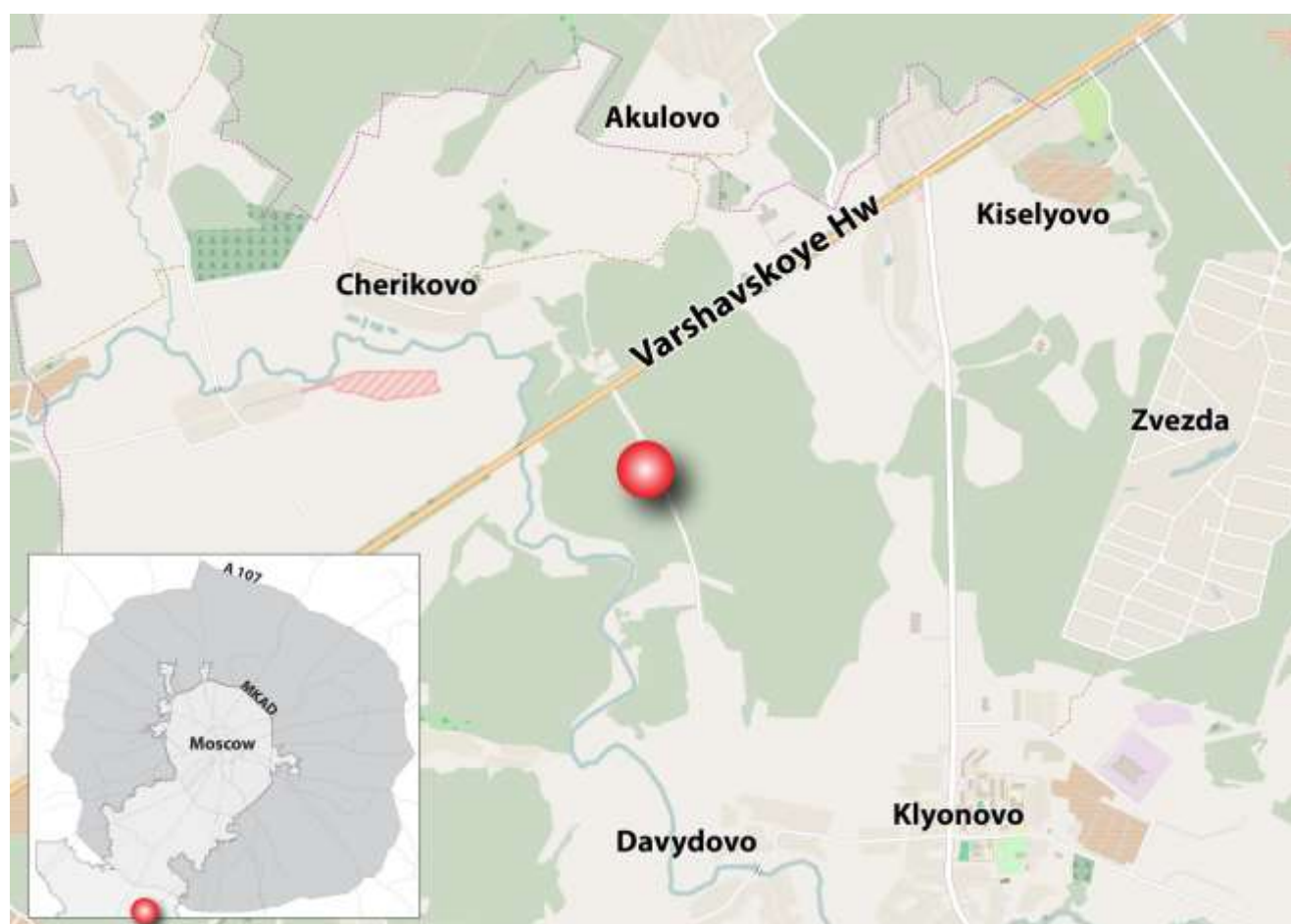
The report provided under this instruction has no status of valuation services in Russia and is not carried out in accordance with the requirements stipulated in Federal Law 'On Valuation in the Russian Federation' № 135 dated July 29, 1998.

4.0 Location

Subject property 1

In accordance with documents provided by the Client the apartment with a total area of 47.5 m² is located at the address: Moscow region, Podolsk district, Klenovskoe settlement, recreation complex "Vitro Village", near the village Kiselevo, building 3, room. 30. The location map is presented below.

Location map



Source: Knight Frank

The property 1 is located on the territory named "New Moscow", in Troitskiy administrative district of Moscow. This is an administrative division of Moscow which is located to the southwest of the city outside the MKAD. The property is located near the Klenovo village, at a distance of approximately 35 km southwest from MKAD. The access to the subject property is provided through Varshavskoe highway which can be characterized by

high traffic intensity and traffic jams. Thus the private transport accessibility of the property can be assessed as satisfactory.

The access by public transport is presented by buses which departure from Moscow (Dmitriya Donskogo metro station) or from Podolsk town. The way time from Dmitriya Donskogo metro station to the subject property without traffic jams is approximately 1 hour. The nearest railway station is located in Podolsk at a distance of approximately 20 km from the subject property. Thus the public transport accessibility of the property is also satisfactory.

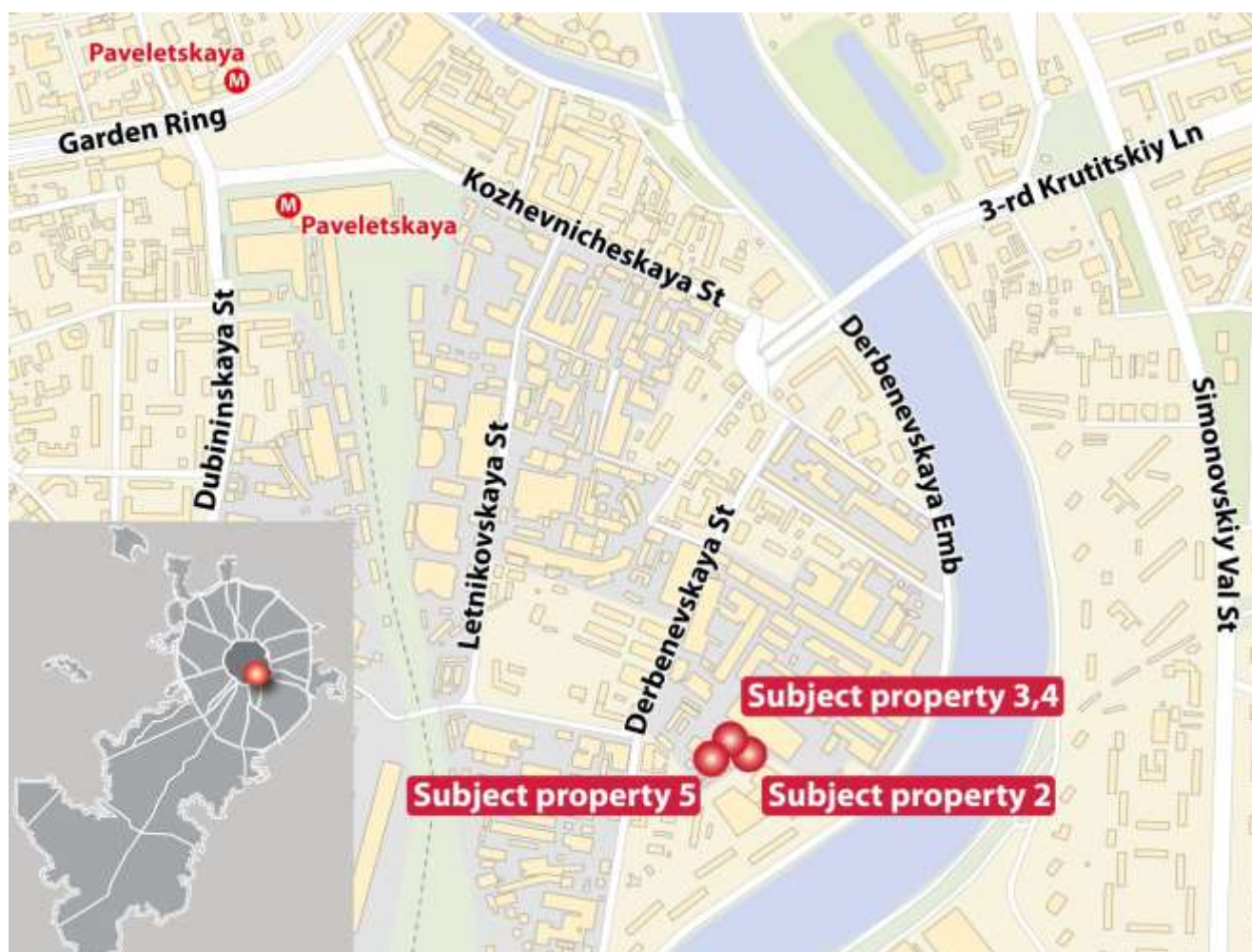
The surroundings of the property are mainly presented by rural or suburban area. The closest town is Podolsk, which is located at 20 km's from the village to the northeast.

Subject properties 2, 3, 4, 5

The property is located in Moscow, in Danilovskiy sub district, an administrative division of Southern Administrative District, at 11A, Derbenevskaya Street, buildings 15, 20, 9a. In accordance with www.google.ru/maps buildings 20 and 9a adjacent to each other forming one unit.

Location map is presented below.

Location map



Source: Knight Frank

Moscow is the capital and most populous city of the Russian Federation, located in the center of European part of the country. It is a major political, economic, cultural, and scientific center of Russia and Eastern Europe, as well as the second largest city entirely on the European continent.

Danilovskiy sub district benefits from its geographical position. It is situated between Sadovoe and The Third Transport Ring – the main ring roads of Moscow. Sadovoe Ring is a two-way street with 5 lanes each way, while The Third Transport Ring is a two-way street with 4 lanes each way. Also, Danilovskiy is the only district in the city which lies on the both banks of Moscow River.

Nowadays this territory is actively redeveloping: the former industrial area is converted into blocks of luxury housing and business centers with developed transportation system and infrastructure. In 2015 a new metro station “Technopark” was opened here, two another “Avtozavodskaya” and “ZIL” are planned in 2016 (Moscow

Central Ring). Danilovskiy District is mostly attractive for investors because of the proximity to the city center. It is also one of the reasons of the government decision to organize here a Technopark.

The subject property is located at Derbenevskaya Street, the second road from the bank of Moscow River. The nearest metro stations are Paveletskaya (1.2 km), Proletarskaya (1.7 km) and Krestyanskaya Zastava (1.8 km). Paveletskaya railway station, one of the major city stations with express trains to Domodedovo airport and several number of trains to southern regions, is also located in this area.

The surroundings of the property are mainly presented by offices and administrative buildings such as business complex "Novospasskiy Dvor", business center "Pollars", technopark "Kozhevniky" and etc. Some banks, cafes and museums are situated at the nearest distance as well. The hotel "Gallery" is located in building 20 at the address 11A, Derbenevskaya Str., Moscow, Russia.

5.0 Description

Subject property 1

The subject property 1 represents the apartment located in recreation complex "Vitro Village". The subject property 1 represents 2-room apartment located on the 4th floor of the building. Apartments in Russian Federation don't have the status of residential premises as against flats (the premises for inhabitancy) but also may be used for accommodation. In accordance with Ownership certificate provided by the Client the subject property is located in building 3. The location map of the building on the territory of the complex is presented below.



Source: <http://vitrovillage.su/village>

We didn't manage to recognize the property on the floor plans at <http://vitrovillage.su/village>. In our Report we rely on the information provided by the Client and suppose it to be actual and proper.

As agreed with the Client we didn't inspect the subject property 1. According to the information provided by the Client the apartment is in a good condition and fully fitted out.

Subject property 2

The subject property 2 represents a 3-storey office building after reconstruction. We didn't inspect the property inside. According to the information provided by the Client premises are fully fitted out, subject property is in a good physical condition.

The building was constructed in 1982. The date of reconstruction is unknown. Main characteristics of construction materials and products are:

- Foundation – reinforced concrete;
- Floor – reinforced concrete slab;
- Ceiling, columns – cast reinforced concrete;
- Roof – accessible built-up roofing.

Aboveground levels are provided with day light and are designed for the office use. The 1st floor accommodates entrance hall, conference and meeting rooms and toilet facilities. The 2nd and 3rd floors accommodate office premises (not equipped with the furniture) and toilet facilities.

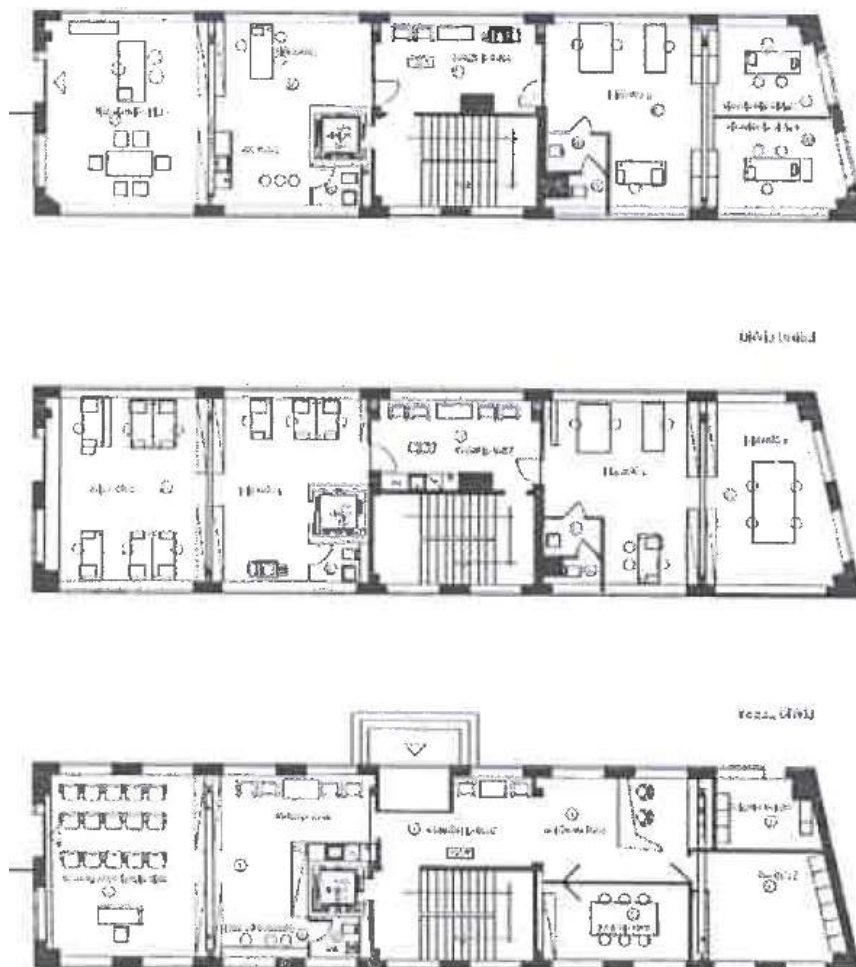
The areas are fully fitted-out:

- Floors: granite tiles, ceramic tiles.
- Walls: tinted, vinyl wall covering, ceramic tile.
- Ceilings: floating ceiling or whitewashed.

The subject property is located at the fenced territory.

The building is equipped with electricity, heating system, automatic fire fighting system separately pumping fire fighting, ventilation and air conditioning systems.

The floor plans of the subject property 2 are presented below.



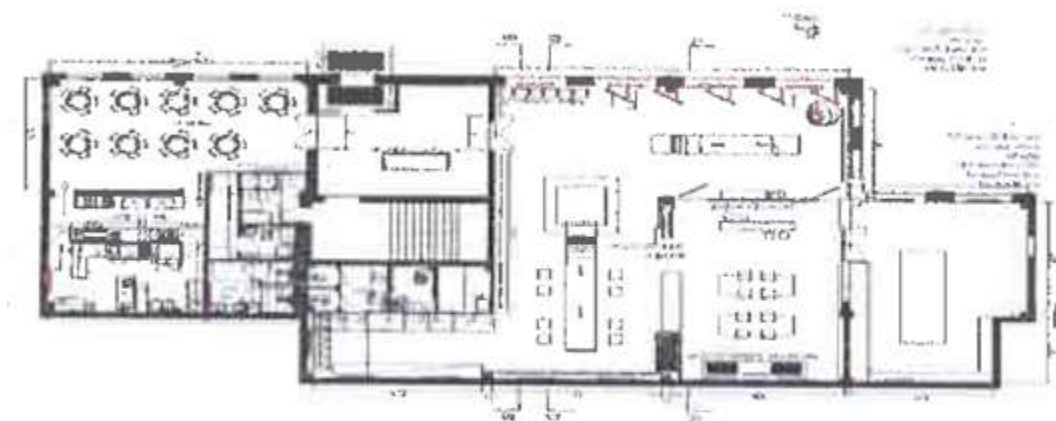
We haven't been provided with any information regarding the land plot related to the building of 595.8 sq m. In accordance with Public Cadastral Map¹ the building is located on the territory of the land plot with cadastral number 77:05:0001001:58. Land category – land of settlement, permitted use – for production facilities. The total area of the land plot is 7,348 sq m. The land plot is held public freehold, the encumbrance is a leasehold from 27 October 2000 (the term is unknown). The valuation is based on the assumption that legal title for the land plot related to the subject property (long-term leasehold) may be drawn up in accordance with the Law of Russian Federation.

There is a car parking on the territory of the land plot. We suppose that a number of car parking places belong to the subject property.

¹ <http://pkk5.rosreestr.ru>

Subject property 3, 4, 5

The subject properties 3, 4, 5 are located on the first floors of the hotel "Gallery" which is located in building 20 at the address 11A, Derbenevskaya Str., Moscow, Russia. The subject properties 3, 4, 5 are adjacent to each other forming one unit of 501.5 sq m. It may be used as a general purpose premises. The floor plans of the subject properties 3, 4, 5 are presented below.



As agreed with the Client we didn't inspect the property inside. According to the information provided by the Client premises are fully fitted out, subject property is in a good physical condition. Premises are equipped with separate entrance.

Photographs of the subject properties are presented in Appendix 1.

