

Valuation Advisory

Client: INVESTDEVELOPINGGROUP LLC

Property: village Akinshino, settlement Marushkinskoe, Moscow Region

July 2021



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Executive Summary

Property Address



village Akinshino, settlement Marushkinskoe, Moscow Region

Identification and Status of the Valuer

The valuation has been prepared under the direction of Dmitry Davydov MRICS (hereinafter referred to as the Valuer), Head of Valuation Department, Russia and CIS, JLL. The Valuer confirms that the personnel responsible for this valuation are qualified for the valuation in accordance with the RICS Valuation Standards. The Valuer has enough current local, national knowledge of the market, and the skills and understanding to undertake the valuation competently. Statement of Qualifications is attached in Appendix 5.

In preparing this valuation the Valuer has acted as External Valuer, subject to any disclosures made to you.

Description

The subject property (hereinafter referred to as the Property) is represented by the land plot land plot with a total area of 135,039 sq m and twelve buildings with a total area of 10,364.1 sq m, located at the address: village Akinshino, settlement Marushkinskoe, Moscow Region.

Location

The Property is located in Marushkinskoe settlement. Marushkinskoe settlement is located approximately 9 km south-west of the centre of the Moskovsky and about 18 km south-west of the Moscow Ring Road, with a quick access to the Kiev Highway.

The Property can be easily accessed in 5 – 10 minutes by road transport from Kiev Highway. The MKAD is located around 18 km to the north-east from the land plot, Vnukovo airport in 13 km accordingly.

The surrounding area of the land plot is represented by residential areas, gardeners' partnerships, forest and Neznayka River.

Tenure – Land plot

As at the valuation date the land plot total area of 135,039 sq m with cadastral number 77:18:0190513:1 is held by INVESTDEVELOPINGGROUP LLC on the freehold basis.

Tenure – Building

As at the date of valuation, there are twelve non-residential buildings and structures that used to former sanatorium Zor'ka on the site. As at the valuation date the buildings are not operated.

The Valuer understand that the buildings with a total area of 10,364.1 sq m are held freehold by INVESTDEVELOPINGGROUP LLC.

Encumbrances

The Valuer has not carried out any legal expertise of the information provided by the Client. The Valuer has assumed in the valuation process that there are no encumbrances or unduly onerous or unusual easements, restrictions, outgoings or conditions, likely to have an adverse effect upon the value of the Property, and he has assumed that a good and marketable title is held.

Key Attributes

The Valuer would like to highlight the following main advantages in respect of the Property:

- The attractive location within the borders of Novomoskovsky Administrative District, characterized by a favorable ecologic situation and developed infrastructure;
- Transport accessibility is good enough taking into account quick access to the Kiev Highway;
- Prospects for the development of New Moscow areas, extension of a network of roads, modern shopping centers, schools, medical and sports centres, etc;
- The Property is provided with centralized utilities

Principal Risks

The Valuer would like to highlight the following main risks in respect of the Property:

- Existing buildings and facilities with high obsolescence level are located on the land plot;
- Insufficient connection with public transport.

Assumptions

An assumption is stated in the glossary to RICS Valuation – Global Standards (issued November 2019, effective from 31 January 2020) to be a 'supposition taken to be true' ('assumption'). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a Valuer as part of the valuation process. In undertaking the valuations, the Valuer has made several assumptions and has relied on certain sources of information. Where appropriate, you have confirmed that the assumptions are correct so far as you are aware. The Valuer believe that the assumptions he has made are reasonable, considering his knowledge of the Property, and the contents of reports made available to him. However, if any of these assumptions prove to be incorrect then the valuations should be reviewed.

Special Assumptions:

According to the glossary to the Red Book a 'Special Assumption' is an assumption that either:

- requires the valuation to be based on facts that differ from the actual facts existing at the valuation date; or
- that would not be made by a typical market participant in a transaction on the valuation date.

The Valuer has made no special assumptions.

Market Commentary

There is some ongoing uncertainty over the path of the pandemic and if future restrictions could be required. Market activity is currently robust, in both occupational and investment markets. However, the uncertainty does mean that market values can change frequently in the current conditions.

Market value of the Property as at 31 December 2020

Having regard to the foregoing, the Valuer is of the opinion that the Market Value of the Property as at 31 December 2020 was as follows (net of value-added tax, rounded):

USD5,160,000 (Five Million One Hundred Sixty Thousand US Dollars)

that is equal to

RUB381,300,000 (Three Hundred Eighty One Million Three Hundred Thousand Russian Rubles)

As at the valuation date the Valuer applied exchange rate according to Central Bank of Russia as at 31 December 2020 which was equal to RUB73.8757 per 1 USD.

