
Fair Value Report of

The “Athens Heart” shopping centre, 180 Pireos Avenue, Municipality of Moschato - Tavros, Sector of Southern Athens, Region of Attica

Valuation date: 31-12-19

11.03.2020
Ref: 1319/2019

Doreco S.A.
Leof. Kifisias 116 & Davaki 1
Athens
11526

Attn.: Mr Konstantinos Markazos

T: +30 210 6996311
F: +30 210 6996312

64, Louise Riencourt Str.
11523 Athens
GREECE

savills.gr | kentriki.gr

Dear Sirs,

In accordance with the Engagement Letter dated 10th December 2019, we have inspected the property and made such enquiries as are sufficient to provide you with our opinion of value on the basis stated below.

We draw your attention to our accompanying Report together with the General Assumptions, Special Assumptions and Conditions upon which our Valuation has been prepared, details of which are provided at the rear and in the relevant sections of our report.

We trust that our report meets your requirements; however, should you have any queries, please do not hesitate to contact us.

Yours faithfully,

For and on behalf of Kentriki Property Valuers & Consultants Private Company
with distinctive title Savills Hellas Private Company



Dimitris Manoussakis MRICS

RICS Registered Valuer (1152810),
TCG Member (54176),
Certified Valuer in the Greek Ministry of
Finance (57)

Head of Office



Stefanos Giannoulakis MRICS

RICS Registered Valuer (6550102),
TCG Member (118931),
Certified Valuer in the Greek Ministry of
Finance (710)

Associate Director

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1. Instructions and Terms of Reference

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1.1.1. Instructions and Basis Of Valuation

You have instructed us to provide our opinion regarding the values of the asset described in detail below under the basis of the Fair Value.

1.1.2. Addressees

This report is addressed to Doreco S.A. only.

1.1.3. General Assumptions and Conditions, Special Assumptions

Our valuation has been carried out on the basis of the *General Assumptions and Conditions to Valuations* set out in Section 4 towards the rear of this report. It is noted that any Assumptions or Special Assumptions that are set out in the relevant sections of the report take precedence over the *General Assumptions and Conditions to Valuations* in Section 4 otherwise the latter are considered as applicable for the purposes of the valuation.

According to VPS4, par. 8 of the RICS Red Book, ‘*An assumption is made where it is reasonable for the valuer to accept that something is true without the need for specific investigation or verification.*’

According to VPS4, par. 9 of the RICS Red Book, ‘*A special assumption is made by the valuer where an assumption either assumes facts that differ from those existing at the valuation date or that would not be made by a typical market participant in a transaction on that valuation date.*’

1.1.4. Valuation Date

The critical valuation date is 31-12-19. The importance of the date of valuation must be stressed as property values can change over a relatively short period.

Since the date of inspection is not the same as the valuation date this valuation is conducted under the assumption that the subject property was on the valuation date at exactly the same condition as it was on the inspection date.

1.1.5. Definition of basis of valuation

Fair value (the definition adopted by the International Accounting Standards Board (IASB) in IFRS 13) 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.

1.1.6. Scope of Valuation

This valuation is prepared for IFRS financial statement reporting purposes in accordance with IAS 40 Investment Properties.

1.1.7. Conflicts of Interest

We are not aware of any conflict of interest, either with the property, the lender or the Borrower, preventing us from providing you with an independent valuation of the property in accordance with the RICS Professional Standards PS1 and PS2. We will be acting as External Valuers, as defined in the Red Book (p. 9).

1.1.8. Valuer Details and Inspection

The property was not inspected since we were informed by the management that there have not been any material alterations or additions whatsoever; any changes in the tenant mix are taken into account separately. The property was not inspected since we

were informed by the management that there have not been any material alterations or additions whatsoever; any changes in the tenant mix are taken into account separately. The valuation was undertaken by Stefanos Giannoulakis MRICS (6550102), MEng Surveying Engineer, MSc in Real Estate investment & finance, MSc in spatial analysis, TCG member (118931), Registered Valuer of the Greek Ministry of Finance (710) and reviewed by Dimitris Manoussakis MRICS (1152810), Architect, MSc Econ, TCG member (54167), Registered Valuer of the Greek Ministry of Finance (57).

In accordance with Paragraphs 2 and 3 of PS2 of the RICS Red Book, we confirm that the aforementioned individuals are in a position to provide an objective and unbiased valuation and are competent to undertake the valuation assignment.