6.0 Tenure

Subject property 1

According to the Ownership Certificate 50 НД # 686137 dated 29 December, 2009 the apartment of 47.5 sq m is held freehold by Herbovital 2 S.r.l. Any encumbrances are not registered. The subject property 1 is located on the territory of Troitskiy administrative district, Moscow. The Troitskiy administrative district was integrated with Moscow in 2012. Previously the subject property was located on the territory of Podolsk district, Moscow region. The Client did not provide any documents consisting updated address. Thus, the address of the subject property 1 is pointed out in accordance with Ownership certificate dated 29 December, 2009 throughout the Report. Nevertheless the valuation is based on the assumption that all Title documents are registered properly, including address.

Subject property 2

According to the Ownership Certificate 77 AM # 422159 dated 20 July, 2010 the premises of 595.8 sq m is held freehold by Herbovital 2 S.r.l. Any encumbrances are not registered.

We haven't been provided with any information regarding the land plot related to the building of 595.8 sq m. In accordance with Public Cadastral Map² the building is located on the territory of the land plot with cadastral number 77:05:0001001:58. Land category – land of settlement, permitted use – for production and facilities. The total area of the land plot is 7 348 sq m. The land plot is held public freehold, the encumbrances is a leasehold from October, 27, 2000 (the term is unknown). The valuation is based on the assumption that legal title for the land plot related to the subject property (long-term leasehold) is registered in accordance with the Law of Russian Federation.

Subject property 3

According to the Ownership Certificate 77 AO # 406804 dated 26 February, 2016 the premises of 172.9 sq m is held freehold by Herbovital 2 S.r.l. Any encumbrances are not registered.

Subject property 4

According to the Ownership Certificate 77 AH # 374427 dated 01 July, 2011 the premises of 263.4 sq m is held freehold by Herbovital 2 S.r.l. Any encumbrances are not registered.

Subject property 4

According to the Ownership Certificate 77 AH # 374463 dated 01 July, 2011 the premises of 65.2 sq m is held freehold by Herbovital 2 S.r.l. Any encumbrances are not registered.

7.0 Analysis of the Surrounding Environment

In accordance with Knight Frank's General Terms of Valuation, the research into the state of surrounding environment should be carried out by a specialist qualified in the field of environment protection. AO Knight Frank's specialists are not qualified in such a field. The Consultant didn't do any official research into archived materials containing information about the pollution of the Property.

The Consultant was not aware of any information about the use of the Property which could cause any pollution. Thus, due to the absence of any industrial enterprises adjoining the subject properties, the Consultant assumed properties are not subjects to any adverse effect.

² <http://pkk5.rosreestr.ru>

8.0 The State of the Land

The Consultant assumes that there are no adverse effects to the soil of the plot under the subject properties, and also that the density of the ground is suitable for the property or the construction of a new building.

9.0 Prospects for the Development of the Area

The Consultant doesn't possess any information about prospects for development in close proximity to the properties that could have a negative effect on its value.

10.0 Planning of the Area

The company has not made any enquiries looking into factors which could have an effect on the planning of the territory located at the site. The Consultant recommends that the client seeks the help of legal advisors to send requests to the relevant authorities, in order to verify and confirm all legal aspects presented in this report.

It means that the information used in this report is of an official nature including information found in online sources which is reliable and up to date.

The plot of land on which the property is situated is not subject to any particular environmental protection.

11.0 Road Infrastructure and Transport Accessibility

We do not know anything about the construction or reconstruction of any roads in the area which could have a depreciative effect on the value of the subject properties.

In the valuation the Consultant assumes that the subject properties are freely accessible by foot, public and personal transport.

12.0 Economic Overview

Russia economic overview

- Annual GDP in 2015 – -3.8%
- Annual inflation as at July 2016 – 7.2%
- Unemployment rate in June 2016: 5.4%
- Current refinancing rate: 10.50%
- Exchange Rates as at 18.08.2016: RUB 63.9943 per 1 USD; RUB 72.0832 per 1 Euro.

It should be appreciated that this section of the valuation report is published for general information only and the information should not form the basis of any formal decision. Being a general report, the material does not necessarily represent the view of Knight Frank AO in relation to specific properties can be accepted by Knight Frank AO resulting it.

13.0 Market Overview

Moscow Office Market

“Moscow office real estate market turned positive showing signs of stabilization after continuous fall. These signals found expression in the reduction of vacant space and slowdown of rental rate decline. However, the prospects of recovery are still uncertain, the process itself may last a long while. The achieved balance is the result of several major transactions, while most companies still follow the optimization strategy.

Today, it is still more of a tenant's market offering a wide range of options and attractive lease terms.

Nevertheless, there are examples when landlords are beginning to slightly raise the asking rates after letting part of their premises. The reason for this is the expected reduction in the volume of new construction in 2017-2018. Then, there may be a decrease of options available for lease and purchase thus stimulating rental rates increase”. - Director, Office Department, Konstantin Losiukov.

Executive summary

- Class A and B new delivery volume has dropped by 20% compared to H1 2015
- Class A and B vacant office space volume is 2,8 mln sq m
- Take-up volume in H1 2016 has increased by 25% compared to H1 2015 in Class A offices and by 33% in Class B offices

Key indicators. Dynamics*	Class A	Class B
Total stock, thousand sq m	15,714	
including, thousand sq m	3,851	11,863
Delivered in Q1 2016, thousand sq m	175	
including, thousand sq m	30	145
Net take-up, thousand sq m	233	
including, thousand sq m	168	65
Vacancy rate, %	20.5 (-3.9 p. p)	17.0 (-0.5 p. p.)
Average weighed asking rental rate**, USD/sq m/year	465 (-1.9%)*	262 (-8.1%)*
Average weighed asking rental rate**, RUR/sq m/year	24,662 (-1.9%)*	13,899 (-8.0%)*
Rental rates range** USD/sq m/year	280-850 10,000-45,000	250-650 7,500-35,000

Key indicators. Dynamics*	Class A	Class B
RUR/sq m/year		
OPEX rate range***, RUR/sq m/year	4,000-7,500	2,500-4,500

* Compared to Q4 2015

** Excluding operational expenses utility bills and VAT (18%)

*** OPEX rate does not consider change related to property tax rate increase

Source: Knight Frank Research, 2016

Supply

The total stock of Moscow office premises has reached of 15.7 mln sq m referring 25% to Class A and 75% to Class B office buildings.

Developers have postponed construction start of a number of office buildings since 2014: part of the projects are still at the design stage, other concepts have been revised. As a result, landlords have cut office component or completely rejected it. The delivery volume of H1 2016 has become a record low equaling to 175 thousand sq m.

New delivery volume dynamics for Class A and B offices

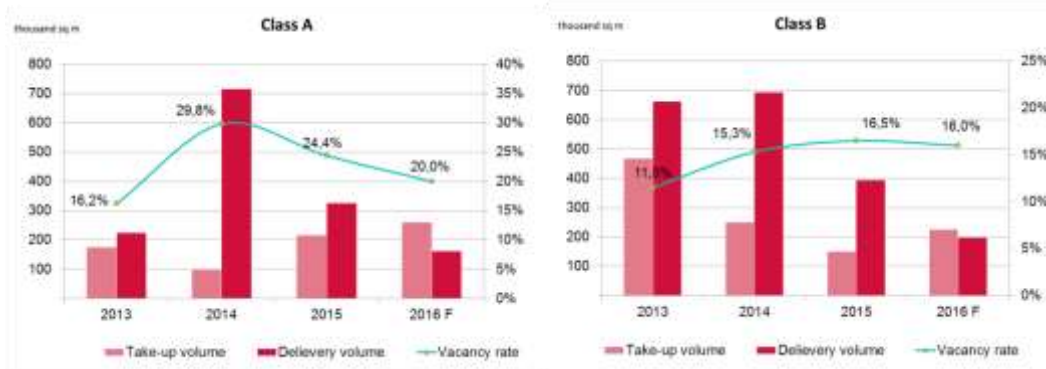


Source: Knight Frank Research, 2016

The vacancy rate of Class A was registered at the level of 20.5% and 17% in Class B. Class A index shrank 3.9 p. p. owing to completion of several large transactions along with insignificant delivery volume. An important event influencing the vacancy rate dynamics became the transfer of ownership of one of the office buildings to the lending bank. There is some evidence that it may accommodate some of its subsidiaries in this building. Thus, the building was withdrawn from the market.

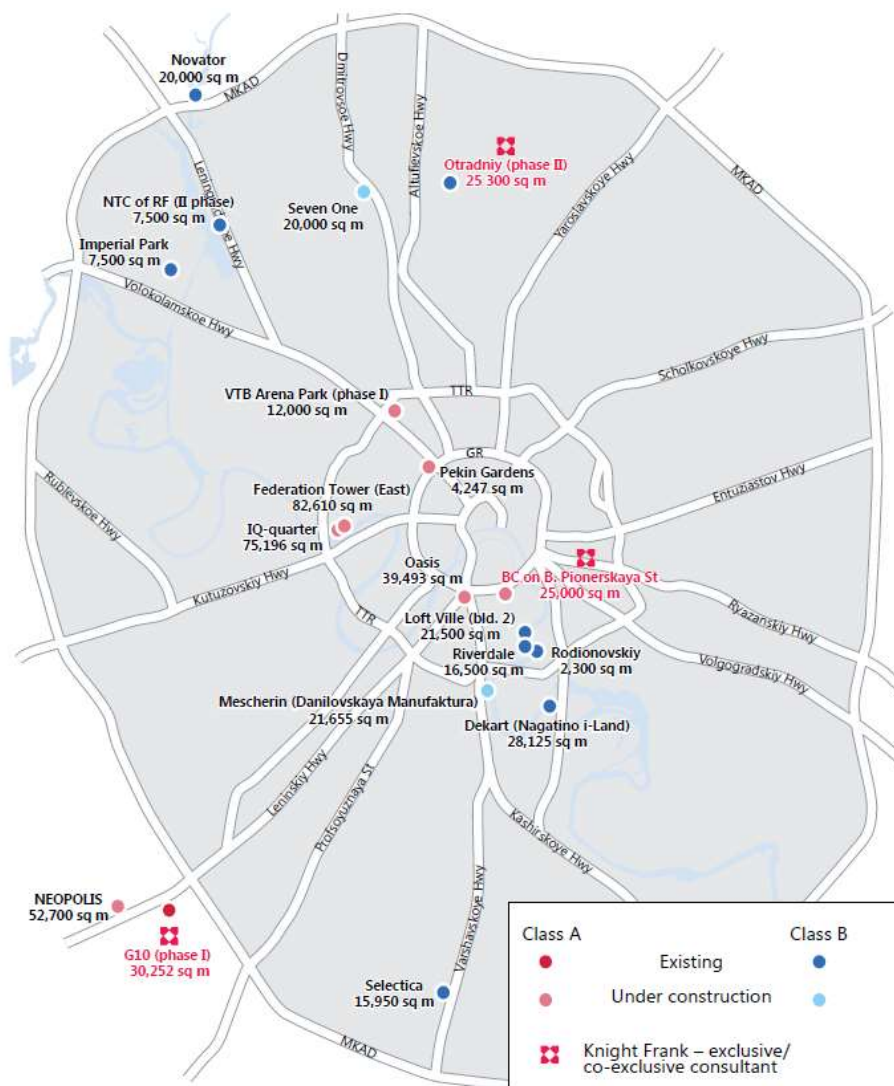
Despite this, today Moscow office market comprises 2.8 mln sq m available for tenants and buyers in delivered office buildings, and about 3 mln sq m including for buildings in active construction stage.

Dynamics of delivery, take-up and vacancy rates of Class A and B offices



Source: Knight Frank Research, 2016

Key office projects delivered in H1 2016* and due to be commissioned in H2 2016



Source: Knight Frank Research, 2016

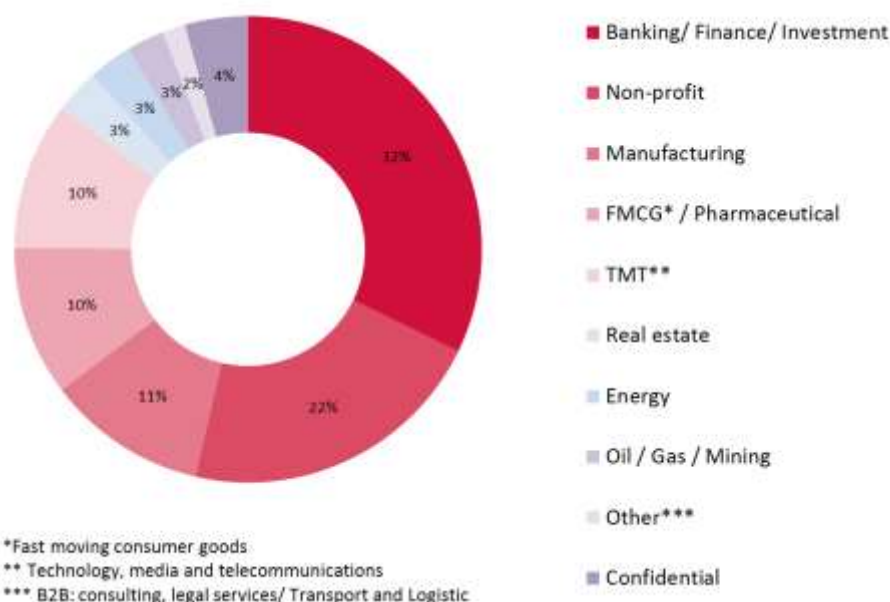
Demand

The net take-up in Class A and B offices has totaled 233 thousand sq m., which is 25% higher against first six months of the previous year if excluding the largest Q1 transaction (transfer of ownership rights for the business centre (85 thousand sq m) to VTB Group against loan debt). The average transaction size increased 1.6 times and reached 1.5 thousand sq m, while the average size of lease transaction did not change.

The share of lease renegotiations in the total volume of transactions in H1 2016 was 59% against 73% for the same period of the previous year. There are less revisions of lease agreements in order to reduce the risks of ruble exchange rate fluctuations: today we witness an increase in the number of extensions of agreements when the parties extend them close to the expiration of the lease term or due to the break option, agreeing lease terms at the current market rental rates.

The tenant mix structure is mainly formed by several large transactions of Q1 2016, therefore it the breakdown has remained unchanged. The largest share of 32% was taken by financial sector companies as a result of the transfer of ownership rights for Eurasia Tower to VTB Group. The share of non-profit organizations was 22% due to the purchase of 55 thousand sq m of office space in OKO Multifunctional Complex by Moscow City Government. Another landmark transaction was the acquisition of 15 thousand sq m of office space in Park Pobedy business centre by RUSAL company. Thus, the share of the manufacturing sector in the total volume of transactions has amounted to 11%.

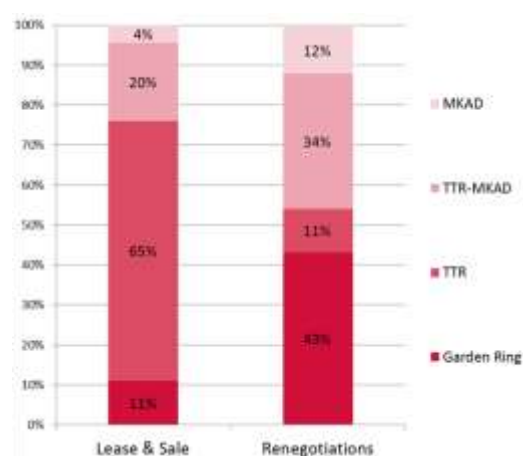
Tenant mix



Source: Knight Frank Research, 2016

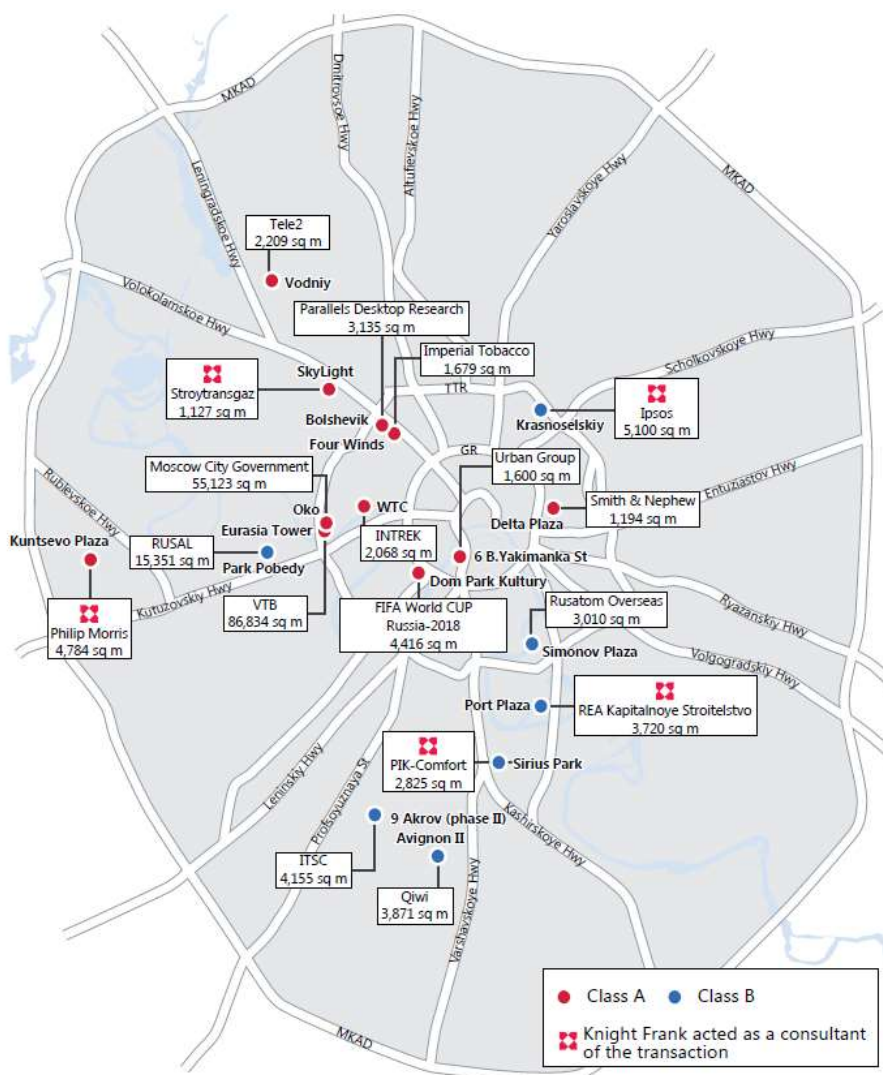
The largest number of lease and purchase transactions was recorded in facilities located near the Third Transport Ring (65%). This was due to two major transactions with the total volume of more than 140 thousand sq m in Moscow City business district. Interestingly, the demand for decentralized offices has been falling since the middle of 2015: the share of lease and purchase transactions of office space located in the vicinity of the Moscow Ring Road slumped from 21% to 4%. Today, there is still office space available in the developed business districts in the city centre on rental rates comparable to the rates in the business centres in remote areas.