The opinion regarding market value of the Property is time-specific and is valid as at the valuation date. The Valuer shall not be liable for any change in economic, legal or other factors that may arise after that date and affect the market and thus the market value of the Property.

The Valuer has assumed that there hasn't been a material change in market conditions, or in the circumstances of the Property, between the valuation date and the date of the Report.

This Overview forms part of the Valuation Report #RU10604 dated 27 July 2021 and should not be read in isolation.

INVESTDEVELOPINGGROUP LLC

Your ref RU10604

Direct line +7 495 737 8000

room 6, premise IV, floor a2, bldg. 4, 10 2nd Donskoy Pr.,
Moscow, 119071

Direct fax +7 495 737 8011

Dmitry.Davydov@eu.jll.com

27 July 2021

Terms of Reference

Addressee:

INVESTDEVELOPINGGROUP LLC

room 6, premise IV, floor a2, bldg. 4, 10 2nd Donskoy Pr., Moscow, 119071

For the attention of Evgeny Kurbanov

Property Address:

village Akinshino, settlement Marushkinskoe, Moscow Region

(‘The Property’)

Client:

INVESTDEVELOPINGGROUP LLC

Tenure:

The Valuer understands that the building is held by way of a freehold interest. The land plot is held by way of a freehold interest. The Valuer has made an assumption that the current legal status of the Property is clear and free of any unusual encumbrances that could affect the marketability and saleability of the Property.

Valuation Date:

31 December 2020

Instruction Date:

12 July 2021

Purpose of Valuation:

In accordance with the Contract #RU10604 dated 12 July 2021, Jones Lang LaSalle is instructed to provide you with a report and valuation for estimation of the market value of the Property for reporting purposes.

Basis of Valuation:

The valuation has been prepared in accordance with the RICS Valuation – Global Standards (Red Book) published by the Royal Institution of Chartered Surveyors on the basis of Market Value (Appendix 2 of the Report). The statements of RICS Valuation – Global Standards issued November 2019, effective from 31 January 2020 and match International Valuation Standards (IVS 2020).

The report is subject to, and should be read in conjunction with, the attached General Terms and Conditions of Business and General Principles Adopted in the Preparation of Valuations and Reports, which are attached in Appendix 1.

No allowance has been made for any expenses of realization, or for taxation (including VAT), which might arise in the event of a disposal, and the property has been considered free and clear of all mortgages or other charges that may be secured thereon.

Inspection:	<p>The Property was inspected both internally and externally on 17 June 2019 by Anna Galieva, Leading Valuer and Ksenia Litvinova, Valuer. Access was organized to all premises of the Property.</p> <p>We understand that we saw representative parts of the property and we have assumed that any physical differences in parts we did not inspect will not have a material impact on value.</p>
Personnel:	<p>The valuation has been prepared by Ksenia Litvinova, Valuer, Valuation Department, Russia and CIS, JLL, under the direction of Dmitry Davydov MRICS (hereinafter referred to as the Valuer), Head of Valuation Department, Russia and CIS, JLL. The Valuer confirms that the personnel responsible for this valuation are qualified for the purpose of the valuation in accordance with the RICS Valuation Standards. The Valuer has enough current local, national knowledge of the market, and the skills and understanding to undertake the valuation competently. Statement of Qualifications is attached in Appendix 5.</p>
Status of the Valuer:	<p>In preparing this valuation the Valuer has acted as External Valuer, subject to any disclosures made to you.</p>
Liability Limitation	<p>Jones Lang LaSalle liability under the signed Valuation Agreement is limited to the actual damage and not exceed the fee amount owed to Jones Lang LaSalle liability under the Agreement.</p>
Disclosure:	<p>The Valuer confirms that he is not aware of any conflict of interest that precludes him from valuing the Property on your behalf.</p>
Assumptions:	<p>An assumption is stated in the glossary to RICS Valuation – Global Standards (issued November 2019, effective from 31 January 2020) to be a ‘supposition taken to be true’ (‘assumption’). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a Valuer as part of the valuation process. In undertaking the valuations, the Valuer has made several assumptions and has relied on certain sources of information. Where appropriate, you have confirmed that the assumptions are correct so far as you are aware. The Valuer believe that the assumptions he has made are reasonable, considering his knowledge of the Property, and the contents of reports made available to him. However, if any of these assumptions prove to be incorrect then the valuations should be reviewed.</p>
Special Assumptions:	<p>According to the glossary to the Red Book a ‘Special Assumption’ is an assumption that either:</p> <ul style="list-style-type: none">■ requires the valuation to be based on facts that differ from the actual facts existing at the valuation date; or■ that would not be made by a typical market participant in a transaction on the valuation date. <p>The Valuer has made no special assumptions.</p>
Sources of Information:	<p>The Valuer has relied upon the following information:</p>