1.1.9. Extent of Due Diligence Enquiries and Information Sources

The extent of the due diligence enquiries we have undertaken and the sources of the information we have relied upon for the purpose of our valuation are as follows:

1. Tenancy schedule of the shopping centre, valid on the date of valuation.
2. An excel file containing other income and expenses from various sources that are taken into consideration in our valuation.
3. Email exchange with the clients, dated 09-10-2020 and onwards, regarding instructions and clarifications for valuation purposes about the subject property.

Where reports and other information (i.e. technical drawings etc.) have been provided, we summarise the relevant details in this report. We do not accept responsibility for any errors or omissions in the information and documentation provided to us, nor for any consequences that may flow from such errors and omissions.

1.1.10. Liability Cap

Please be advised that our side is covered by professional liability insurance.

Subject to Greek law restrictions, our liability for the work performed in this report (a) shall be limited to the amount of our total fee and (b) shall exclude any negative, indirect, consequential or incidental damages.

1.1.11. RICS Compliance

This report has been prepared in accordance with the Royal Institution of Chartered Surveyors' ('RICS') Valuation – Global Standards 2017 (the “RICS Red Book”) that are effective as of 01st July 2017.

We commit ourselves to comply with the code of conduct imposed by the Royal Institution of Chartered Surveyors (RICS), as well as the ethics code that was established with Ministerial Decision 19928/292 of the Minister of Finance, as published in Government Gazette 1147B/2013.

1.1.12. Verification

This report contains many assumptions, some of a general and some of a specific nature. Our valuation is based upon certain information supplied to us by others. Some information we consider material may not have been provided to us. All of these matters are referred to in the relevant sections of this report.

We recommend that you satisfy yourself on all these points, either by verification of individual points or by judgement of the relevance of each particular point in the context of the purpose of our valuation. Our valuation should not be relied upon pending this verification process.

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1.1.13. Reliance and Disclosure

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

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

1.1.14. Personal Data

Our company carries out the processing of any personal data in accordance with the General Data Protection Regulation (2016/679 – GDPR) and the applicable data protection legislation. For purposes of meeting contractual obligations and providing the requested valuation services, safeguarding our company's and third party's interests, managing our relationship with instructors and clients through communications and updates or discharging legal obligations prescribed by laws and regulations, our company collects and processes personal data which in the vast majority consist in general identification details, such as name, address, telephone, e-mail, as well as in certain additional information which our clients may provide in relation to themselves or their representatives, officers, employees, associates or agents, such as rank in the business, Tax Identification Number, bank account details, information concerning financial or family status, ownership data, etc. or information included in documents or collected in the context of valuation work and within the discharge of contractual obligations. Personal data may be transferred: (a) to service providers, agents and brokers, our company's professional advisors and partners, Banks, authorized recipients of valuation reports and members of Savills network of international associates, (b) to public services and authorities to which the transmission of information and data is obligatory by law and (c) to suppliers who may have assumed the processing of certain data categories on our behalf, based on a data processing agreement following GDPR's requirements. More information with respect to our data retention policy, data subjects' rights and their exercise and the organizational and technical measures that we implement as regards data processing, can be found in our Privacy Policy at <http://www.kentriki.gr/page/privacy-policy>.

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2. Description, statutory and legal aspects

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2.1. Location

Tavros is a suburb southwest of Athens approximately 4 km from its centre. The neighbouring municipalities are Athens (centre) to the north and northeast, Kallithea and Moschato to the south and Aghios Ioannis Rentis to the west. It is a densely built and populated area with mostly multi-storey, mixed-use buildings, with retail units at the ground floors and apartments at the upper floors.

The area was made up of farmlands but in the 1900s and the 1920s, urban development replaced most of it. Today the majority of the Municipality has residential uses apart from the industrial area at the northern part. The Municipality has a few business areas mainly along its main road axes i.e. Pireos Avenue, Panagi Tsaldari and Konstantinoupoleos Street.