Distribution of transactions by type and location



Source: Knight Frank Research, 2016

Key lease and purchase transactions closed in H1 2016



Source: Knight Frank Research, 2016

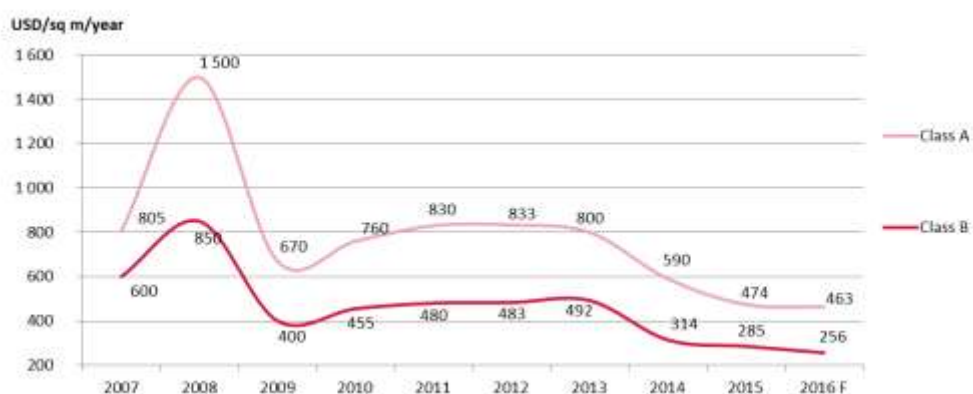
Commercial terms

Class A rents denominated in Russian rubles remained almost unchanged and amounted to 24,662 rub./sq m/year and Class B rents were 4.9% down equaling to 13,899 rub./sq m/year. 465 \$/sq m/year and 262 \$/sq m/year, correspondingly, were the rates in Class A and Class B in US dollar terms.

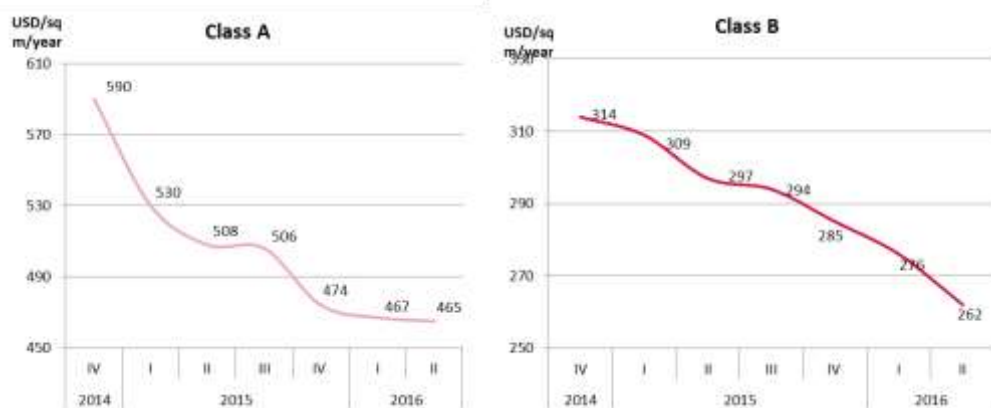
Sustained rental rates decline of started from mid 2014 has slowed down today. The current downward trend is determined by the strategy of separate landlords, who were late adapting to a highly competitive market and,

therefore, the level of vacant space in their facilities is quite high. Thus, another historical anti-record has been updated in the office real estate market of Moscow.

Average asking rental rates dynamics for Class A and B offices denominated in USD

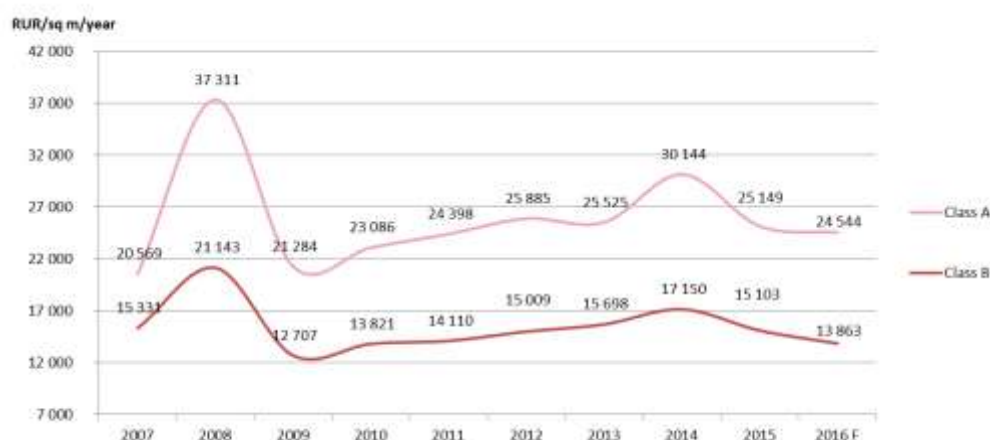


Source: Knight Frank Research, 2016

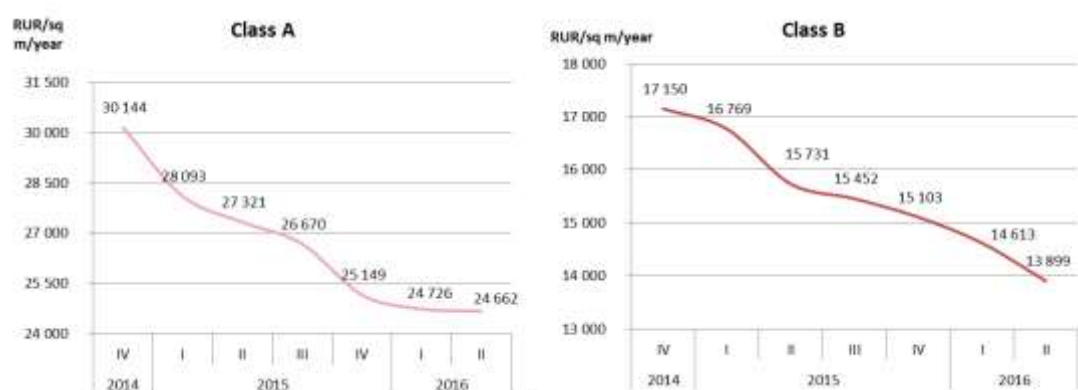


Source: Knight Frank Research, 2016

Average asking rental rates dynamics for Class A and B offices denominated in RUB



Source: Knight Frank Research, 2016



Source: Knight Frank Research, 2016

Forecast

We expect the H1 trend to continue in H2 2016 in the office real estate market of Moscow.

Most developers have suspended development of new projects due to uncertain prospects for economic and real estate market recovery. Mainly office buildings scheduled for 2015 or earlier will be delivered in the next two years: 71% of the growth of office space will be formed by deferred delivery. In 2017 we expect a minimum growth volume in the history of the office real estate market of Moscow.

According to our estimates, the 2016 take-up of office space may slightly exceed last year's figure. The stabilization of the Russian ruble and the improving outlook for the development of the Russian economy may influence the company's sentiment towards lease and purchase of office space. According to our expectations, the revision of lease agreements will be the issue of tenants' activity in a lesser extent. The companies will

choose moving to new offices or extending their lease terms on more favorable terms in the context of low rental rates.

Competition among landlords is still high, and therefore the rental rates will not demonstrate a significant dynamics, but the rents in some business districts may go down in connection with the delivery of new office buildings.

Moscow submarket data. Key indicators

Submarket		Lease Area, thousand. sqm	Class A					Class B						
			Average rent, \$/sq m/year		Average rent, RUR/sq m/year		Vacancy rate, %		Average rent, \$/sq m/year		Average rent, RUR/sq m/year		Vacancy rate, %	
Boulevard Ring	Central business district	712	907		48,090		16.8%		404		21,386		11.5%	
Garden Ring	South	918	476	532	25,215	21,300	17.0%	507	432	26,875	24,298	16.3%	12.1%	
	West	273	746		39,515	21,100		22,405		10.6%				
	North	660	-		26,885	8.7%		-		25,144	11.3%			
	East	401	521		26,818	23.1%		328		17,392	15.8%			
Third Transport Ring	Khamovniki	260	780	561	41,317	29,720	19.0%	281	23,676	14,927	6.0%	17.6%		
	Leninskiy	277	-		-	-			15,997		20.6%			
	Tul'skiy	959	-		-	-			13,852		17.5%			
	Kievskiy	424	-		29,661	10.0%			-		14,050		55.9%	
	Presnenskiy	357	528		27,962	6.8%			-		19,186		15.4%	
	Prospekt Mira	162	-		-	-			17,822		25.6%			
	Tverskoy-Novoslobodskiy	752	648		34,331	19.8%			359		19,009		12.0%	
	Basmanniy	531	-		-	-			15,751		7.8%			
	Taganskiy	234	-		-	-			232		12,297		14.5%	
	Volgogradskiy	434	-		20,399	62.7%			285		15,094		24.2%	
MIBC Moscow-City		913	535	28,352		20.2%		-		-		-		
TTR-MKAD	North	627	-	363	25,000	19,265	20.0%	252	12,564	13,340	14.2%	15.9%		
	Northwest	692	460		24,361	11.0%			-		14,691		17.0%	
	South	1,149	-		18,222	-			-		9,555		16.6%	
	West	550	-		26,860	-			327		17,323		17.8%	
	Southwest	585	342		18,102	38.6%			320		16,952		17.1%	
	East	658	-		-	46.2%			231		12,253		13.9%	
MKAD	North	362	-	244	-	12,918	36.0%	-	7,303	9,736	7.2%	23.1%		
	Northwest	308	205		10,874	47.2%			-		11,903		23.5%	
	South	260	-		-	-			10,369		48.6%			
	West	1,789	283		15,024	24.0%			-		9,986		26.7%	
	Southwest	215	237		12,585	43.8%			-		7,151		20.2%	
	East	248	-		-	-			-		6,739		5.7%	
Total		15,714	465	24,662		20.5%		262		13,899		17.0%		

Source: Knight Frank Research, 2016

New Moscow Residential Market³

In the first quarter of 2016 the developer's activity at the New Moscow primary residential market was rather low. New offers did not come out, supply was refilling by sales in the buildings of completed complexes. Moreover, the total amount of sold flats has decreased for 14.5%. A number of deals in the most attractive complexes increased twice comparing to the January 2016. In March the supply normalized and got back to the usual position.

Supply

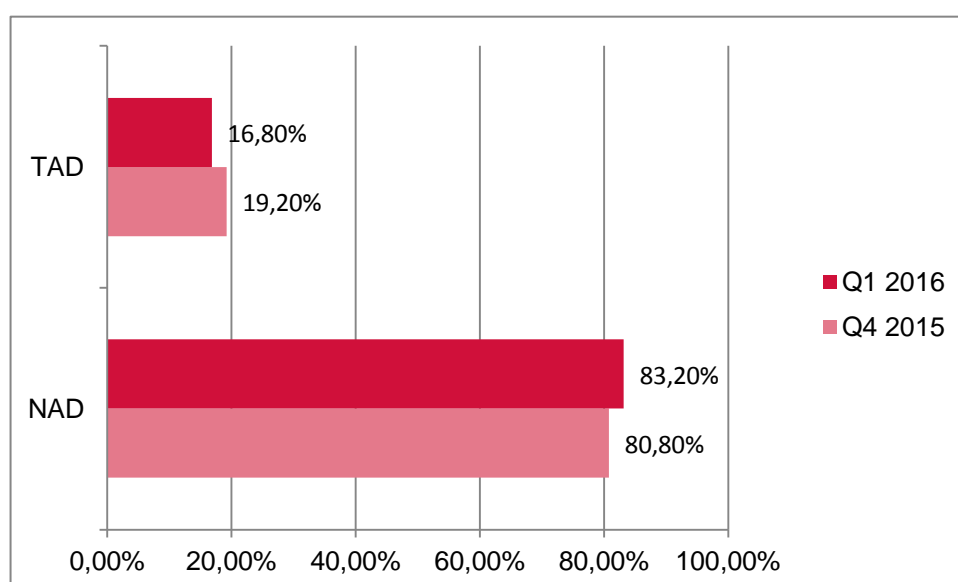
In the beginning of 2016 the sales started in new buildings of residential complexes "Andersen", "Tat'yanin Park", "Borisoglebskoe", "Ispanskies kvartaly", "Novoe Butovo", "Peredelkino Bluzhnee" and "Buninskie Luga". At the same time primary sales of flats in residential complexes "Nikolin Park" and "Izumrudniy" has stopped and

³ <http://www.metrium.ru/upload/iblock/fcf/i-i-i-1-i-2016.pdf>

few buildings of residential complexes “Buninskie Luga”, “Tat’yanin Park” and “Peredelkino Blizhnee” were brought out of sales.

Thus in the first quarter of 2016 34 projects were exposed at the primary residential market of New Moscow. Total amount of supply was at the level of approximately 7,600⁴ flats, that is 14.5% less than in the beginning of the year. Decrease of supply at the primary market was caused by closing the sales in a number of large projects. The major amount of supply is still focused on Novomoskovskiy administrative district (NAD). In the first quarter of 2016 year the percent of projects located in NAD has raised for 2.4 p.p. up to 83.2% of total New Moscow primary residential market supply.

Structure of supply depending the district

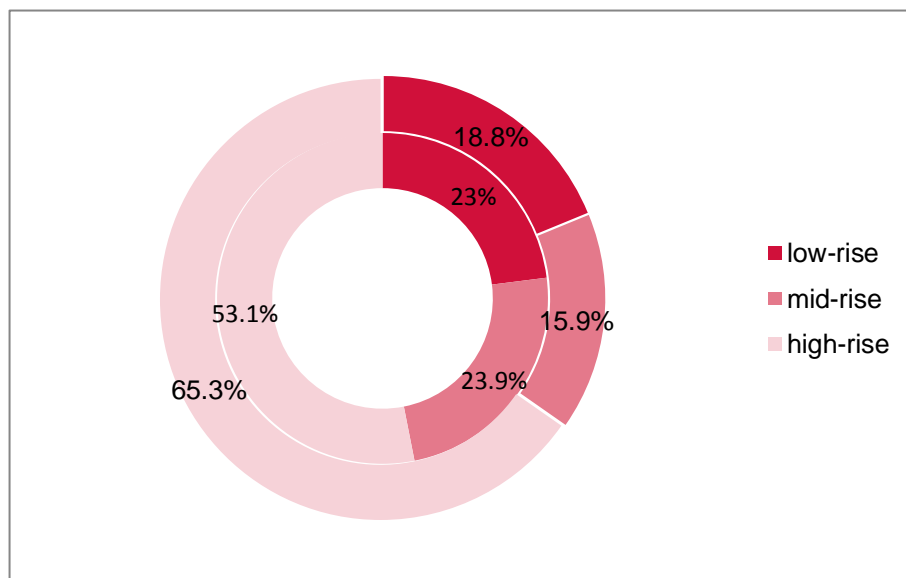


Source: “Metrium Group”

The share of offers in high-rise buildings has increased for 12.2 p.p. and now it is up to 65.3%. At the same time, percent of flats being sold in low-rise and mid-rise buildings has decreased for 4.2 p.p. and 8 p.p. relatively (up to 18.8% and 15.9%)

⁴ Range of supply in RC “Akvar’el”, “Novo-Nikolskoe”, “Buninskie Luga”, “Rasskazovo” and “Mar’ino Grad” was calculated expertly based on the total amount of apartments in the project, stage of construction, approximate time of realization and information from sales managers.

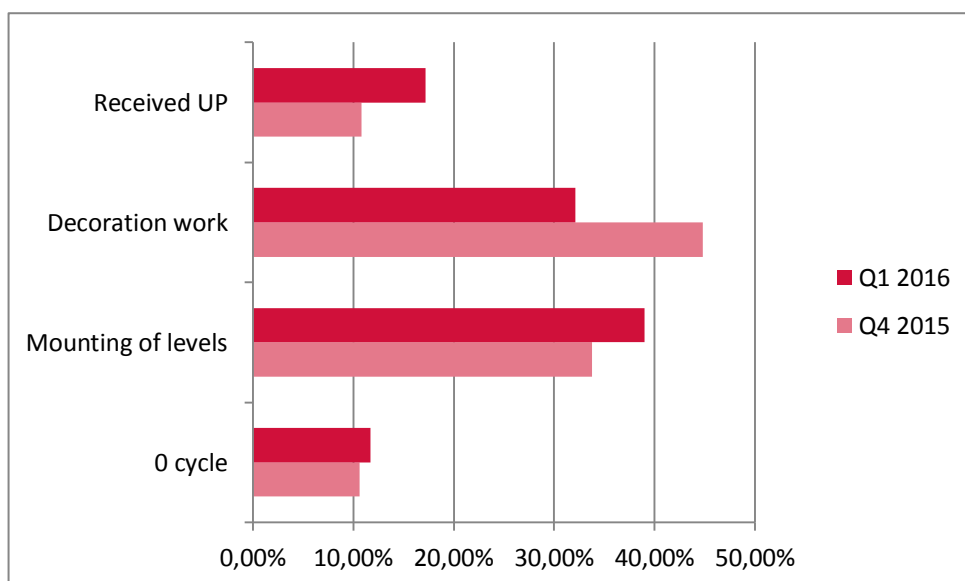
Structure of supply depending on number of floors (boundary circle – Q1 2016, inner circle – Q4 2015)



Source: "Metrium Group"

The supply has switched to the properties on the aboveground stage of construction. In summary, it takes 39% of flats and shows 5.2 p.p. increase comparing to the beginning of the year. 32.1% of supply (-12.2% per quarter) falls on the properties on the finishing stage of construction. 2% of supply is sold in fully completed buildings and all the others are focused on new buildings at the underground construction stage.