- Extract from Real Estate Unified State Register #99/2017/24335112 dated 3 August 2017 for the land plot with a total area of 135,039 sq m;
- Cadastral passports for the non-residential buildings and structures with a total area of 10,364.1 sq m;
- Cadastral certificate with the cadastral value of the land plot with a total area of 135,039 sq m.

The Valuer has made an assumption that the information supplied to him regarding the Property is both full and correct.

It follows that the Valuer has made an assumption that details of all matters likely to affect value within your knowledge, such as prospective lettings and outstanding requirements under legislation, have been made available to him and that the information is up to date.

Valuation:

Market Value as at 31 December 2020

The Market Value of the Property as at 31 December 2020 (net of value-added tax, rounded):

USD5,160,000 (Five Million One Hundred Sixty Thousand US Dollars)

that is equal to

RUB381,300,000 (Three Hundred Eighty One Million Three Hundred Thousand Russian Rubles).

As at the valuation date the Valuer applied exchange rate according to Central Bank of Russia as at 31 December 2020 which was equal to RUB73.8757 per 1 USD.

The opinion regarding market value of the Property is time-specific and is valid as at the valuation date. The Valuer shall not be liable for any change in economic, legal or other factors that may arise after that date and affect the market and thus the market value of the Property.

The Valuer has assumed that there hasn't been a material change in market conditions, or in the circumstances of the Property, between the valuation date and the date of the Report.

Market Commentary:

There is some ongoing uncertainty over the path of the pandemic and if future restrictions could be required. Market activity is currently robust, in both occupational and investment markets. However, the uncertainty does mean that market values can change frequently in the current conditions.

Confidentiality and Publication:

Finally, and in accordance with the normal practice the Valuer confirms that the Report is confidential to the party to whom it is addressed for the specific purpose to which it refers. No responsibility whatsoever is accepted to any third party and neither the whole of the Report, nor any part, nor references thereto, may be published in any document, statement or circular, nor in any communication with third parties without his prior written approval of the form and context in which it will appear.

1. Location

1.1. Macro Location

The Property is located at village Akinshino, settlement Marushkinskoe, Moscow Region , Russian Federation.

Novomoskovsky Administrative District was established on July 1, 2012 as a result of realization of project on the city territory expansion. It consists of 11 settlements which previously belonged to Leninsky, Naro-Fominsky, and Podolsky Districts of Moscow Region. The total area of the district is 361.4 sq m, the total population – about 217,000 people. The administrative and cultural centre of the district is Moskovsky, with a total population of around 50,000 people.

Map 1. Novomoskovsky Administrative District (NAD)