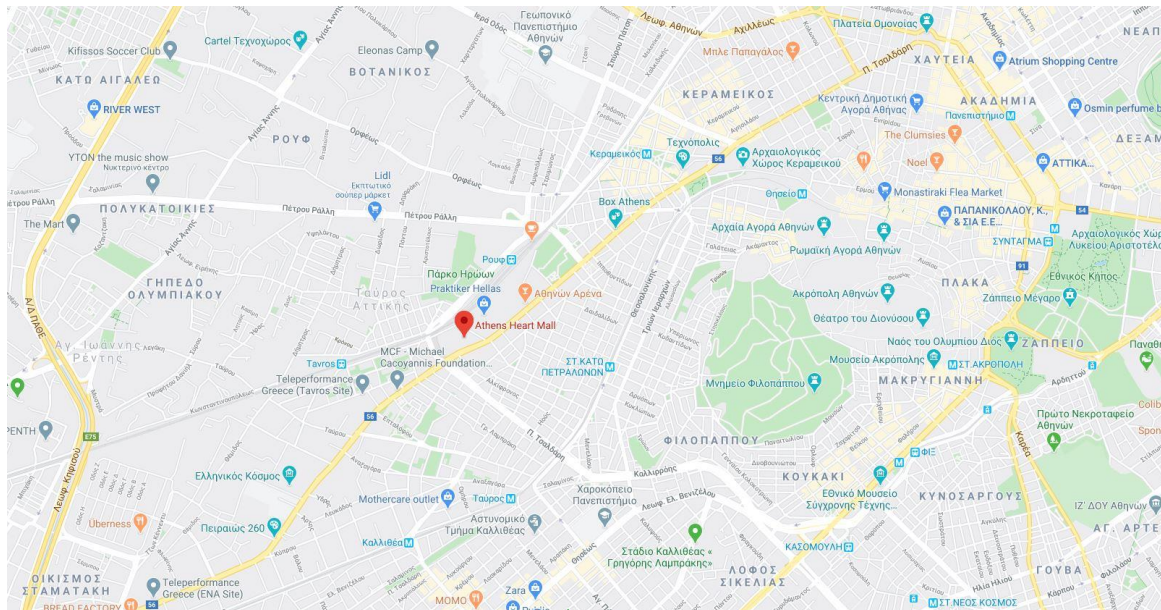
The most important developments in Tavros are located along Pireos Avenue, which has a north-south direction and is one of the main thoroughfares connecting Athens with Piraeus and its suburbs. Due to the previous industrial nature of the area there are large properties, most of which are former industrial units. The majority of these units have not been redeveloped yet, but there is some interest as the area is close to densely populated Municipalities and the centre of Athens, it has good accessibility and has large-sized properties that allow developments of significant size. Some indicative developments in the area are the Praktiker DIY store, Alex Pack and the Research Centre of the Ministry of Health.

The subject property is close to the north end of Pireos Avenue and is located at the corner of the Avenue with Lamias Road, within Urban Block 60 of the Municipality of Tavros. It has frontages on Pireos Av. and Lamias road while its rear side is facing towards a small street parallel to Konstantinoupoleos Str. and very close to the railroad tracks. The frontage of the property on Pireos Av. is 98.15 m long. The shopping centre is approximately 100 m from the crossroad of Pireos with Panagi Tsaldari and c. 800m from the “Petralona” metro station (Green Line).

The property is easily accessible by car and by the several bus lines that pass from Pireos Avenue, but also through the Suburban Railway.

We enclose below a General Location Map showing the location of the property in its regional context.

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2.2. Description

The land plot of the shopping centre is the merger of four neighbouring land plots that were acquired by the owning company on an individual basis. Based on the information mentioned on a Topographic Plan, dated June 2004, that was provided to us, we understand that the area of the land plot was measured at 10,633.11 sqm. A more recent Topographic Plan, dated 2005, measured the land plot area at 10,633.107 sqm, which is the area that we assume as being correct since it comes from the most recent on-site measurement.

The shopping centre comprises seven levels, four underground and three above-ground levels. Three out of four basement levels are occupied by the parking area that has a capacity of 715 spaces. The first basement, the ground and the 1st floor levels are occupied by retail units of various sizes. The top level (2nd floor) is arranged as the food court and leisure area of the shopping centre. The basic layout is similar in all retail levels and is organised around an atrium which in a way allows easy access to all parts of the centre. It can also offer some equal level of promotion to all units. The supportive frame of the building is made of reinforced concrete.

The interior of the building is dominated by the large atrium which occupies the central part of the floor plate and visually connects the four retail levels. It also offers ample natural light as well as ventilation of the centre. The shops are positioned at the perimeter of each level, while the space between their frontages and the atrium is a wide walking area that can be freely used by the visitors. The top level is organised with several units and is dominated by the large terraces that are used as open areas of the restaurants and the cafés that are located at this level.