Structure of supply depending on the percentage of building completion (flats)



Source: "Metrium Group"

In first quarter of 2016 the average price for sq m was at the level of 105 160 rub. and it almost hasn't changed comparing to the beginning of the year (-0,5%). Moreover we can mention the variety of trends by districts: the decrease of 2.2% was registered in NAD (up to 112,750 rub./sq. m) and the increase for 5% (up to 67,580 rub./sq. m) in Troitskiy administrative district (TAD). These changes were mainly caused by supply reallocation after the sales start in new buildings and completion of sales in realized once. Residential complex "Borisoglebskoe" is leading in the rating of the most accessible complexes. Residential complexes "Kutuzovskie berezy" and "Sportivniy kvartal" are standing behind it:

- 2,000 ml rub. for single-room flat, 33.4 sq. m ("Borisoglebskoe");
- 2,210 ml rub. for single-room flat, 40.93 sq. m (RC "Kutuzovskie berezy");
- 2,256 ml rub. for single-room flat, 27.79 sq. m (RC "Sportivniy kvartal").

The average purchase budget has decreased for 4% in comparison to the beginning of 2016 and in the first quarter of 2016 it was 5,805 ml rub. Also, the decrease of the average price for single-room and two-room flats was registered (for 3% and 5% relatively).

Area and price of flats at a primary residential market of New Moscow

Typology	Area, sq.m			Price sq.m, rub.			Budget, rub.		
	min	med	max	min	med	max	min	med	max
Single-room	22.00	39.08	82.2	54,000	112,020	160,097	1,999 999	4,337,645	16,834,096
Two-room	31.40	61.13	111.4	47,017	97,170	172,299	2,759 000	5,851,671	28,306,417
Three-room	41.6	91.84	178	53,887	107,040	174,597	3,905 704	10,161,993	37,169,015
Multi rooms	74.7	117.36	213.57	66,500	80,165	150,854	5,711 000	9,361,722	27,907,985
Total	22	55.93	213.57	47,017	105,160	174,597	1,999 999	5,805,238	37,169,015

Source: "Metrium Group"

Apartments market in Russian Federation is an especial sub market very similar to residential market. Apartments in Russian Federation don't have the status of residential premises as against flats (the premises for inhabitancy) but also may be used for accommodation. The supply as well as demand for this type of property is less than for residential premises. This leads to lower prices for this type of property which are usually 10-20% less than the same once for residential premises.

14.0 Valuation Methodology

The valuation process includes research and analysis of data regarding the subject property and the current market which is used to determine the value of the subject property.

The procedure includes the following:

1. Request for source data regarding the subject property.
2. Information and documentation analysis.
3. Research and analysis of natural, economic, social environment and other factors in the location area of the subject property (region, city or district) which may affect the value of the property.
4. Research and analysis of the specific data regarding the subject property and comparables. The research is carried out by reviewing documentation, consulting the potential purchasers/investors, brokers etc.
5. Determination of the value of the subject property on the basis of those approaches and methods on which the Consultant has full and accurate information required for calculations, and provided the methods and approaches are considered feasible for the purpose of the valuation.
6. Description of the methods applied, calculation and valuation results in a detailed, accessible and unambiguous form. The main requirement for this stage of the valuation is providing the Client with sufficient information to understand the source data, argumentation, analysis and conclusions.

According to standard practice, the real estate valuation uses three methods: Cost, Sales Comparison and Income Capitalization Approach. In valuation one of the methods or their combination may be used. The choice of the methods depends on the subject property, information availability, its correspondences to the highest and best use and other factors.

The Market Value of a property depends on supply and demand on the market and type of competition between sellers and buyers (principle of supply and demand).

The Market Value cannot surpass potential expenses on acquisition of an equally effective property (principle of substitution).

The Market Value of a most effectively used property depends on the expected volume, term and possibility of income in a certain period of time disregarding any other income from business activity or production (principle of expectation).

Sales Comparison Approach

In the frame of Sales comparison approach, usually direct-comparison method is used.

This method calculates the market value on the basis of properties comparable to the subject property in terms of size, location, presence of utilities and use. This valuation approach assumes that the market will set a value for the subject property in the same way as for the comparable properties.

The procedure, while applying the Sales Comparison Approach is as follows:

- Analyze the information regarding the sales comparables available on the market;
- Determine the appropriate adjustments reflecting the difference between the subject property and sales comparables.

The best comparables are properties that have been recently sold in the open market and are similar to the subject property. In reality it is difficult to obtain enough information related to these transactions, and appropriate adjustments to the market rents data are typically made. Additionally, the asking price for the properties which are currently offered for sale can be used as an indicator of the market value of the subject property.

Cost Approach

Cost Approach is generally applied in relation to those real estate properties that are rarely put up for sale in the open market, or in the case of an absence of market information.

Cost Approach is based on the assumption that construction costs plus costs connected with land acquisition and its preparation for construction may serve as a basis for determining real estate value.

Cost Approach is preferably used for:

1. Valuation of uncompleted properties,
2. Taxation (building, land plot),
3. Insurance purposes,
4. Feasibility study of new construction,
5. Valuation when other approaches can not be used.

When using this approach, it is necessary to determine whether it concerns cost of reconstruction (construction of identical building) or cost of replacement (construction of property with equal profitability, considering usage of advanced materials, up-to-date standards of design, planning etc.).

After determining the cost of reconstruction or replacement, an appropriate amount for depreciation (economical, physical or functional depreciation) will be deducted from the resulting amount. This final amount will be the property value in accordance with the Cost Approach.

Consultant refused to use the Cost Approach due to its inapplicability in valuation of the subject properties that are potentially capable of generating income and because there is enough information for estimation of market value using comparables.

Income Approach

Income Approach is used for valuing properties that are potentially capable of generating income. The Income Approach suggests that the value of a certain property on the valuation date is the present value of the net income which may be received by the owner during future years when the building is operational and leased.

Determining of the market lease rate, in the frame of Income Approach, suggests evaluation of the subject property and its return, which allows to form an opinion about probable lease rate of the subject property.

15.0 Calculation of the Market Value

Taking into account the type of the property we have used Sales comparison approach to calculate the market value of the Property 1, Sales Comparison Approach and Income Approach to calculate the market value of the Properties 2-5.

Sales comparison approach

Using the Sales comparison approach we took direct comparisons of the property and determined its market value by analyzing the recent deals/offers of comparable real-estate on the market. The comparatives used are similar in terms of size, quality, location and surrounding environment. The date of deal/offer of these comparables is also taken into account. This method assumes that the market will set the value of the property in the same manner as that of the comparable properties.

Comparable properties are set out in the table below.

List of comparables for sale

Subject Property 1

Recreation complex "Vitro Village"

Kiselevo village, Klenovskoe settlement

Troitskiy district, Moscow



Source: <http://vitro-v.ru/classified>

- Area: 57 sq m
- Floor: 1
- Number of rooms: 2
- Type: Apartment
- Condition: finished, no furniture
- The house is put into operation

Asking price is 3,200,000 RUB, or 56,140 RUB per sq m

1, Molodezhny village, Podolsk district, Moscow region







Source:

<http://podolsk.cian.ru/sale/flat/140470772/>

- Area: 70 sq m
- Floor: 3
- Number of rooms: 2
- Type: Flat
- Condition: Finished, no furniture
- The house is put into operation

Asking price is 4,150,000 RUB, or 59,286 RUB per sq m

<p>Recreation complex “Vitro Village” Kiselevo village, Klenovskoe settlement Troitskiy district, Moscow</p>   <p>Source: http://cian.ru/sale/flat/50399110/</p>	<ul style="list-style-type: none"> • Area: 57 sq m • Floor: 3 • Number of rooms: 2 • Type: Apartment • Condition: finished, with furniture • The house is put into operation <p>Asking price is 3,800,000 RUB, or 66,667 RUB per sq m</p>
<p>Recreation complex “Vitro Village” Kiselevo village, Klenovskoe settlement Troitskiy district, Moscow</p>  <p>Source: http://vitrovillage.su/cnt/contacts</p>	<ul style="list-style-type: none"> • Area: 55 sq m • Floor: 3 • Number of rooms: 2 • Type: Apartment • Condition: Shell&core • The house is put into operation <p>Asking price is 3,200,000 RUB, or 58,182 RUB per sq m</p>
<p>Residential complex “Borisoglebovskoe” Zverevo village, Novofodorovskoe settlement, Moscow</p>  <p>Source: http://borisoglebskoe-new.ru/?utm_source=VseNovostroiki_tgb_zakr_ep&utm_medium=media&utm_campaign=6&utm_content=4500334</p>	<ul style="list-style-type: none"> • Area: 50 sq m • Floor: 3 • Number of rooms: 2 • Type: Flat • Condition: Shell&core • The house will be put into operation in March, 2017 <p>Asking price is 2,746,000 RUB, or 54,928 RUB per sq m</p>

Residential complex “Legenda”
Kaluzhskoe highway, Troitsk settlement,
Moscow (22 km from MKAD)



Source: <http://legenda-7.ru/vyibor-kvartiryi-po-parametram/>?

- Area: 47 sq m
- Floor: 4
- Number of rooms: 2
- Type: Flat
- Condition: Shell&core
- The house will be put into operation in the beginning of 2017

Asking price is 3,250,000 RUB, or 69,149 RUB per sq m

Residential complex “Irlandskiy Kvartal”
Raevo village, Krasnopakharskoe settlement,
Moscow



Source: <http://www.ostrov-erin.ru/apartments/>

- Area: 45 sq m
- Floor: 1
- Number of rooms: 1
- Type: Flat
- Condition: Shell&core
- The house will be put into operation in November, 2016

Asking price is 2,900,000 RUB, or 64,444 RUB per sq m

Subject Property 2-5

17, bld 12, Nastavnichesky pereulok, Moscow “Bankside” business center



Source of information:

Knight Frank AO, Capital Markets Department

- Area: 560.6 sq m
- Separate standing building
- 3 floors
- Class: B
- Condition: new
- Premises are fitted out
- The land plot is one for all the buildings of the “Bankside” business center
- Tenure for the land plot – leasehold till 2060 year

Asking price is 149,000,000 RUB or 265,787 RUB per sq m, incl. VAT

24, Derbenevskaya Str., Moscow






Source of information:

<http://www.cian.ru/sale/commercial/5066578/>

- Area: 400 sq m
- Separate standing building
- 2 floors
- Class: C
- Condition: satisfactory
- Premises are fitted out
- The land plot – construction footprint
- Tenure for the land plot – freehold

Asking price is 59,800,000 RUB or 149,500 RUB per sq m, VAT is not applicable

<p>5, bld. 1, 2nd Paveletskiy proezd, Moscow “Riverdale” Business Center</p>  <p>Source of information: http://glincom.com/riverdale-office/plans/</p>	<ul style="list-style-type: none"> • Area: 278 sq m • Premises in the Business Center • 4th floor • Class: B • Condition: new • Shell&core <p>Asking price is 37,655,100 RUB or 135,450 RUB per sq m incl. VAT</p>
<p>2nd Paveletskiy passage, 5, building 1 “Riverdale” Business Center</p>  <p>Source of information: http://glincom.com/riverdale-office/plans/</p>	<ul style="list-style-type: none"> • Area: 278 sq m • Premises in the Business Center • 6th floor • Class: B • Condition: new • Shell&core <p>Asking price is 38,822,100 RUB or 139,950 RUB per sq m, incl. VAT</p>
<p>57, bld 2, Dubiniskaya Str., Moscow</p>  <p>Source of information: http://www.cian.ru/sale/commercial/148266806/</p>	<ul style="list-style-type: none"> • Area: 627 sq m • Separate standing building • 2 floors • Class B • Condition: after reconstruction • Shell&core <p>Asking price is 100,320,000 RUB or 160,000 RUB per sq m, net of VAT</p>

8, bld 6, 3rd Ugreshskiy proezd, Moscow



Source of information:

<http://techno-loft.ru/>

- Area: 368 sq m
- Separate standing building
- 2 floors
- Class B
- Condition: after reconstruction
- Shell&core

Asking price is 34,923,200 RUB or 94,900 RUB per sq m, net of VAT

We applied the appropriate adjustments to the comparables such as negotiated price, area, location, floor, class of the property, type of the property (premises/stand along building, apartments/flats), finishing. Calculations of the market value in accordance with Sales Comparison approach are presented in the Appendix 3.

In accordance with Sales Comparison Approach the rounded market value of the subject properties amounts to:

- **Subject property 1 – 2,540,000 RUB, net of VAT.**
- **Subject property 2 – 76,876,077 RUB, net of VAT;**
- **Subject property 3 – 24,913,228 RUB, net of VAT;**
- **Subject property 4 – 36,899,147 RUB, net of VAT;**
- **Subject property 5 – 9,916,621 RUB, net of VAT.**

Income approach

The Income approach is used for valuating properties that are potentially capable of generating income. The Income approach suggests that the value of a certain property on the valuation date is the present value of the net income which may be received by the owner during future years when the object is operational and let.

In valuing the subject property we have used the Direct capitalization method.

The basic formula for valuing the subject property by the Direct capitalization method is as follows:

$$MV = \frac{NOI}{R}$$

MV – market value;

NOI – net operating income;

R – capitalization rate.

In undertaking our calculation of the rental rates, we have taken into account the real estate market situation based on the opinion that the level of rental rates for comparable objects is set in the same way as for the subject's property one.



Our understanding of rental rates is based on the market situation. The assumed rental rates can be changed because of market volatility.



We have analyzed the market of comparables in the Moscow. Using the Income approach we take direct comparisons of the property and determine its market rental rate by analyzing the recent deals/offers of comparable real-estate on the market. The date of deal/offer of these comparable is also taken into account. This method assumes that the market will set the rent for the property being valued in the same manner as that of the comparable properties.

Information about comparables is presented below.

List of comparables for rent

Subject property 2-5

<p>Business center “Novospasskiy Dvor” 7, bld. 6, Derbenevskaya emb., Moscow</p>  <p>Source of information: http://www.novospassky.ru/rent/offices/?ID=153</p>	<ul style="list-style-type: none"> • Area: 523 sq m • Class B+ • Condition: Good • Fitted out • Premises in a business center <p>Asking rental rate is 25,000 rub./sq m per year, incl. VAT and OPEX, excl. utility charges</p>
<p>Business center “Derbenevskaya plaza” 5, Derbenevskiy pereulok, Moscow</p>  <p>Source of information: http://dplaza.ru</p>	<ul style="list-style-type: none"> • Area: 520.4 sq m • Class: B+ • Premise in a business center • Fitted out • Condition: Good <p>Asking rental rate is 21,500 rub./sq m per year, incl. VAT and OPEX, excl. utility charges</p>

<p>Business center “Pavlovskiy” 7, bld. 1, Pavlovskaya Str., Moscow</p>  <p>Source of information: http://xn----8sbbga0bhgh4ah3a1d.xn--p1ai/areas/#go</p>	<ul style="list-style-type: none"> • Area: 404 sq m • Class: B+ • Premise in a business center • Fitted out • Condition: Good <p>Asking rental rate is 22,881 rub./sq m per year, incl. VAT and OPEX, excl. utility charges</p>
<p>Business center “LoftVille” 2, Paveletskaya emb., Moscow</p>  <p>Source of information: http://loftville.ru/rent/31480/</p>	<ul style="list-style-type: none"> • Area: 500 sq m • Class B- • Premise in a business center • Condition: Good • Shell&core <p>Asking rental rate amounted to 12,000 rub./sq m per year, incl. OPEX, excl. VAT and utility charges</p>

In arriving at our opinion of market rent we have taken into consideration the above provided comparables as well as our expert opinion with the involvement of Knight Frank Office Department. The provided comparables are asking prices and vary depending on the location, tenant profile, size and delivery condition (shell&core or fitted-out).

The calculation of the market rental rate for the subject properties is presented in Appendix 4.

According to the rental comparables above and in accordance with our professional market knowledge we believe that the market rent for the subject premises would be:

- **Subject property 2 – 13,600 RUB per sq m p.a., net of VAT, OpEx and utility charges;**
- **Subject property 3 – 15,000 RUB per sq m p.a., net of VAT, OpEx and utility charges;**
- **Subject property 4 – 15,000 RUB per sq m p.a., net of VAT, OpEx and utility charges;**
- **Subject property 5 – 15,000 RUB per sq m p.a., net of VAT, OpEx and utility charges.**

In our calculation we have used leasable areas of the property and triple-net rental rates (net of VAT, OPEX and utilities), so the potential gross income is the same as the net potential income as a result of multiplication of rental rates and leasable areas.

We supposed that the leasable area for subject properties 2, 3, 4, 5 would be equal to their total area in accordance with common market practice for this type of premises.

The rental income has been capitalized with the volume weighted capitalization rate of 11.0%. The capitalization rate we have adopted in our opinion adequately reflects the location, quality and condition of the subject property.

In our calculation we also took into account the fact that at the valuation date the properties 2-5 were vacant. Thus in our calculation we supposed the void period of 3-6 months for properties 2-5. We discounted the value of the properties for this period of time to the valuation date:

We supposed the discount rate to be equal to the cap rate.

$$MV = \frac{NOI}{R} * \frac{1}{(1 + Y)^n}$$

n – void period in year;

Y – discount rate.

The calculation under the Income approach

Factor	Subject property 2	Subject property 3	Subject property 4	Subject property 5
Rental rate, RUB/m ² p.a.	13,600	15,000	15,000	15,000
Leasable area, sq m	596	173	263	65
NOI, RUB p.a.	8,102,880	2,593,500	3,951,000	978,000
Void period	6	3	3	3
R/Y	11,0%	11,0%	11,0%	11,0%
Market value (Income approach), RUB, net of VAT	69,917,394	22,970,097	34,993,195	8,661,945
Market value (Income approach), RUB, net of VAT, rounded	69,920,000	22,970,000	34,990,000	8,660,000

Thus, we are of the opinion that the Market Value of the subject properties according to the Income Approach at the valuation date, rounded:

- **Subject property 2 – 69,920,000 RUB, net of VAT;**
- **Subject property 3 – 22,970,000 RUB, net of VAT;**
- **Subject property 4 – 34,990,000 RUB, net of VAT;**
- **Subject property 5 – 8,660,000 RUB, net of VAT.**

16.0 Valuation Summary

Adjustment of value is a process of defining the amount of the Market Value through examination of all the approaches and methods on applicability and reliability. In this report the calculation of the Market Value of the subject property 1 is based on the Sales comparison approach, the calculation of the Market Value of the subject properties 2-5 is based on the Income approach and Sales comparison approach.

Valuation results

		Subject property 1	Subject property 2	Subject property 3	Subject property 4	Subject property 5
Income Approach	Market Value, rubles	-	69,920,000	22,970,000	34,990,000	8,660,000
	Weight coefficient	0%	50%	50%	50%	50%
Sales comparison Approach	Market Value, rubles	2,540,000	76,880,000	24,910,000	36,900,000	9,920,000
	Weight coefficient	100%	50%	50%	50%	50%
Cost Approach	Market Value, rubles	not applicable	not applicable	not applicable	not applicable	not applicable
	Weight coefficient	0%	0%	0%	0%	0%
Total, rounded,		2,540,000	73,400,000	23,940,000	35,945,000	9,290,000

		Subject property 1	Subject property 2	Subject property 3	Subject property 4	Subject property 5
rubles, net of VAT						
Total, rounded, rubles, net of VAT		145,115,000				

We are of the opinion that the Market Value of the apartment with a total area of 47.5 m² located at Moscow region, Podolsk district, Klenovskoe settlement, recreation complex "Vitro Village", near the village Kiselevo, building 3, room. 30 and non-residential premises with a total area of 1,097.3 m² located at 11A, Derbenevskaya Str., Moscow, Russia, at the valuation date, 18 August 2016, rounded was the sum of **145,115,000 (One Hundred Forty Five Million, One Hundred Fifteen Thousand) rubles, net of VAT.**

17.0 Disclosure

In accordance with our standard practice we must state that the valuation is confidential to the party to whom it is addressed and no responsibility is accepted to any third party for the whole or any part of its contents. If our opinion of value is disclosed to persons other than the addressees of this report the basis of valuation should be stated.

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

SHOULD ANY CONDITIONS CHANGE, APPROPRIATE ADJUSTMENTS COULD BE MADE TO THE VALUES STATED ABOVE

Yours sincerely

Olga Baranova
Deputy Head of Valuations,
Russia and CIS

Evgenia Akulova
Project manager, Valuations,
Russia and CIS

For and on behalf of Knight Frank AO

Appendix 1 – Photographs



Subject property 2 (11A, bld. 15 Derbenevskaya Str., Moscow, Russia)



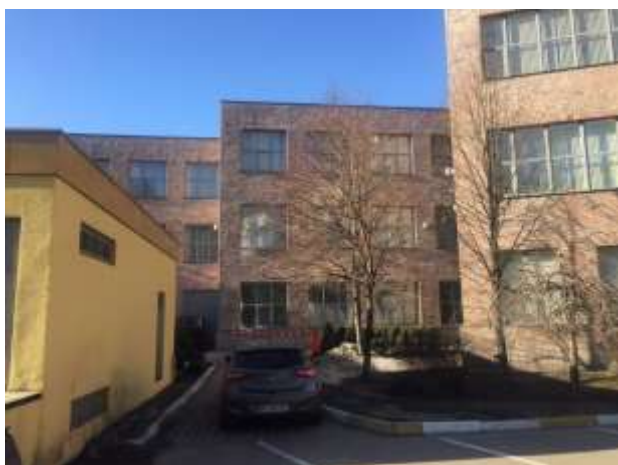
Subject property 2-5 (11A, bld. 15, 20, 9a Derbenevskaya Str., Moscow, Russia)



Subject property 3-5 (11A, bld. 20, 9a Derbenevskaya Str., Moscow, Russia)



View at the entrance to the hotel "Gallery" (11A, bld. 20 Derbenevskaya Str., Moscow, Russia)



The territory of the properties



Subject property 2 (11A, bld. 15 Derbenevskaya Str., Moscow, Russia)

Moscow, Russia)



View at the entrance to the hotel "Gallery" (11A, bld. 20 Derbenevskaya Str., Moscow, Russia)



The territory of the properties



The territory of the properties



The territory of the properties



The territory of the properties



The territory of the properties

Appendix 2 – General Terms of Business Knight Frank AO for Russian Valuations

General Terms of Business for Russian Valuations

These General Terms of Business comprise a part of our Terms of Engagement. The following General Terms of Business apply to all valuations and appraisals undertaken by Knight Frank AO unless specifically agreed otherwise in confirming instructions and so stated within the main body of the valuation report.

1. Knight Frank Russia

AO Knight Frank, 26 Valovaya Street, Moscow, 115054, Russia.

2. Jurisdiction

Russian law shall apply in every respect in relation to the valuation and the agreement with the client which shall be deemed to have been made in Russia. In the event of a dispute arising in connection with a valuation, unless expressly agreed otherwise in writing by Knight Frank AO, the client, and any third party using the valuation, will submit to the jurisdiction of the Russian Courts only. This will apply wherever the property or the client is located or the advice is provided.

3. Limitations on Liability

3.1 Our valuation is confidential to the party to whom it is addressed for the stated purpose and no liability is accepted to any third party for the whole or any part of its contents. Liability will not subsequently be extended to any other party save on the basis of written and agreed instructions; this may incur an additional fee. Except as set out in 3.2 below the terms of the Agreement between Knight Frank AO and the client are not enforceable by any third party.

3.2 No claim arising out of or in connection with this Agreement may be brought against any member, employee, partner or consultant of Knight Frank AO (each called a 'Knight Frank Person'). Those individuals will not have a personal duty of care to the client or any other party and any such claim for losses must be brought against Knight Frank AO.

3.3 Our maximum total liability for any direct loss or damage whether caused by our negligence or breach of contract or otherwise is limited to Knight Frank AO's fee under the instruction set out in the Terms of Engagement letter or Service Agreement which will be sent to the client.

3.4 We do not accept liability for any indirect or consequential loss (such as loss of profits). Nothing in these Terms of Business (or in our Terms of Engagement letter) shall exclude or limit our liability in respect of fraud or for death or personal injury caused by our negligence or for any other liability to the extent that such liability may not be excluded or limited as a matter of law.

4. Severance

If any provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision shall be deemed deleted. Any modification to or deletion of a provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.

If any provision is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable and, to the greatest extent possible, achieve the intended commercial result of the original provision.

5. Disclosure and Publication

If our opinion of value is disclosed to persons other than the addressees of our report, the basis of valuation should be stated. Neither the whole or any part of the valuation report nor any reference thereto may be included in any published document, circular or statement nor published in any way whatsoever whether in hard copy or electronically (including on any web-site) without our prior written approval of the form and context in which it may appear.

6. Complaints Procedure

If you have any concerns about our service, please raise them in the first instance with the valuer concerned. If this does not result in a satisfactory resolution, please contact the relevant Head of Department. As required by RICS, we will send you a copy of our Complaints Procedure on request.

7. Our Fees

7.1 We reserve the right to charge interest on the fees unpaid 30 days after the date of the invoice, in accordance with the effective legislation of the Russian Federation from the date of the invoice until payment is made.

7.2 If before the valuation is concluded:-

(a) you end this instruction, we will charge abortive fees; or

(b) you delay the instruction by more than [1] month or materially alter the instruction so that additional work is required at any stage we will charge additional fees,

And in each case such fees will be calculated on the basis of reasonable time and expenses incurred.

- 7.3 Where the valuation is for loan security purposes, and we agree to accept payment of our fee from the borrower, the fee remains due from yourselves until payment is received by us. Additionally, payment of our fee is not conditional upon the loan being drawn down or any conditions of the loan being met.
- 8. Disclosable Interests**
We may offer the following services to prospective purchasers and similarly the services may be offered to them by another organisation in circumstances where we may benefit financially: financial services, property letting and management services, building construction, refurbishment and maintenance services and the sale of the prospective purchaser's property.
- 9. RICS Valuation – Professional Standards "The Red Book" (if applicable)**
Valuations and appraisals will be carried out in accordance with the relevant edition of the RICS Valuation - Professional Standards by valuers who conform to its requirements and with regard to relevant statutes or regulations. Compliance with The Red Book is mandatory for Chartered Surveyors in the interests of maintaining high standards of service and for the protection of clients.
- 10. Monitoring**
The valuation may be subject to monitoring under the RICS conduct and disciplinary regulations.
- 11. Valuation Basis**
Valuations and appraisals are carried out on a basis appropriate to the purpose for which they are intended and in accordance with the relevant definitions, commentary and assumptions contained in The Red Book. The basis of valuation will be agreed with you in the letter covering the specific terms for the instruction.
- 12. Portfolios**
Where requested to value a portfolio, unless specifically agreed with you otherwise, we will value the individual properties separately, upon the assumption that the properties have been marketed in an orderly manner.
- 13. Land Register Inspection and Searches**
We do not undertake searches or inspections of any kind (including web based searches) for title or price paid information in any publicly available land registers.
- 14. Title and Burdens**
We do not read documents of title although, where provided, we consider and take account of matters referred to in solicitor's reports or certificates of title. We would normally assume, unless specifically informed and stated otherwise, that each property has good and marketable title and that all documentation is satisfactorily drawn and that there are no unusual outgoing, planning proposals, onerous restrictions or local authority intentions which affect the property, nor any material litigation pending.
- 15. Disposal Costs and Liabilities**
No allowance is made in our valuation for expenses of realisation or for taxation which may arise in the event of a disposal and our valuation is expressed as exclusive of any VAT that may become chargeable. Properties are valued disregarding any mortgages or other charges.
- 16. Sources of Information**
We rely upon the information provided to us, by the sources listed, as to details of tenure and tenancies (subject to 'Leases' below), planning consents and other relevant matters, as summarised in our report. We assume that this information is complete and correct.
- 17. Identity of Property to be Valued**
We will exercise reasonable care and skill (but will not have an absolute obligation to you) to ensure that the property, identified by the property address in your instructions, is the property inspected by us and contained within our valuation report. If there is ambiguity as to the property address, or the extent of the property to be valued, this should be drawn to our attention in your instructions or immediately upon receipt of our report.
- 18. Boundaries**
Plans accompanying reports are for identification purposes only and should not be relied upon to define boundaries, title or easements. The extent of the site is outlined in accordance with information given to us and/or our understanding of the boundaries.
- 19. Planning, Highway and Other Statutory Regulations**
Enquiries of the relevant Planning and Highways Authorities in respect of matters affecting the property, where considered appropriate, are normally only obtained verbally or from a Local Authority web site, and this information is given to us, and accepted by us, on the basis that it should not be relied upon. Written enquiries can take several weeks for response and incur charges. Where reassurance is required on planning matters, we recommend that formal written enquiries should be undertaken by the client's solicitors who should also confirm the position with regard to any legal matters referred to in our report. We assume that properties have been constructed, or are being constructed, and are occupied or used in accordance with the appropriate consents and that there are no outstanding statutory notices.

We assume that the premises comply with all relevant statutory requirements including fire and building regulations.

20. Property Insurance

Our valuation assumes that the property would, in all respects, be insurable against all usual risks including terrorism, flooding and rising water table at normal, commercially acceptable premiums.

21. Building Areas and Age

Where so instructed, areas provided from a quoted source will be relied upon. Where the age of the building is estimated, this is for guidance only.

22. Structural Condition

Building, structural and ground condition surveys are detailed investigations of the building, the structure, technical services and ground and soil conditions undertaken by specialist building surveyors or engineers and fall outside the normal remit of a valuation. Since we will not have carried out any of these investigations, except where separately instructed to do so, we are unable to report that the property is free of any structural fault, rot, infestation or defects of any other nature, including inherent weaknesses due to the use in construction of deleterious materials. We do reflect the contents of any building survey report referred to us or any defects or items of disrepair of which we are advised or which we note during the course of our valuation inspections but otherwise assume properties to be free from defect.

23. Ground Conditions

We assume there to be no unidentified adverse ground or soil conditions and that the load bearing qualities of the sites of each property are sufficient to support the building constructed or to be constructed thereon.

24. Environmental Issues

Investigations into environmental matters would usually be commissioned of suitably qualified environmental specialists by most responsible purchasers of higher value properties or where there was any reason to suspect contamination or a potential future liability. Furthermore, such investigation would be pursued to the point at which any inherent risk was identified and quantified before a purchase proceeded. Anyone averse to risk is strongly recommended to have a proper environmental investigation undertaken and, besides, a favourable report may be of assistance to any future sale of the property. Where we are provided with the conclusive results of such investigations, on which we are instructed to rely, these will be reflected in our valuations with reference to the source and nature of the enquiries. We would endeavour to point out any obvious indications or occurrences known to us of harmful contamination encountered during the course of our valuation enquiries.

We are not, however, environmental specialists and therefore we do not carry out any scientific investigations of sites or buildings to establish the existence or otherwise of any environmental contamination, nor do we undertake searches of public archives to seek evidence of past activities which might identify potential for contamination. In the absence of appropriate investigations and where there is no apparent reason to suspect potential for contamination, our valuation will be on the assumption that the property is unaffected. Where contamination is suspected or confirmed, but adequate investigation has not been carried out and made available to us, then the valuation will be qualified by reference to appropriate sections of The Red Book.

25. Leases

The client should confirm to us in writing if they require us to read leases. Where we do read leases reliance must not be placed on our interpretation of these documents without reference to solicitors, particularly where purchase or lending against the security of a property is involved.

26. Covenant

We reflect our general appreciation of potential purchasers' likely perceptions of the financial status of tenants. We do not, however, carry out detailed investigations as to the financial standing of the tenants, except where specifically instructed, and assume, unless informed otherwise, that in all cases there are no significant arrears of payment and that they are capable of meeting their obligations under the terms of leases and agreements.

27. Loan Security

Where instructed to comment on the suitability of property as a loan security we are only able to comment on any inherent property risk. Determination of the degree and adequacy of capital and income cover for loans is the responsibility of the lender having regard to the terms of the loan.

28. Build Cost Information

Where our instruction requires us to have regard to build cost information, for example in the valuation of properties with development potential, we strongly recommend that you supply us with build cost and other relevant information prepared by a suitably qualified construction cost professional, such as a quantity surveyor. We do not hold ourselves out to have expertise in assessing build costs and any property valuation advice provided by us will be stated to have been arrived at in reliance upon the build cost information supplied to us by you. In the absence of any build cost information supplied to us, we may have regard to published build cost information. There are severe limitations on the accuracy of build costs applied by this approach and professional advice on the build costs

should be sought by you. The reliance which can be placed upon our advice in these circumstances is severely restricted. If you subsequently obtain specialist build cost advice, we recommend that we are instructed to review our advice.

29. Reinstatement Assessments

A reinstatement assessment for insurance purposes is a specialist service and we recommend that separate instructions are issued for this specific purpose. If advice is required as a check against the adequacy of existing cover this should be specified as part of the initial instruction. Any indication given is provided only for guidance and must not be relied upon as the basis for insurance cover. Our reinstatement assessment should be compared with the owner's and if there is a material difference, then a full reinstatement valuation should be considered.

30. Comparable Evidence

Where comparable evidence information is included in our report, this information is often based upon our oral enquiries and its accuracy cannot always be assured, or may be subject to undertakings as to confidentiality. However, such information would only be referred to where we had reason to believe its general accuracy or where it was in accordance with expectation. In addition, we have not inspected comparable properties.

31. Regulated Purpose Valuations (RPV)

RICS has established particular requirements in circumstances where a valuation although provided for a client may also be of use to third parties, for instance, the shareholders in a company, defined by the RICS as "Regulated Purpose Valuations". Where a valuation is for a Regulated Purpose, in accordance with RICS requirements, Knight Frank AO is required to make specific disclosures to you.

When instructed in a continuing role as a Valuer it is Knight Frank AO's policy to rotate persons responsible for valuations and the signatory to the report, on a seven yearly basis, unless specifically agreed otherwise.

Valuation Bases

1. Market Value (MV):

Market Value is defined as:

The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

2. Market Rent (MR):

Market Rent is defined as:

The estimated amount for which a property would be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

3. Fair Value

The definition of Fair Value adopted by the International Accounting Standards Board is:

The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

4. Investment Value

Investment Value (or Worth) is defined as:

Investment Value is the value of an asset to the owner or a prospective owner for individual investment or operational objectives.