The parking can be accessed either by Pireos Av. or by the small road at the rear side of the centre. It is operating with a fully automated check-in/check-out system and is built according to the modern standards. One innovative feature that is offered is the ability to automatically designate with coloured lamps the vacant spaces, so that drivers can quickly check from some distance whether there is a free space or not.

The common use areas at the retail levels are finished with good quality ceramic tiles and wooden suspended ceilings. The atrium is covered with a special structure which is supported by steel structural elements and synthetic material between them. This

structure can automatically open offering some pleasant natural feeling taking advantage of the good weather conditions prevailing in Greece. The interior of the shop units follows the corporate layout and interior specification of each retailer.

Vertical communication between the different levels is achieved through escalators and elevators that connect all seven levels. Here is a number of lighting fixtures fitted on the special roof structure covering the atrium. There are other lighting fixtures fitted on the suspended ceiling of the retail floors supporting the necessary lighting comfort level that is required in similar style cityscape shopping centres.

In terms of firefighting measures the property is appropriately divided in a number of fire compartments and fire extinguishing is supported by the installation of sprinklers on the parking basement levels and on the upper floor levels. There are also portable fire extinguishers and fire hose points. Fire detection is offered through fire detectors.

2.3. State of Repair

As per our instructions, we have not carried out a technical due diligence nor any enquiries to the relevant planning or other Authorities. Our valuation is solely based on the information provided by our instructor, which is assumed to be complete, accurate and correct, unless otherwise specified in the report.

2.4. Statutory Requirements

As per our instructions, we have not carried out a technical due diligence nor any enquiries to the relevant planning or other Authorities. Our valuation is solely based on the information provided by our instructor, which is assumed to be complete, accurate and correct, unless otherwise specified in the report.

2.4.1. Planning framework

Based on the information provided we understand that the property lies within the approved town Plan of the Municipality of Tavros. The building regulations are described in the Government Gazette Issues 324D/24, 288D/39 and 34D/61 and are the following:

- Minimum area 400 sqm
- Minimum frontage 20 m
- Plot Coverage Ratio 40% up to a distance of 25 m from the Urban block Line defined at the frontage of Pireos Av. Changed to 70% for the rest of the land plot area.
- Maximum structure height 17 m (5 floors) at Pireos Av. and according to the 1985 General Building Regulations as amended in 2000.
- Permitted land uses according to GGI 1063D/16-11-04 – “Urban Centre” as defined in GGI 166D/87, Article 4.

2.4.2. Compliance

In valuing the property, we have assumed that the premises are used in accordance with its present lawful uses and that the structures comply with current planning laws and building regulations, that they are not subject to any adverse proposals or possible enforcement actions and that it has fully marketable titles.

2.5. Tenure

We were not provided with title deeds or any other documentation that verify the tenure status of the property; however, we understand that it is owned by DORECO S.A. under freehold possession. It is noted that, DORECO S.A. is a subsidiary company

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We have not proceeded to any kind of legal due diligence or any other verification of the title deeds. This valuation is conducted under the assumption that the property has fully marketable title deeds and is free of any restrictive covenant, burden or any other defects, blockages or legal encumbrances that could adversely affect its market value.

2.5.1. Occupational Leases

According to the provided tenancy schedule the shopping centre has a total of 72 retail units and four ATMs. On valuation date there were thirty-one (31) vacant retail units indicating a vacancy rate of c. 43%.

2.6. Environmental Considerations

As instructed, we have not carried out a soil test or an environmental audit. Based on the general picture of the subject property and the neighbouring area we are of the opinion that it would appear unlikely that land contamination exists. We have also observed that there are not any hazardous or potentially hazardous uses near the property. These comments are subject to the extent of the on-site survey and are made without liability.

Since it appears that land contamination is unlikely, we have valued the property on the basis that it has not suffered any land contamination in the past, nor is it likely to become so contaminated in the foreseeable future. However, should it subsequently be established that contamination exists at the property, or on any neighbouring land, then we may wish to review our valuation advice.

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3. Market Commentary & Valuation Advice

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3.1. Approach to Valuation

Since the shopping centre was operating on the date of valuation, we considered that the Investment Method is the most appropriate to be applied and more specifically the Discounted Cash Flow (DCF) approach. For its application we have taken into account the letting parameters described on each of the individual letting agreements signed with the several shopkeepers of the centre i.e. the duration, the passing rent and the indexation pattern, combined with market-derived data regarding rental values and capitalisation rates from both the Greek and the European retail property market. Finally, we took into account information regarding various income and cost sources.

Our valuation is also based on the overall performance of the Shopping Centre in terms of the number of visitors, the vacancy rate, the turnover generated and its position in the local market.

We note that the 10-year DCF approach is applied on:

- the rental revenues derived from the shops,
- the additional value deriving from the turnover rent,
- the additional income,
- the parking operation,
- the kiosks and
- the antennas.

For the application of the DCF approach we were provided with the shopping centre's tenancy schedule. Based on this schedule we were able to gather all the required information as regards the various tenancy agreements between the landlord and the tenants and more specifically:

- the beginning of the lease agreements,
- the duration of the lease agreements,
- the agreed rental payments,
- the indexation pattern (rent escalation),
- the rent-free period/rent discounts/incentives (where applicable) and
- any other special agreements between the landlord and the tenants (where applicable).

It should be noted that regarding the vacant units of the shopping centre, these are valued as rack rented properties (vacant possession) with an applied void period six to nine months based on their size. In the end, regarding the existing leasing agreements, a three month-rent free period is applied upon the expiry of each lease.

3.1.1. Discounts, allowances and CPI

According to information provided by the management (document 3) we understand that there are agreements for rent discounts and rent allowances with the majority of the tenants, as their turnover does not match their expectations.

For the purposes of our valuation we have been informed by the management that the provided rent discounts and rent allowances will be valid for the entire 2020. For 2021 and onwards, we have been provided with special information for each of the signed lease agreements and we have proceeded accordingly in terms of rent discounts, rent allowances and other special terms. We note that for the purpose of our valuation we assumed that CPI will remain stable at 1.50% for the entire duration of our

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calculations, whereas the indexation rate for all the agreements is CPI+1% based on the provided data.

3.1.2. Yield profile

Our 10-year DCF approach has set one ARY and one discount rate for the total shopping centre stream without approaching each tenant or tenant category individually (primary, secondary etc.) since the shopping centre is perceived as a single investment product by potential investors who are not interested in analysing the business profile of each retailer but the historic overall performance of the shopping centre. Investors during their due diligence pay attention in the retail attractiveness and quality of the anchors tenants in order to feel certainty about the sustainability of the rental stream.

For the calculation of the Net Present Value of the shops we have applied a single discount rate of 10.00%, which we are of the opinion that is in line with the current market conditions and with the level of compensation that investors are currently looking for assets with such level of performance in Greece. Unfortunately, despite the increased interest, this interest in most cases does not materialise in completed transactions due to a series of external factors that affect the entire economy and consequently the property market as a whole. Moreover, we are of the opinion that this level of return is fair for the subject asset which has not been amongst the top-performing shopping centres in Greece, since it started its operation at the end of 2008.

For the calculation of the exit value we have used an ARY of 9.25%. This yield represents a gross return that, in our opinion, is fair for a potential investor that would acquire the subject shopping centre at the end of the analysis period (2030).

In the end, in terms of implied rental growth we have included in our calculations an Implied Annual Growth Rate (IAGR) of 1.50%. The calculation was based on an annual indexation pattern that is the market norm in Greece, as opposed to other countries (e.g. in the UK a 5-yearly indexation pattern is a common market practice). The IAGR represents a long-term growth of prices in the retail sector of Athens and is derived by historic market evidence, other information available and our knowledge of the market trends, as specific information of this nature is not available in the Greek market.

3.1.3. Estimated Rental Values (ERVs)

In terms of Estimated Rental Value, we have classified the centre's units into several categories, depending on the size of the lettable area, upon which we applied different ERVs. The categorisation of the units and the respective ERVs are shown in the following Table:

Description	ERVs
Anchors	€13/sqm/month
Shops > 120sqm	€16/sqm/month
Shops < 120sqm	€18/sqm/month
Cafes	€21/sqm/month
Terrace	€7/sqm/month
Food	€21/sqm/month
Super market	€7/sqm/month
ATMs	€450/month

These rates are average figures that derive from recent information regarding rental levels at other shopping centres in Attica and are properly adjusted in order to reflect the characteristics of the subject shopping centre, such as its location, size, previous, current and future performance, sustainability of income etc. We are of the opinion that these figures have been set at average

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market levels and are considered sustainable under the assumption of the centre’s normal operation within the context of the current market conditions.

3.1.4. Parking

The valuation of the parking was based on an estimate of the turnover (c. €157,313) and the operating expenses (c. €70,000).