5. Projected Market Value (PMV) of Residential Property only

Projected Market Value is designed to provide residential mortgage lenders with a simple numeric indication of the valuer's opinion of short-term market trends and is defined as:

The estimated amount for which a property is expected to exchange at a date, after the valuation date and specified by the valuer, between a willing buyer and a willing seller, in an arm's-length transaction, after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Appendix 3 – Calculations

Sales comparison approach, subject property 1

Factor	Subject property 1	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6	Comparable 7
Area, sq m	47.5	57	70	57	55	50	47	45
Asking price, RUB		3,200,000	4,150,000	3,800,000	3,200,000	2,746,400	3,250,000	2,900,000
Asking price, RUB per sq m		56,140	59,286	66,667	58,182	54,928	69,149	64,444
Negotiations		Asking price	Asking price	Asking price	Asking price	Asking price	Asking price	Asking price
Adjustment		0.850	0.850	0.850	0.850	0.850	0.850	0.850
Adjusted price, RUB/m²		47,719	50,393	56,667	49,455	46,689	58,777	54,778
Area, sq m	47.5	57	70	57	55	50	47	45
Adjustment		1.000	1.100	1.000	1.000	1.000	1.000	1.000
Adjusted price, RUB/m²		47,719	55,432	56,667	49,455	46,689	58,777	54,778
Address	Kiselevo village, Klenovskoe settlement Troitskiy district, Moscow	Kiselevo village, Klenovskoe settlement Troitskiy district, Moscow	1, Molodezhny village, Podolsk district, Moscow region	Kiselevo village, Klenovskoe settlement Troitskiy district, Moscow	Kiselevo village, Klenovskoe settlement Troitskiy district, Moscow	Zverevo village, Novofodorovskoe settlement, Moscow	Kaluzhskoe highway, Troitsk settlement, Moscow (22 km from MKAD)	Raevo village, Krasnopakharskoe settlement, Moscow
Distance from MKAD, km	35	35	34	35	35	40	22	31
Adjustment		1.000	1.050	1.000	1.000	1.000	0.850	0.950
Adjusted price, RUB/m²		47,719	58,204	56,667	49,455	46,689	49,960	52,039
Floor	4	1	3	3	3	3	4	1
Adjustment		1.050	1.000	1.000	1.000	1.000	1.000	1.050
Adjusted price, RUB/m²		50,105	58,204	56,667	49,455	46,689	49,960	54,641
Type of premises	Apartment	Apartment	Flat	Apartment	Apartment	Flat	Flat	Flat
Adjustment		1.000	0.900	1.000	1.000	0.900	0.900	0.900

Factor	Subject property 1	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6	Comparable 7
Adjusted price, RUB/m²		50,105	52,383	56,667	49,455	42,020	44,964	49,177
Finishing	Fitted out	Fitted out	Fitted out	Fitted out, with furniture	Shell&core	Shell&core	Shell&core	Shell&core
<i>Adjustment, RUB/m²</i>		-	-	-5,000.000	7,000.000	7,000.000	7,000.000	7,000.000
Adjusted price, RUB/m²		50,105	52,383	51,667	56,455	49,020	51,964	56,177
Commissioning date	18.08.2016	18.08.2016	18.08.2016	18.08.2016	18.08.2016	15.03.2017	15.03.2017	15.11.2016
<i>Adjustment</i>		1.000	1.000	1.000	1.000	1.060	1.060	1.020
Adjusted price, RUB/m²	53,565	50,105	52,383	51,667	56,455	51,961	55,082	57,300
Adjusted price, RUB	2,544,325							
Adjusted price, RUB, rounded	2,540,000							

Sales comparison approach, subject properties 2-5

Factor	Subject property 2	Subject property 3	Subject property 4	Subject property 5	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6
Area, sq m	595.8	172.9	263.4	65.2	560.6	400	278	278	627	368
Asking price, RUB					160,000,000	59,800,000	37,655,100	38,822,700	100,320,000	34,923,200
Asking price, RUB per sq m					285,408	149,500	135,450	139,650	160,000	94,900
VAT					Included	Not applicable	Included	Included	Excluded	Excluded
<i>Adjustment</i>		1.000	1.000	1.000	0.850	1.000	0.850	0.850	1.000	1.000
Adjusted price, RUB/m²					242,597	149,500	115,133	118,703	160,000	94,900
Negotiations					Asking price	Asking price	Asking price	Asking price	Asking price	Asking price
<i>Adjustment</i>		1.000	1.000	1.000	0.800	0.850	0.850	0.850	0.850	0.900
Adjusted price, RUB/m²					180,735	127,075	97,863	100,897	136,000	85,410
Area, sq m	595.8	172.9	263.4	65.2	560.6	400	278	278	627	368
<i>Adjustment</i>		1.080	1.050	1.140	1.000	0.980	0.960	0.960	1.000	0.970
Adjusted price, RUB/m²					180,735	124,534	93,948	96,861	136,000	82,848
Location	Garden Ring_TTR	Garden Ring_TTR	Garden Ring_TTR	Garden Ring_TTR	Garden Ring (500 m), east	Garden Ring_TTR	Garden Ring_TTR	Garden Ring_TTR	Garden Ring_TTR	TTR (500 m)
The nearest metro station	Paveletskaya, 1.2 km	Paveletskaya, 1.2 km	Paveletskaya, 1.2 km	Paveletskaya, 1.2 km	Chkalovskaya, 820 m	Paveletskaya, 1.4 km	Avtozavodskaya, 1 km	Avtozavodskaya, 1 km	Paveletskaya, 970 m	Kozhukhovskaya, 1.1 km
<i>Adjustment</i>		1.000	1.000	1.000	0.800	1.000	1.100	1.100	1.000	1.300
Adjusted price, RUB/m²					144,588	124,534	103,343	106,547	136,000	107,702
Area, 1st floor	198.6	172.9	263.4	65.2	186.9	200			313.5	184
Area, 2nd floor	198.6				186.9	200			313.5	184
Area, 3rd floor and more	198.6				186.9		278	278		
Share, 1st floor	33.3%	100.0%	100.0%	100.0%	33.3%	50.0%	0.0%	0.0%	50.0%	50.0%
Share, 2nd floor	33.3%	0.0%	0.0%	0.0%	33.3%	50.0%	0.0%	0.0%	50.0%	50.0%
Share, 3rd floor and more	33.3%	0.0%	0.0%	0.0%	33.3%	0.0%	100.0%	100.0%	0.0%	0.0%
Value, 1st floor	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Value, 2nd	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%

Factor	Subject property 2	Subject property 3	Subject property 4	Subject property 5	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5	Comparable 6
floor										
Value, 3rd floor and more	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%
<i>Adjustment</i>		1.100	1.100	1.100	1.000	0.970	1.060	1.060	0.970	0.970
Adjusted price, RUB/m²					144,588	120,797	109,544	112,940	131,920	104,471
Finishing	fitted out	fitted out	fitted out	fitted out	fitted out	fitted out	fitted out	fitted out	shell&core	shell&core
<i>Adjustment</i>		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.100	1.100
Adjusted price, RUB/m²					144,588	120,797	109,544	112,940	145,112	114,918
Class	class B	class B	class B	class B	class B	class C	class B	class B	class B	class B
<i>Adjustment</i>		1.000	1.000	1.000	1.000	1.100	1.000	1.000	1.000	1.000
Adjusted price, RUB/m²					144,588	132,877	109,544	112,940	145,112	114,918
Type of the property	Stand along building	Premises	Premises	Premises	Stand along building	Stand along building	Premises	Premises	Stand along building	Stand along building
<i>Adjustment</i>		0.940	0.940	0.940	1.000	1.000	1.064	1.064	1.000	1.000
Adjusted price, RUB/m²					144,588	132,877	116,536	120,149	145,112	114,918
Adjusted price, RUB/m²	129,030	144,090	140,088	152,095						
Adjusted price, RUB	76,876,077	24,913,228	36,899,147	9,916,621						

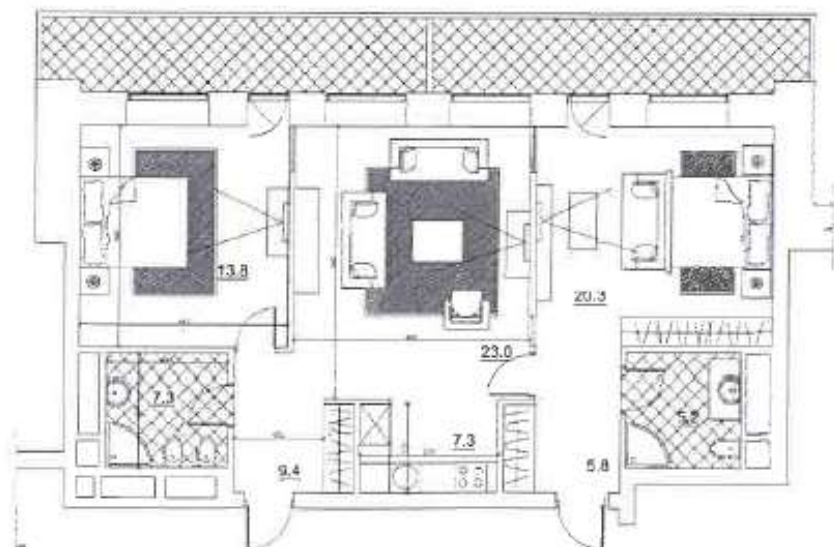
Income approach, subject properties 2-5

Factor	Subject property 2	Subject property 3	Subject property 4	Subject property 5	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Area, sq m	506.43	172.9	263.4	65.2	523	520.4	404	500
Asking rental rate, RUB/sq m p.a.					25,000	21,500	22,881	12,000
VAT					Incl.	Incl.	Incl.	Excl.
Adjustment					0.850	0.850	0.850	1.000
Adjusted rent, RUB/sq m p.a.					21,250	18,275	19,449	12,000
OpEx					Incl.	Incl.	Incl.	Incl.
Utility charges					Excl.	Excl.	Excl.	Excl.
Adjustment, RUB/sq m p.a.					4,000.00	4,000.00	4,000.00	2,500.00
Adjusted rent, RUB/sq m p.a.					17,250.000	14,275.000	15,448.850	9,500.000
Negotiations					Asking rent	Asking rent	Asking rent	Asking rent, no bargain
Adjustment		1.000	1.000	1.000	0.950	0.950	0.950	1.000
Adjusted rent, RUB/sq m p.a.					16,388	13,561	14,676	9,500
Area, sq m	506.43	172.9	263.4	65.2	523	520.4	404	500
Adjustment		1.000	1.000	1.000	1.000	1.000	1.000	1.000
Adjusted rent, RUB/sq m p.a.					16,388	13,561	14,676	9,500
Location	Garden Ring_TTR	Garden Ring_TTR	Garden Ring_TTR	Garden Ring_TTR	Garden Ring_TTR	Garden Ring_TTR	Garden Ring_TTR	Garden Ring_TTR
The nearest metro station	Paveletskaya, 1.2 km	Paveletskaya, 1.2 km	Paveletskaya, 1.2 km	Paveletskaya, 1.2 km	Proletarskaya, 1.3 km	Proletarskaya, 1.1 km	Serpukhovskaya, 800 m	Avtozavodskaya, 1,2 km
Adjustment		1.000	1.000	1.000	1.000	1.000	1.000	1.100
Adjusted rent, RUB/sq m p.a.					16,388	13,561	14,676	10,450
Floor	above 1st	1st	1st	1st	above 1st	above 1st	above 1st	above 1st
Adjustment		1.100	1.100	1.100	1.000	1.000	1.000	1.000
Adjusted rent, RUB/sq m p.a.					16,388	13,561	14,676	10,450
Finishing	fitted out	fitted out	fitted out	fitted out	fitted out	fitted out	fitted out	Shell&core
Adjustment		1.000	1.000	1.000	1.000	1.000	1.000	1.100

Adjusted rent, RUB/sq m p.a.					16,388	13,561	14,676	11,495
Class	B	B	B	B	B+	B+	B+	B-
<i>Adjustment</i>		<i>1.000</i>	<i>1.000</i>	<i>1.000</i>	<i>0.950</i>	<i>0.950</i>	<i>0.950</i>	<i>1.050</i>
Adjusted rent, RUB/sq m p.a.					15,568	12,883	13,943	12,070
Adjusted rent, RUB/sq m p.a.	13,600	15,000	15,000	15,000				
Area, sq m	596	173	263	65				
NOI, RUB p.a.	8,102,880	2,593,500	3,951,000	978,000				
Void period	6	3	3	3				
R	11.0%	11.0%	11.0%	11.0%				
Value, RUB	69,917,394	22,970,097	34,993,195	8,661,945				
Value, RUB, rounded, net of VAT	69,920,000	22,970,000	34,990,000	8,660,000				

Appendix 4 – Documents provided by the Client

Podolsk, Mosca, Russia.
«Vitro Village» stabile n°3, app.to n°30



48 m2



РОССИЙСКАЯ ФЕДЕРАЦИЯ

Единый государственный реестр прав
на недвижимое имущество и сделок с ним

СВИДЕТЕЛЬСТВО О ГОСУДАРСТВЕННОЙ РЕГИСТРАЦИИ ПРАВА

Управление Федеральной регистрационной службы по Московской области

Дата выдачи:

29 декабря 2009 года

Документы-основания: • Договор № 131 - И участия в долевом строительстве нежилого помещения в корпусе базы отдыха от 31.05.2006г., заключили Закрытое акционерное общество "Парк культуры и отдыха" и Общество с ограниченной ответственностью Фирма "Эрбовиталь 2 с.р.л.", зарегистрирован 04.12.2006г. за №50-50-27/077/2006-179 • Дополнительное соглашение №1 от 19.09.2007 к Договору №131-И от 31.05.2006 участия в долевом строительстве нежилого помещения в корпусе базы отдыха, дата регистрации 29.12.2009, №50-50-62/088/2009-093 • Разрешение на ввод объекта в эксплуатацию №RU50527000-167 от 28.09.2007 • Акт приема-передачи от 28.11.2007 нежилого помещения в корпусе базы отдыха участия в долевом строительстве нежилого помещения в корпусе базы отдыха по Договору № 131-И от 31.05.2006

Субъект (субъекты) права: Общество с ограниченной ответственностью Фирма "Эрбовиталь 2 с.р.л.", ИНН 02436590372, зарегистрировано : 19.02.1996г. , место государственной регистрации: Торговый реестр г.Болонья за номером №38024, адрес местонахождения: Италия, г.Болонья, Виа Кальцолари, 7

Вид права: Собственность

Объект права: Нежилое помещение, назначение: нежилое, общая площадь 47,5 кв. м, этаж 4, адрес объекта: Московская область, Подольский район, Клёновское с/п, База отдыха "Витро Виллэдж", вблизи д. Киселево, корп.3, пом.30

Кадастровый (или условный) номер: 50-50-62/068/2008-205

Существующие ограничения (обременения) права: не зарегистрировано

о чем в Едином государственном реестре прав на недвижимое имущество и сделок с ним "29" декабря 2009 года сделана запись регистрации № 50-50-62/088/2009-094

Регистратор

Жуковская О. Н.



(подпись)

50-НДН 686137

Mosca, Russia. Uffici e Show Room.
Derbenevskaya str. 11A



РОССИЙСКАЯ ФЕДЕРАЦИЯ
Государственный реестр прав на недвижимое имущество и сделок с ним

СВИДЕТЕЛЬСТВО

О ГОСУДАРСТВЕННОЙ РЕГИСТРАЦИИ ПРАВА

Управление Федеральной службы государственной
регистрации, кадастра и картографии по Москве

Дата выдачи: " 27 " июля 2010 г.

Документы-основания: Договор купли-продажи здания от 04.05.2010 с Наринским Дмитрием Вадимовичем

Субъект (субъекты) права: Общество с ограниченной ответственностью "ЭРБОВИТАЛЬ 2 С.Р.Л." Место нахождения: 40128, г БОЛОНЬЯ(ИТАЛИЯ), ул. ВИА КАЛЬЦОЛАРИ, д.7 Зарегистрировано: 19.02.1996г., Реестр компания г.Болонья, Регистрационный № 02436590372

Вид права: собственность

Объект права: Адрес: МОСКВА, ул. ДЕРБЕНЕВСКАЯ, д.11А, стр.15
Наименование: все здание
Назначение: нежилое
Площадь: 595,8 кв.м

Кадастровый (или условный) номер: 6261

Существующие ограничения (обременения) права: НЕ ЗАРЕГИСТРИРОВАНО

Регистрационный номер: 77-05/044/2010-367

КОВАЛЕВ Н.А.

77 АМ № 422159





ЕДИНЫЙ ГОСУДАРСТВЕННЫЙ РЕЕСТР ПРАВ НА НЕДВИЖИМОЕ ИМУЩЕСТВО И СДЕЛОК С НИМ

СВИДЕТЕЛЬСТВО

О ГОСУДАРСТВЕННОЙ РЕГИСТРАЦИИ ПРАВА

Управление Федеральной службы государственной регистрации,
кадастра и картографии по Москве

повторное, взамен свидетельства : серия 77-АН № 262812 , дата выдачи 12.05.2011

Дата выдачи: 07.09.2011

Документы-основания: • Договор купли-продажи недвижимого имущества от 23.12.2010 с Волковой Наталией Михайловной

Субъект (субъекты) права: Общество с ограниченной ответственностью "ЭРБОВИТАЛЬ 2 С.Р.Л.", страна регистрации: Итальянская Республика, рег.номер: 287024, дата регистрации: 05.06.1984, наименование регистрирующего органа: Торгово-промышленная, ремесленная и сельскохозяйственная палата г. Болонья; адрес (место нахождения) в стране регистрации (инкорпорации): г. Болонья, (пров. Болонья), ул. Кальцолари, 7, почт. индекс 40128, Италия

Вид права: Собственность

Объект права: помещение, назначение: нежилое, общая площадь 263,4 кв. м., номера на поэтажном плане: этаж 1 - комната 3, адрес объекта: г.Москва, ул.Дербеневская, д.11А, строен.20

Кадастровый (или условный) номер: 77-77-05/012/2011-260

Существующие ограничения (обременения) права: не зарегистрировано

о чем в Едином государственном реестре прав на недвижимое имущество и сделок с ним "12" мая 2011 года сделана запись регистрации № 77-77-05/012/2011-273



Регистратор И.Н. Кузьмина  (подпись)

77-АН 374427 



ЕДИНЫЙ ГОСУДАРСТВЕННЫЙ РЕЕСТР ПРАВ НА НЕДВИЖИМОЕ ИМУЩЕСТВО И СДЕЛОК С НИМ

СВИДЕТЕЛЬСТВО

О ГОСУДАРСТВЕННОЙ РЕГИСТРАЦИИ ПРАВА

Управление Федеральной службы государственной регистрации,
кадастра и картографии по Москве

повторное, взамен свидетельства : серия 77-АН № 262693 , дата выдачи 12.05.2011

Дата выдачи: 01 ИЮН 2011

Документы-основания: • Договор купли-продажи недвижимого имущества от 23.12.2010 с Волковой Натальей Михайловной

Субъект (субъекты) права: Общество с ограниченной ответственностью "ЭРБОВИТАЛЬ 2 С.Р.Л.", страна регистрации: Итальянская Республика, рег.номер: 287024, дата регистрации: 05.06.1984, наименование регистрирующего органа: Торгово-промышленная, ремесленная и сельскохозяйственная палата г. Болонья; адрес (место нахождения) в стране регистрации (инкорпорации): г. Болонья, (пров. Болонья), ул. Кальцолари, 7, почт. индекс 40128, Италия

Вид права: Собственность

Объект права: помещение, назначение: нежилое, общая площадь 65,2 кв. м., номера на поэтажном плане: этаж 1 - комната 7, адрес объекта: г.Москва, ул.Дербеневская, д.11А, строен.9А

Кадастровый (или условный) номер: 77-77-05/012/2011-264

Существующие ограничения (обременения) права: не зарегистрировано
о чем в Едином государственном реестре прав на недвижимое имущество и сделок с ним "12" мая 2011 года сделана запись регистрации № 77-77-05/012/2011-277

Регистратор

77-АН 374463

Кузьмина М. Н.

м.п. (подпись)



КАДАСТРОВЫЙ ПАСПОРТ здания, сооружения, объекта незавершенного строительства

Лист № 1, всего листов 2

здания

(вид объекта недвижимого имущества)

Дата 20 апреля 2011 г.

Кадастровый номер

Инвентарный номер (ранее присвоенный учетный номер) 45:296:002:000042980

1. Описание объекта недвижимого имущества

1.1. Наименование здание

1.2. Адрес (местоположение):

Субъект Российской Федерации	город Москва	
Район	Южный административный округ	
Муниципальное образование	тип	внутригородская территория города федерального значения
	наименование	Муниципальное образование Даниловское
Населенный пункт	тип	город
	наименование	Москва
Улица (проспект, переулок и т.д.)	тип	набережная
	наименование	Дербеневская
Номер дома	11А	
Номер корпуса		
Номер строения	15	
Литера		
Иное описание местоположения		

1.3. Основная характеристика: Общая площадь, 595,8 кв.м.
(тип) (значение) (единица измерения)

степень готовности объекта незавершенного строительства

1.4. Назначение: Нежилое

1.5. Этажность:

количество этажей 1, количество подземных этажей -

1.6. Год ввода в эксплуатацию (завершения строительства) 1982 г.

1.7. Кадастровый номер земельного участка (участков), в пределах которого расположен объект недвижимого имущества

1.8. Предыдущие кадастровые (условные) номера объекта недвижимого имущества:

1.9. Примечание: Дата последней инвентаризации - 11.09.2009 г.; Сведения о перепланировке (реконструкции) здания, выполненной без разрешения - сведения не имеются; Иная информация -

1.10. ФГУП «Ростехинвентаризация – Федеральное БТИ» (свидетельство об аккредитации на осуществление технического учета и технической инвентаризации объектов капитального строительства на территории города Москвы от 21.10.2007 № 000410)

(наименование органа или организации)

Начальник отдела технической инвентаризации производственного Управления Московского городского филиала ФГУП «Ростехинвентаризация – Федеральное БТИ»
(полное наименование должности)



С.Н. Литвинова
(инициалы, фамилия)

КАДАСТРОВЫЙ ПАСПОРТ

Здания

(вид объекта недвижимого имущества)

Лист № 2, всего листов 2

Кадастровый номер

Инвентарный номер (ранее присвоенный учетный номер)

45:296:002:000042980

2. Ситуационный план объекта недвижимого имущества



Масштаб 1:3000

Начальник отдела технической
инвентаризации производственного
Управления Московского городского
филиала ФГУП «Ростехинвентаризация –
Федеральное БТИ»
(полное наименование должности)



С.Н. Литеннова
(инициалы, фамилия)




Экспликация помещений к поэтажным планам здания (строения)

[illegible]

Отметки об обследованиях

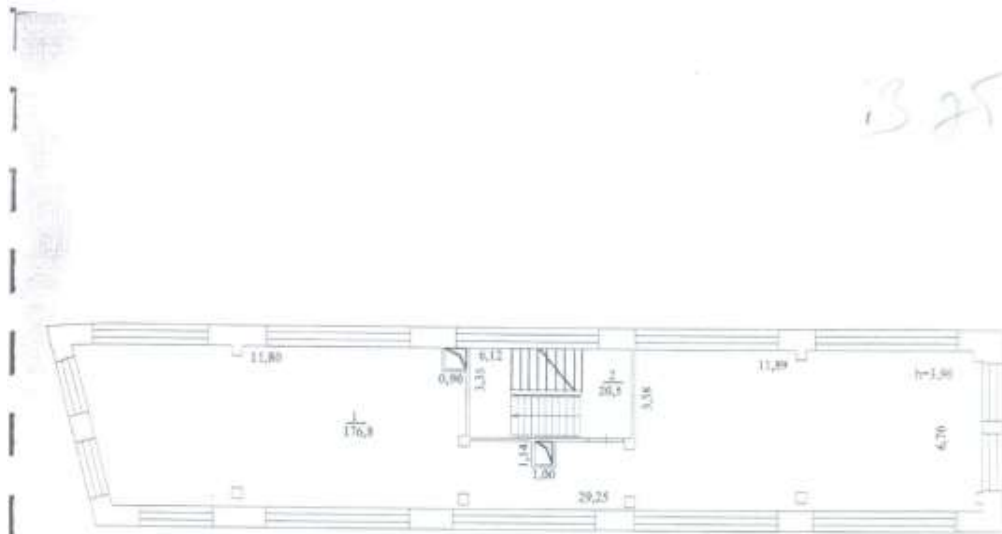
Дата обследования	Выполнил		Проверил	
	Фамилия И.О.	Подпись	Фамилия И.О.	Подпись
11.09.2009г.	Ернова С.В.		Соболев Р.В.	





Роспотребнадзор	ФГУП "Росстатинвентаризация-Федеральное БТИ"		РФ
лист 2	Потажный план здания по адресу: г. Москва, ул. Дербеневская, д. 11А, стр. 15		Масштаб 1:200
листов 3			
Дата	Исполнитель	Фамилия И.О.	Подпись
11.09.2009 г.	Выполнил	Гринов С.В.	
	Проверил	Соболев Р.Н.	

III. Техническое описание конструктивных элементов здания (основной пристройки), определение физического износа

Литера		Стр. 15		Год постройки		1982		Число этажей			
Группа капитальности		I		Вид внутренней отделки		простая					
№ п/п	Наименование конструктивных элементов		Описание конструктивных элементов (материал, конструкция, отделка и прочее)	Техническое состояние (осадки, трещины, гниль и т.п.)	Удельный вес по таблице	Повреждения к удельному весу в %	Удельный вес конструктивных элементов по таблице	Износ, %	% износа к стр. 91 к 100	Тех. ин. индекс, %	
1	2		3	4	5	6	7	8	9	10	11
1	Фундаменты		Железобетонный	Трещины	4	1	4	25	1,0		
2	а) стены и их наружная отделка		Ж/бетонные панели	Осадки, трещины	27	1	27	22	5,5		
	б) перегородки		Кирпичные								
3	Перекрытия	чердачные	Железобетонные	просиб	16	1	16	3	0,5		
		междуэтажные	Железобетонные	просиб							
		надподвальное	-	-							
4	Крыша		Мягкая	Повреждения	7	1	7	20	1,4		
5	Полы		бетонные	Трещины	12	1	12	20	2,4		
6	Проклы	оконные	стеклопакеты	Повреждения	10	1	10	20	2,0		
		дверные	филенчатые								
7	Внутренняя отделка		повышенная	повреждения	8	1	8	20	1,6		
8	Сист. и электротехнические устройства	отопление	есть	Повреждение	11	1	11	20	2,2		
		водопровод	есть								
		канализация	есть								
		гор. водоснабжение	есть								
		газоснабжение	-								
		электроосвещение	есть								
		радио	-								
		телефон	есть								
		вентиляция	есть								
9	Прочие работы		отметки	-	5	1	5	20	1,0		
Итого					100	х	100,0	х	18,0	х	
% износа, приведенный к 100 по формуле					% износа (гр 9) к 100					= 18	
					удельный вес (гр 7)						



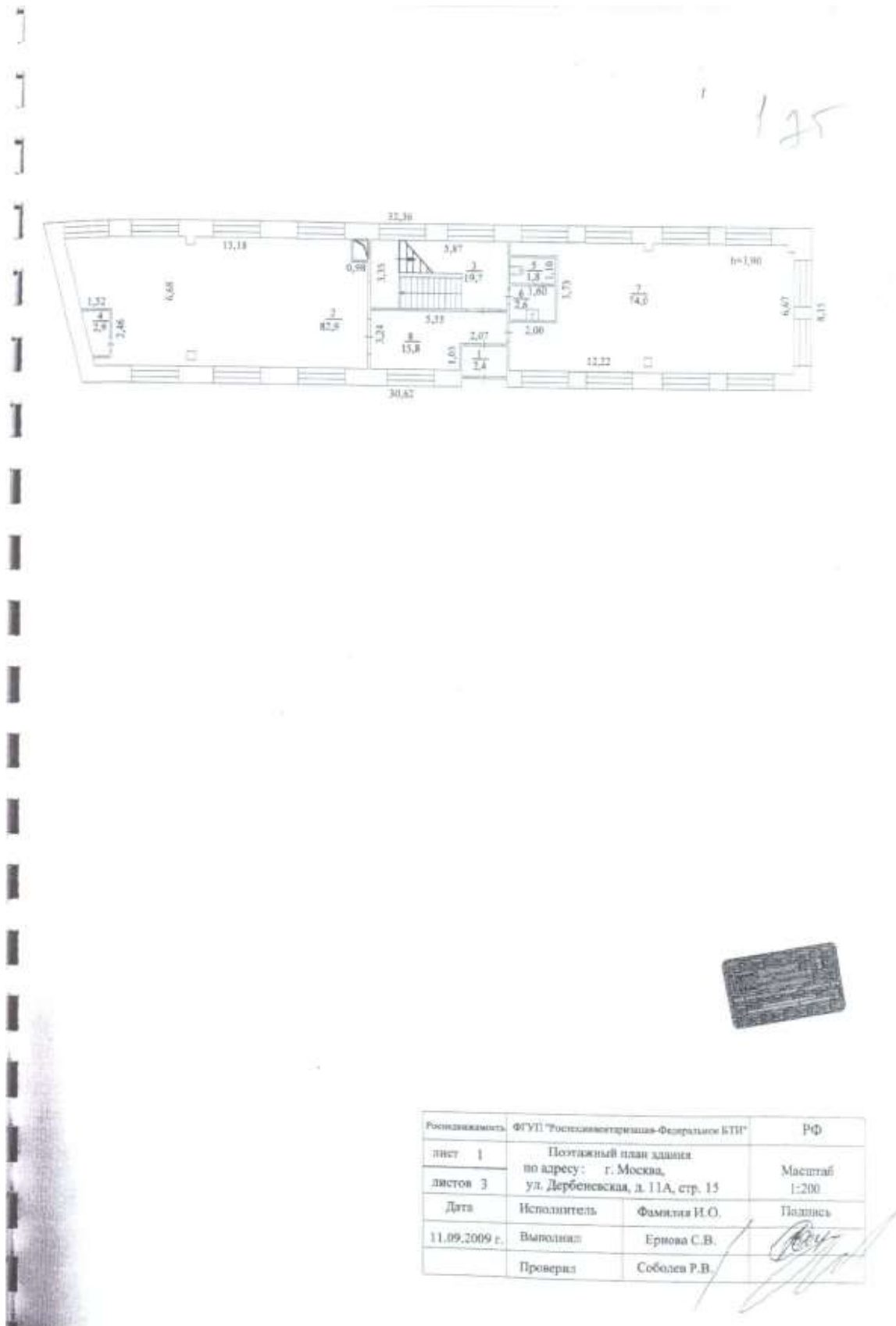
Роснедвижимость	ФГУП "Роснедвижимость-Федеральное БТИ"		РФ
лист 3	Полтажный план здания		Масштаб
листов 3	по адресу: г. Москва, ул. Дербеневская, д. 11А, стр. 15		1:200
Дата	Исполнитель	Фамилия И.О.	Подпись
11.09.2009 г.	Выполнил	Ернова С.В.	
	Проверил	Соболев Р.В.	

17. Таблица оценки стоимости конструкций и других частей здания, определяющих функциональный потенциал

Наименование конструктивных элементов	литера	удельный вес по таблице	поправка	удельный вес с поправкой	литера	удельный вес по таблице	поправка	удельный вес с поправкой	литера	удельный вес по таблице	поправка	удельный вес с поправкой
Фундаменты												
Стены и перегородки												
Перекрытия												
Крыша												
Полы												
Проемы												
Отделочные работы												
Электроосвещение												
Прочие работы												
Итого		100	х			100	х			100	х	
Наименование конструктивных элементов	литера	удельный вес по таблице	поправка	удельный вес с поправкой	литера	удельный вес по таблице	поправка	удельный вес с поправкой	литера	удельный вес по таблице	поправка	удельный вес с поправкой
Фундаменты												
Стены и перегородки												
Перекрытия												
Крыша												
Полы												
Проемы												
Отделочные работы												
Электроосвещение												
Прочие работы												
Итого		100	х			100	х			100	х	

V. Исчисление инвентаризационной стоимости здания (строения) и его частей в ценах 1991 года, руб.

Литера по плану	Часть здания (строения), пристройки	№ строения	№ таблицы	Измеритель	Стоимость измерителя по таблице	Поправки к стоимости (коэффициенты) на					Стоимость измерителя с поправкой	К-во объем-руб.м. площ. - кв.м.	Переводный коэффициент в цены 1991 г.	Восстан. стоимость, руб.	Износ, %	Действит. стоимость, руб.
						удел. вес	груп. капит.	подвал	клим. район	объем						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Спр. 15	Здание	4	475	м3	25,60	1,0					25,60	2233	1,85	183115	18	123554





ФЕДЕРАЛЬНАЯ СЛУЖБА
ГОСУДАРСТВЕННОЙ РЕГИСТРАЦИИ КАДАСТРА И КАРТОГРАФИИ
ФЕДЕРАЛЬНОЕ ГОСУДАРСТВЕННОЕ УНИТАРНОЕ ПРЕДПРИЯТИЕ,
ОСНОВАННОЕ НА ПРАВЕ ХОЗЯЙСТВЕННОГО ВЕДЕНИЯ,
"РОССИЙСКИЙ ГОСУДАРСТВЕННЫЙ ЦЕНТР ИНВЕНТАРИЗАЦИИ
И УЧЕТА ОБЪЕКТОВ НЕДВИЖИМОСТИ - ФЕДЕРАЛЬНОЕ БЮРО ТЕХНИЧЕСКОЙ
ИНВЕНТАРИЗАЦИИ"

ФГУП "РОСТЕХИНВЕНТАРИЗАЦИЯ - ФЕДЕРАЛЬНОЕ БТИ"

Московский городской филиал

ТЕХНИЧЕСКИЙ ПАСПОРТ

на нежилое здание

Здание

(наименование объекта)

Адрес (местоположение):

Субъект Российской Федерации	город Москва	
Район	Южный административный округ	
Муниципальное образование	тип	внутригородская территория города федерального значения
	наименование	Муниципальное образование Даниловское
Населенный пункт	тип	город
	наименование	Москва
Улица (проспект, переулок и т.д.)	тип	улица
	наименование	Дербеневская
Номер дома	11А	
Номер корпуса		
Номер строения	15	
Литера		
Иное описание местоположения		

Инвентарный номер	45:296:002:000042980
Реестровый номер	040607:002:000042980
Кадастровый номер	

Паспорт составлен по состоянию на 11 сентября 2009 г.
дата выдачи 20 апреля 2011 г.

Руководитель



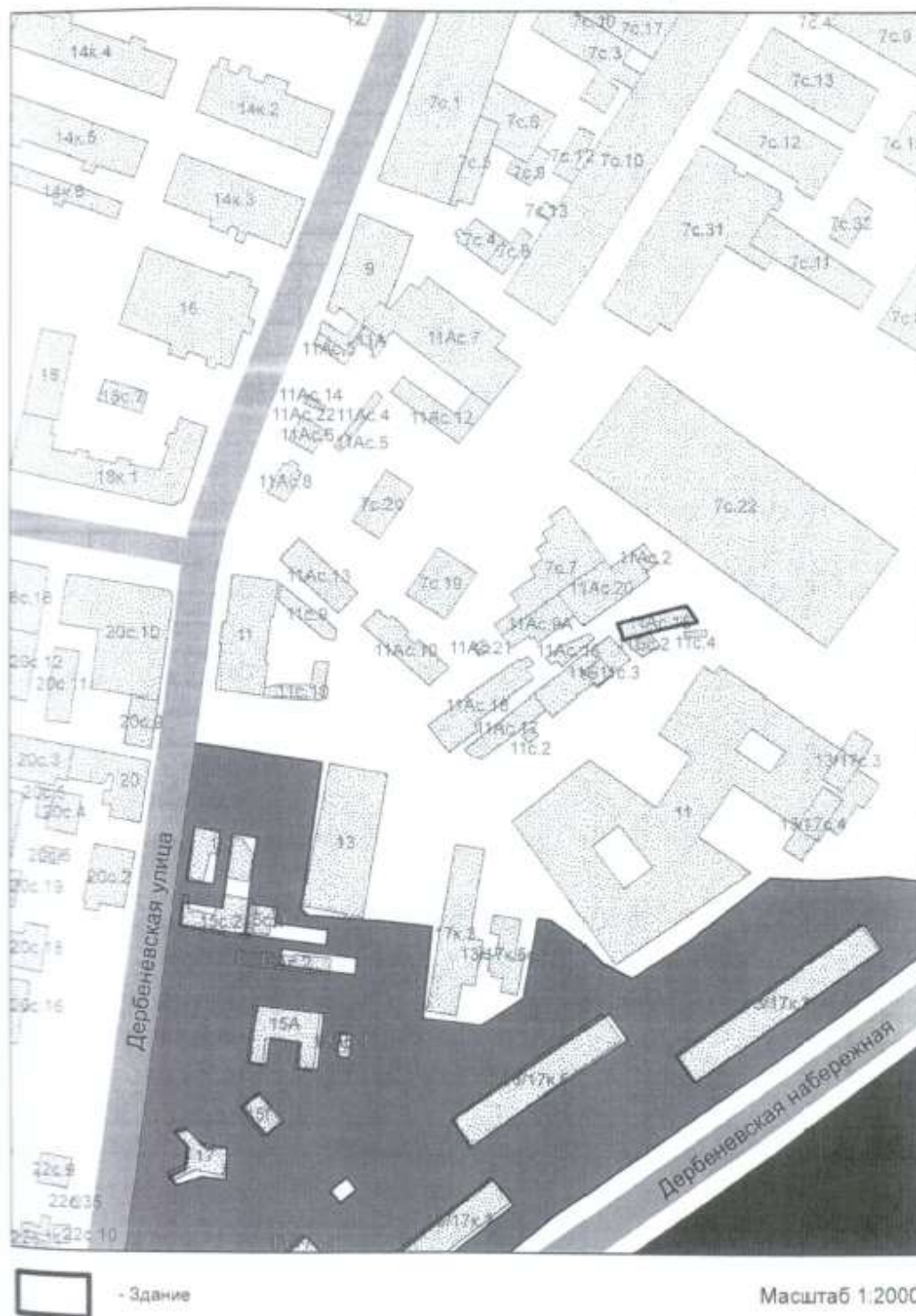
С.Н. Литвинова
(Ф.И.О.)