3.1.5. Turnover income

The value of the Turnover Income is calculated according to the projections of the management, which are in the order of c. €165,000 on an annual basis.

3.1.6. Other income

According to the provided information there is some additional income that is estimated at c. €7,000 p.a.

3.1.7. Antennas

There is some additional income that is €15,300 p.a. coming from the letting of an antenna.

3.1.8. Kiosks

There is some additional income that is €25,000 p.a. coming from the letting of kiosks.

3.1.9. Costs

According to the provided data the non-recoverable operating expenses of the shopping centre are estimated at c. € 500,000 p.a. We have also made an allowance for Collection Loss which is represented by a 4.0% reduction of the receivable rents and is used to reflect shopping centre’s performance in accordance with any potential delays or other issues that may occur regarding rental payments with the tenants.

These non-recoverable costs were included in the valuation as revenue reduction factors and were calculated as percentages over the rental income.

3.2. Valuation

Having carefully considered the property, as described in this report, we are of the opinion that the Market Value of the freehold interest, as at the date of valuation, and subject to and with the benefit of the current lease agreements is € 28,173,076 which is rounded to **€ 28,150,000** (Twenty Eight Million One Hundred Fifty Thousand Euros).

Brief valuation calculations are included in Appendix 3.1 below.

3.2.1. Sensitivity analysis

In order to test the valuation, result we have performed a sensitivity analysis regarding changes in the applicable discount rate in five steps of 25 bps. The results are shown in the following table:

Athens Heart	@ 9,50%	@ 9,75%	@ 10,00%	@ 10,25%	@ 10,50%
Fair Value	€ 29,150,307	€ 28,656,251	€ 28,173,076	€ 27,700,508	€ 27,238,278
rounded	€ 29,150,000	€ 28,650,000	€ 28,150,000	€ 27,700,000	€ 27,250,000
difference in €	€ 1,000,000	€ 500,000	€ 0	-€ 450,000	-€ 900,000
vs Fair Value	3.55%	1.78%	0.00%	-1.60%	-3.20%

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We notice that for every 25 bps of discount rate change the Market Value of the shopping centre changes by c. €475,000 or 1.69% approximately.

3.2.2. VPQA 10: Matters that may give rise to material valuation uncertainty

We would like to draw your attention to the following commentary that relates to Guidance 10 (VPQA 10: Valuations in markets susceptible to change: certainty and uncertainty) of the Royal Institute of Chartered Surveyors (RICS), which is linked to market uncertainty issues and how these are addressed by valuers.

The data used and analysed in this report (e.g. rental / sale prices, returns, etc.), as presented in the previous paragraphs, come from various sources and recent data of the Greek real estate market and from the general financial information and are based on current conditions adjusted to reflect the general economic trends and characteristics of the property as at the valuation date. However, the unstable economic environment still exists to a certain extent and therefore we are of the opinion that valuation uncertainty remains since investors continue being very selective. The severe financial crisis experienced by the country led to a general economic upheaval in June 15 due to the failure of the Greek Government to agree with the lenders, resulting in a lack of government liquidity and a disruption of payments to the IMF. The announcement of a referendum (26-06-15) a few days before the expiration of Greece's financial support program (30-06-15) has amplified the situation. The combination of this suffocating financial situation with the fear of mass withdrawal of deposits due to strong possibilities for a haircut (bail in) and the failure of banks to respond smoothly to their day-to-day operation led to a decision to apply bank holiday and capital controls on 29-06-15. The impact of the financial and banking crisis on the property market, and the economy in general, continues to affect markets in Greece. In particular, the impact of the bank holiday, which is a major event with horizontal implications across the structure of the Greek economy, will continue affecting the banking system, especially as the NPL (Non-Performing Loans) problem is resolved with a rather slow pace.

The cost of government borrowing is improving but still remains higher than the other European economies. The Greek Banks, although having very important issues with the large volume of NPLs that create major management and potential risk issues, are expected to become the pillar of long-term normalisation of the economy. The situation is expected to improve further after the complete abolition of capital controls by 01/09/2019, the effects of which had affected the economy horizontally. The reassessment of risks associated with real estate lending and the significant decrease in funding has a consequent impact on the image of the real estate market, especially in the last period although banks have started lending projects with solid fundamentals.

Due to this change in financial conditions, investment or development projects have re-appeared; however, there is still a limited number of transactions, although these have shown a steady upward trend in the last year, and some new developments have also begun due to increase in demand.

In this context it was not possible to collect a sufficient number of comparative data on realised transactions that could help us more to form a more in-depth view of the market, as would be the case in a normally functioning market. Against this background, given the circumstances, we state that our side has formulated the best possible valuation approach. However, as the situation continues changing in the operation of banks and the property market, our side will continue to monitor the trends that will develop in the coming months.

In this respect and in accordance with the above RICS Guidance we note that the reported value is based on the best possible and appropriate analysis of the available information and the general economic conditions prevailing on the valuation date. In this context, we note that the produced result is correct although with increased Valuation Uncertainty.

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4. General Assumptions & Conditions to Valuations

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4.1. General Assumptions

Unless otherwise stated in this report or in a specific section entitled ‘Special Assumptions’, our valuation has been carried out on the basis of the following General Assumptions. If any of them are subsequently found not to be valid, we may wish to review our valuation, as there may be an impact on it.

1. That the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoing contained in the Freehold Title. Should there be any mortgages or charges, we have assumed that the property would be sold free of them. We have not inspected the Title Deeds or National Cadastre.
2. That we have been supplied with all information likely to have an effect on the value of the property, and that the information supplied to us and summarised in this report is both complete and correct.
3. That the building has been constructed and is used in accordance with all statutory and bye-law requirements, and that there are no breaches of planning control. Likewise, that any future construction or use will be lawful (other than those points referred to above).
4. That the property is not adversely affected, nor is likely to become adversely affected, by any highway, town planning or other schemes or proposals, and that there are no matters adversely affecting its value.
5. That the building is structurally sound, and that there are no structural, latent or other material defects, including rot and inherently dangerous or unsuitable materials or techniques, whether in parts of the building we have inspected or not, that would cause us to make allowance by way of capital repair (other than those points referred to above). Our inspection of the property and this report do not constitute a building survey.
6. That the property is connected, or capable of being connected without undue expense, to the public services of gas, electricity, water, telephones and sewerage.
7. That in the construction or alteration of the building no use was made of any deleterious or hazardous materials or techniques, such as high alumina cement, calcium chloride additives, woodwool slabs used as permanent shuttering and the like (other than those points referred to above). We have not carried out any investigations into these matters.
8. That the property has not suffered any land contamination in the past, nor is it likely to become so contaminated in the foreseeable future. We have not carried out any soil tests or made any other investigations in this respect, and we cannot assess the likelihood of any such contamination.
9. That the property does not suffer from any risk of flooding. We have not carried out any investigation into this matter.
10. That the property complies with any legislation relating to safety and accessibility of users.
11. That the property does not suffer from any ill effects of Radon Gas, high voltage electrical supply apparatus and other environmental detriment.
12. That there are no adverse site or soil conditions, that the ground does not contain any archaeological remains, nor that there is any other matter that would cause us to make any allowance for exceptional delay or site or construction costs in our valuation.
13. That the tenants are capable of meeting their obligations, and that there are no arrears of rent or undisclosed breaches of clauses contained in the respective lease agreements.

4.2. General Conditions

Unless otherwise stated in this report or in a specific section entitled ‘Special Conditions’, our valuation has been carried out on the basis of the following General Conditions. If any of them are subsequently found not to be valid, we may wish to review our

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valuation, as there may be an impact on it.

1. Although in our valuation we have regard of the general effects of taxation on property we have made no allowance for any Capital Gains Tax, VAT or any other taxation liability that might arise upon a sale of the property (e.g. Income Tax).
2. No allowance has been made for any expenses of realisation.
3. No allowance has been made for any working capital.
4. Unless otherwise stated in the report we have assumed that the property was at the same condition on the date of valuation and on the date of inspection.
5. Excluded from our valuation is any additional value attributable to goodwill, or to fixtures and fittings which are only of value in situ to the present occupier.
6. If a portfolio of different properties are being valued, each property was assessed independently and no provision, positive or negative, has been made for the case of their transfer as part of a portfolio. The total value referred to is simply the sum of the values of each property.
7. If there are non-performing loans related to the property, we have not taken into consideration any possible impact that they may have on the image of the property in the market and thus to its value.
8. Our valuation is based on market evidence which has come into our possession from numerous sources. That from other agents and valuers is given in good faith but without liability and is often provided in verbal form. Some comes from databases or computer databases. In all cases, other than where we have had a direct involvement with the transactions, we are unable to warrant that the information on which we have relied is correct although we believe it to be so.