РОСТЕХИНВЕНТАРИЗАЦИЯ
ОБЪЕКТЫ НЕДВИЖИМОСТИ

E

Ситуационный план объекта недвижимого имущества



Приложение 2

Схема перепланировки

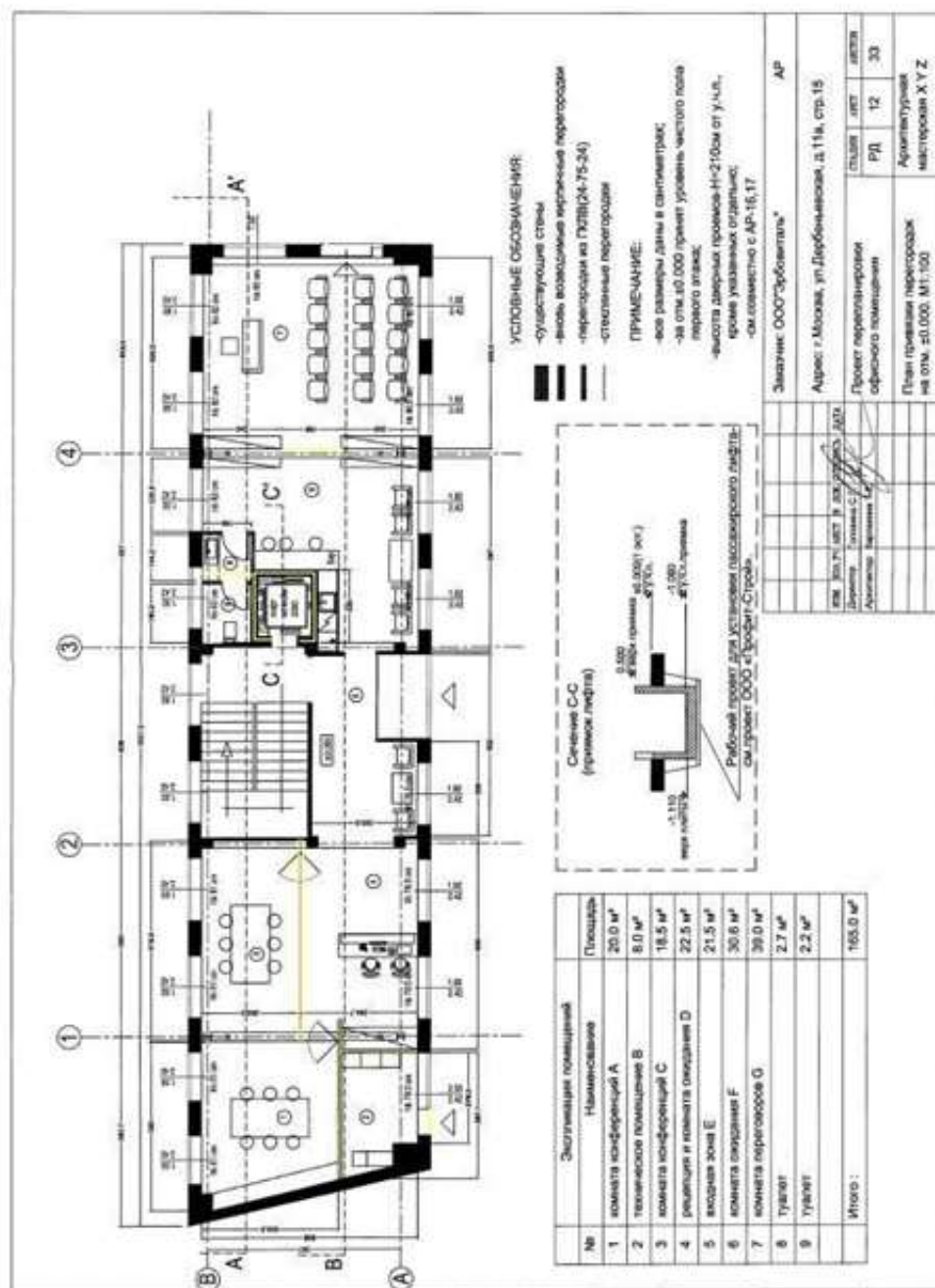


Рис. №1 (1 этаж)

Приложение 2

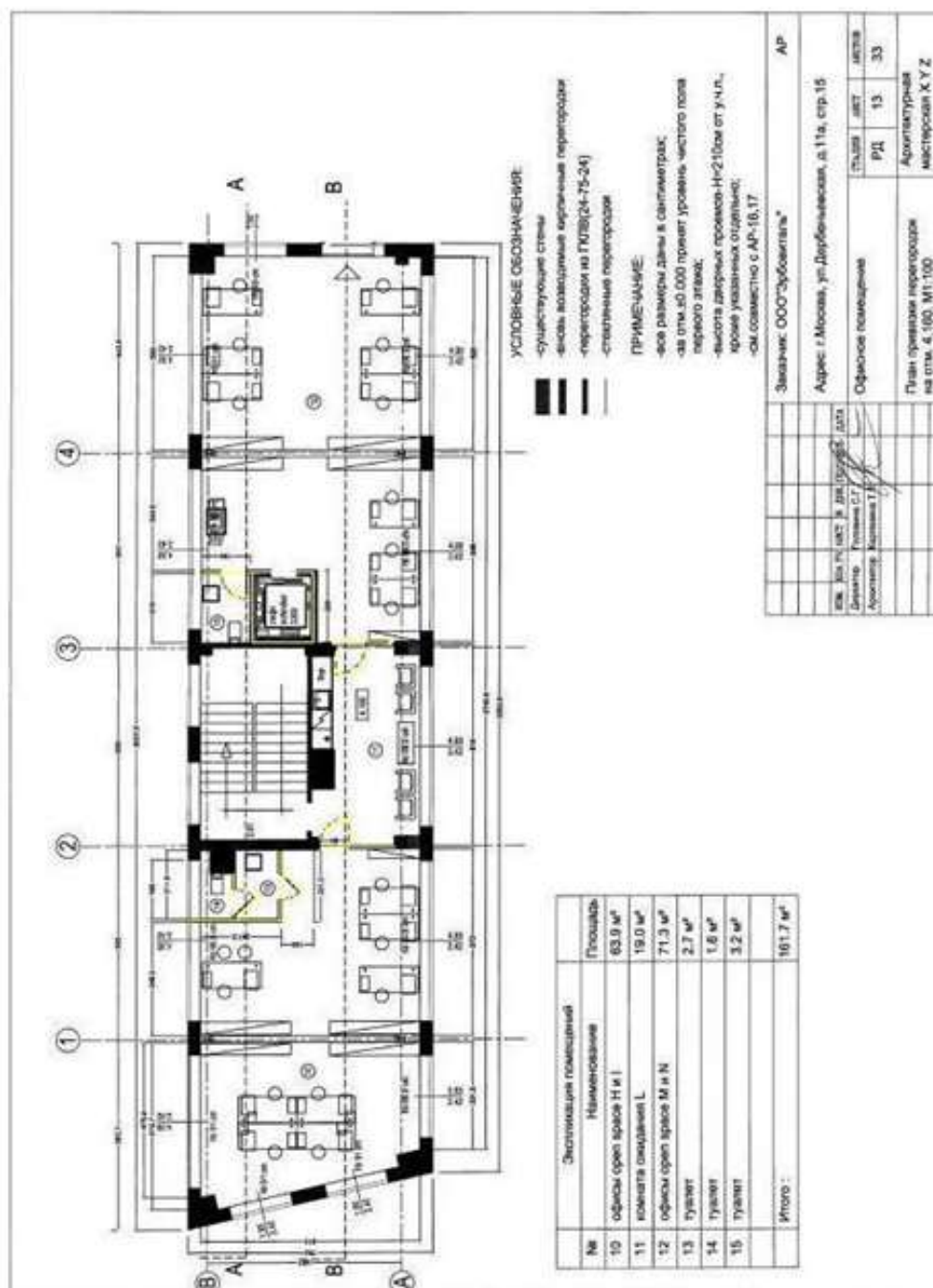


Рис. №2 (2 этаж)

Приложение 2

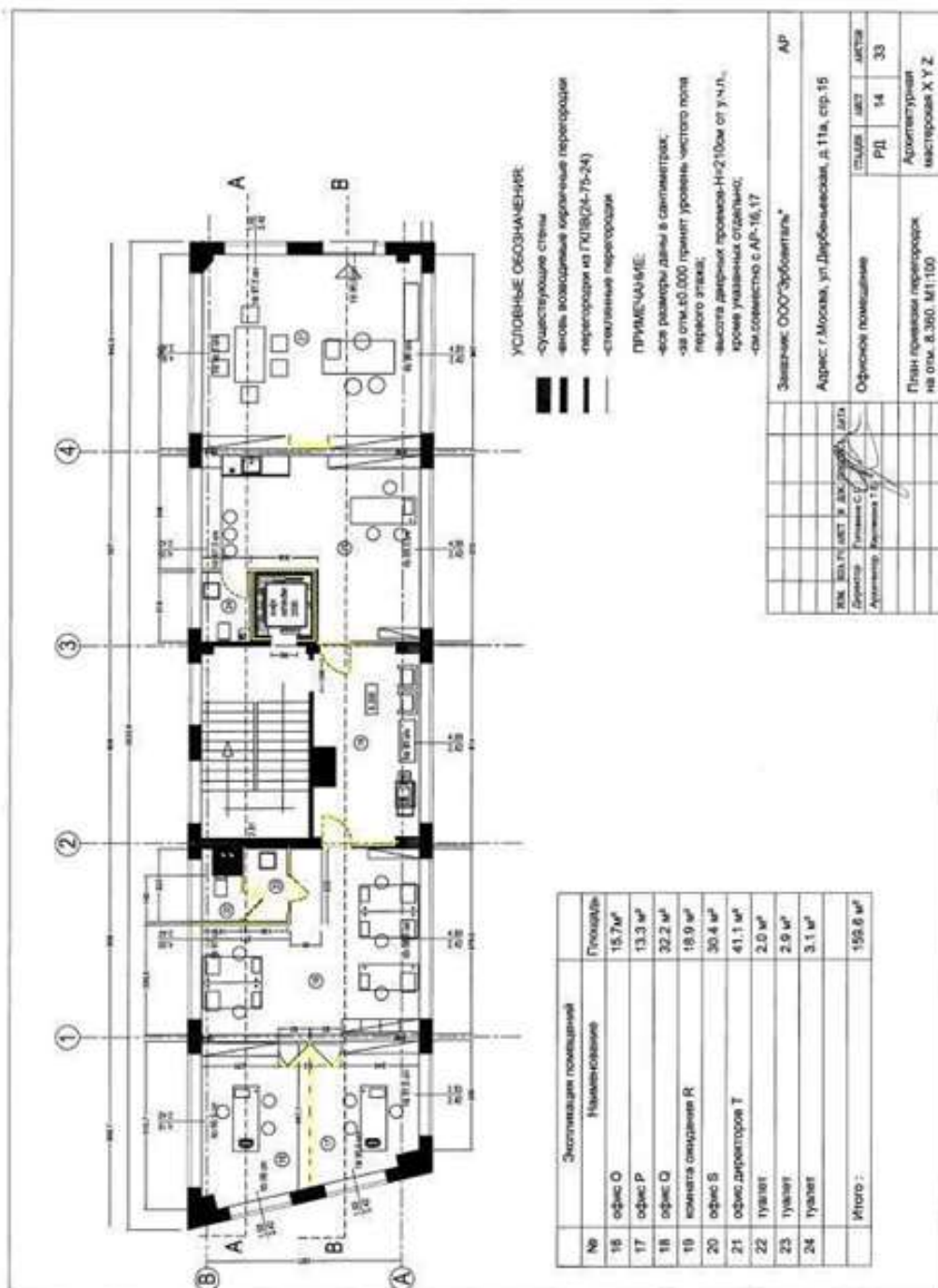


Рис. №3 (3 этаж)

Приложение 2

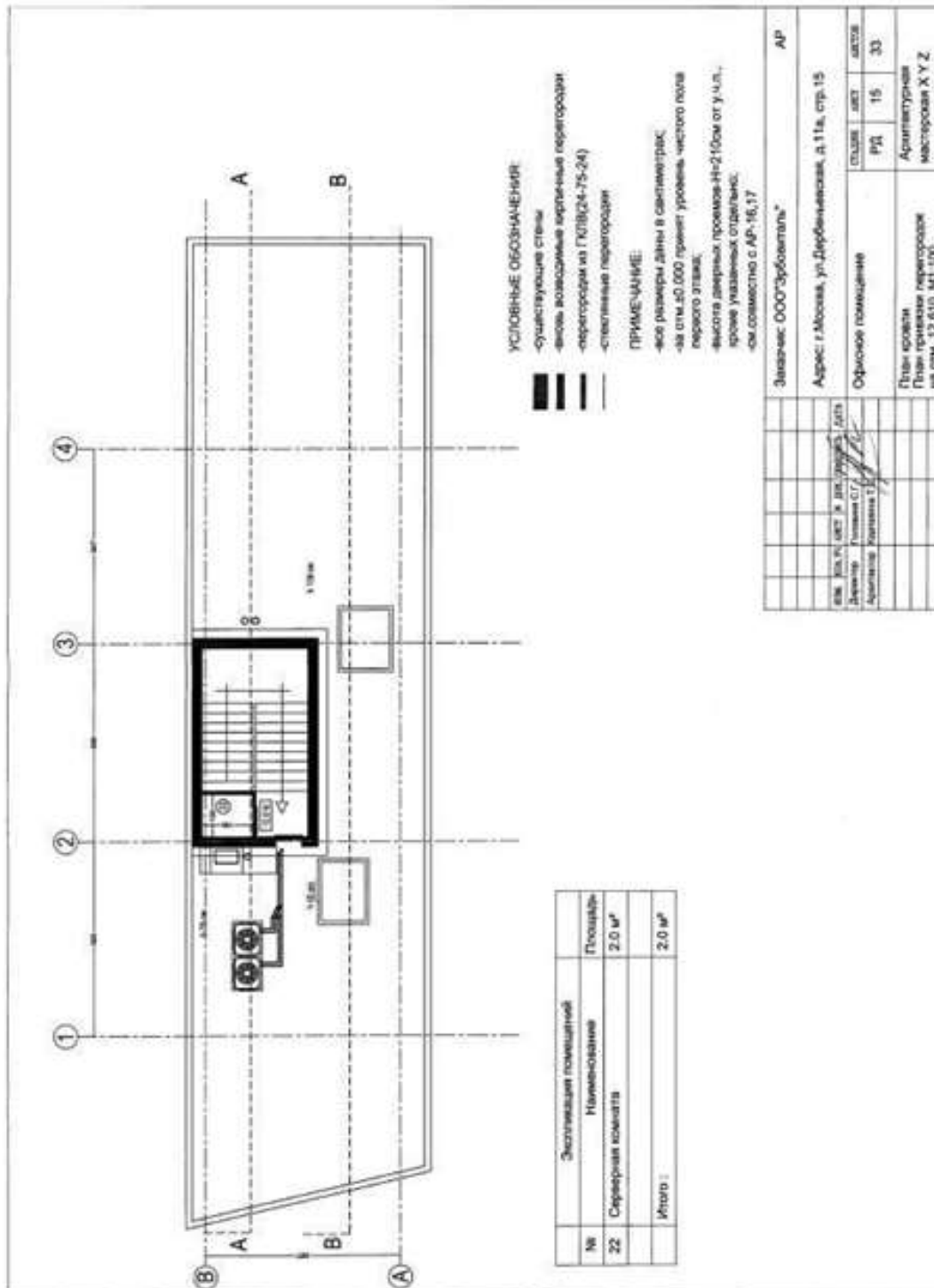


Рис. №4 (Кровля)

Фотоматериалы



№1. Фасад здания



№2. Входная дверь в служебное помещение



№3. Лестничный марш



№4 Лифтовой холл



№5 Входная дверь



№6 Стекланная перегородка



№7 Встроенная мебель



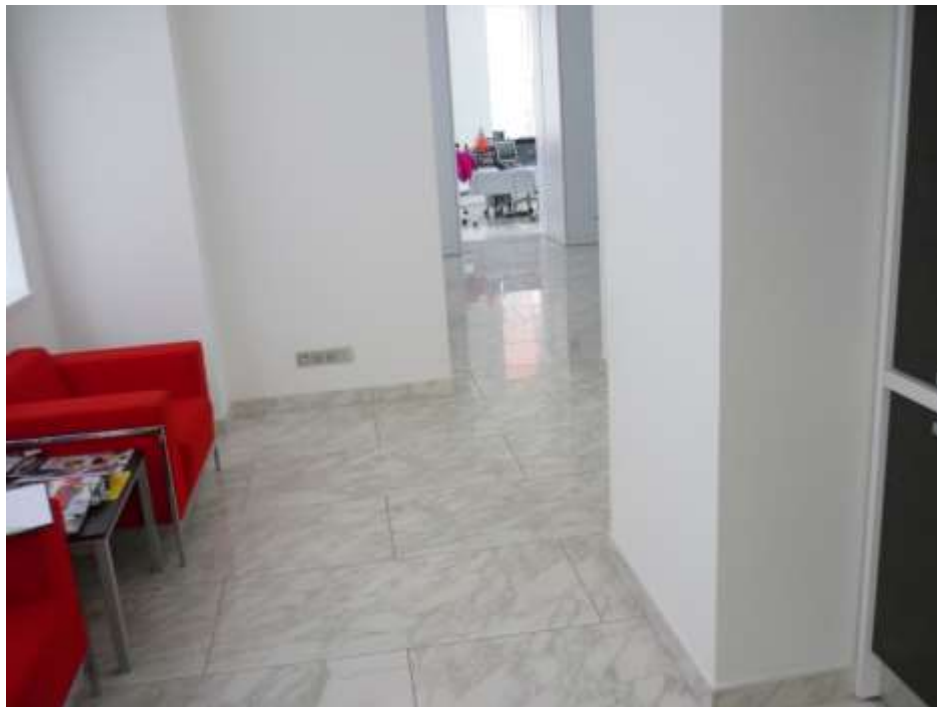
№8 Вид на лестничную клетку



№9 Внутренний интерьер



№10 Лестничная клетка



№11 Внутренний интерьер



№12 Внутренний интерьер



№13 Лифтовой холл



№14 Внутренний интерьер



№15 Туалетная комната



№16 Внутренний интерьер



№17 Внутренний интерьер



№18 Конструкции



№19 Внутренние стеклянные двери



№20 Лестничная клетка



№21 Инженерное оборудование на кровле