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5. Appendices

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5.1. Valuation Calculations

Cash Flow Report

Shops (Amounts in EUR)

10y, 2020 through Δεκ, 2030

	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Total
For the Years Ending	Δεκ-2020	Δεκ-2021	Δεκ-2022	Δεκ-2023	Δεκ-2024	Δεκ-2025	Δεκ-2026	Δεκ-2027	Δεκ-2028	Δεκ-2029	Δεκ-2030	
Rental Revenue												
Potential Base Rent	1,634,275	2,347,864	2,429,030	2,585,671	2,759,315	3,209,436	3,475,941	3,534,051	3,587,064	3,640,868	3,695,481	32,898,995
Free Rent	-751,108	-111,184	-26,395	-48,681	-104,530	-113,056	-26,582	0	-438,834	-125,248	-29,734	-1,775,351
Scheduled Base Rent	883,167	2,236,680	2,402,635	2,536,990	2,654,786	3,096,379	3,449,359	3,534,051	3,148,230	3,515,620	3,665,747	31,123,644
Total Rental Revenue	883,167	2,236,680	2,402,635	2,536,990	2,654,786	3,096,379	3,449,359	3,534,051	3,148,230	3,515,620	3,665,747	31,123,644
Total Tenant Revenue	883,167	2,236,680	2,402,635	2,536,990	2,654,786	3,096,379	3,449,359	3,534,051	3,148,230	3,515,620	3,665,747	31,123,644
Other Revenue												
Turnover Remuneration	165,000	167,475	169,987	172,537	175,125	177,752	180,418	183,124	185,871	188,659	191,489	1,957,438
Other income	6,936	7,040	7,146	7,253	7,362	7,472	7,584	7,698	7,813	7,931	8,050	82,284
Antennas	15,300	15,530	15,762	15,999	16,239	16,482	16,730	16,981	17,235	17,494	17,756	181,508
Kiosks	25,000	25,375	25,756	26,142	26,534	26,932	27,336	27,746	28,162	28,585	29,014	296,582
Parking Revenue												
Parking	157,313	159,673	162,068	164,499	166,966	169,471	172,013	174,593	177,212	179,870	182,568	1,866,245
Total Other Revenue	369,549	375,092	380,719	386,429	392,226	398,109	404,081	410,142	416,294	422,539	428,877	4,384,057
Potential Gross Revenue	1,252,716	2,611,772	2,783,353	2,923,419	3,047,012	3,494,488	3,853,440	3,944,193	3,564,524	3,938,159	4,094,623	35,507,701
Effective Gross Revenue	1,252,716	2,611,772	2,783,353	2,923,419	3,047,012	3,494,488	3,853,440	3,944,193	3,564,524	3,938,159	4,094,623	35,507,701
Operating Expenses												
Collection Loss	35,327	89,466	96,105	101,480	106,191	123,855	137,974	141,362	125,929	140,624	146,630	1,244,944
Non recoverable expenses	500,000	507,500	515,113	522,839	530,682	538,642	546,722	554,922	563,246	571,695	580,270	5,931,631
Parking OpEx	70,000	71,050	72,116	73,197	74,295	75,410	76,541	77,689	78,854	80,037	81,238	830,428
Total Operating Expenses	605,327	668,016	683,334	697,516	711,169	737,907	761,237	773,974	768,030	792,356	808,138	8,007,004
Net Operating Income	647,389	1,943,756	2,100,020	2,225,903	2,335,843	2,756,581	3,092,203	3,170,219	2,796,494	3,145,803	3,286,485	27,500,696
Cash Flow Before Debt Service	647,389	1,943,756	2,100,020	2,225,903	2,335,843	2,756,581	3,092,203	3,170,219	2,796,494	3,145,803	3,286,485	27,500,696
Cash Flow Available for Distribution	647,389	1,943,756	2,100,020	2,225,903	2,335,843	2,756,581	3,092,203	3,170,219	2,796,494	3,145,803	3,286,485	27,500,696
Property Resale @ 9.25%												35,529,569
PV of Cash Flow @ 10.00%	608,717	1,688,489	1,661,533	1,600,821	1,527,590	1,637,014	1,670,923	1,557,824	1,246,371	1,275,607	13,698,187	
Total Unleveraged Present Value	28,173,076											

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Savills

Dimitris Manoussakis MRICS

Head of Office

+30 210 6996311

dman@savills.gr

Stefanos Giannoulakis MRICS

Associate Director

+30 210 6996311

s.giannoulakis@savills.gr