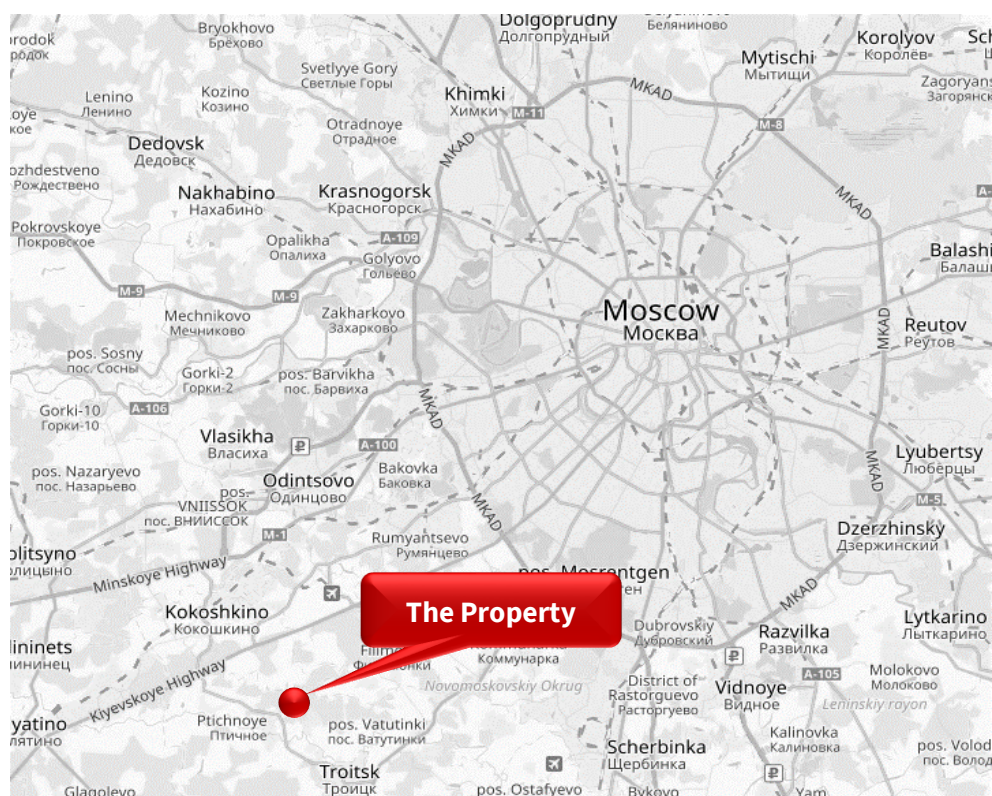


Marushkinskoe settlement is located approximately 9 km south-west of the centre of the Moskovsky and about 18 km south-west of the Moscow Ring Road, with a quick access to the Kiev Highway. According to the statistics, in 2010 there were 155 inhabitants in the village.

1.2. Micro Location

The Property is located in around 18 km from the Moscow Ring Road, with a quick access to the Kiev Highway, and around 13 km from Vnukovo airport.

Map 2. Location of the Property in the context of the city

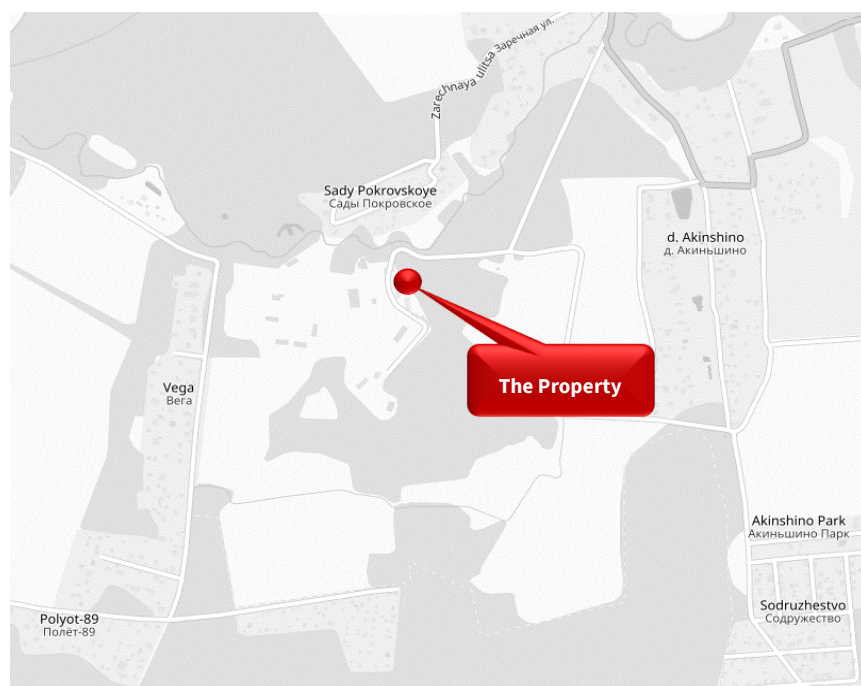


Source: yandex.com/maps/

The surrounding area of the land plot is represented by residential areas, gardeners' partnerships, dense forest and Neznayka River. The territory of the former sanatorium is fenced.

The location of the Property in the context of immediate surrounding is shown on the map below:

Map 3. Location of the Property in the context of the surrounding area



Source: yandex.com/maps/

1.3. Transport Accessibility

Car accessibility

The Property can be easily accessed in 5 – 10 minutes by car from Kiev Highway. The MKAD is located around 18 km to the north-east from the land plot, Vnukovo airport – in 13 km.

Kiev Highway (federal route M3) is a major trunk road that runs across a distance of about 490 kilometres from Moscow to Russia's border with Ukraine. The highway starts at the crossing of Leninsky Prospekt and Moscow Ring Road as Kiev Highway, passes south of Solntsevo and Vnukovo, then continues westward through Kaluga, Bryansk and Sevs to the Ukrainian border. The M3 is covered by the European Road E101.

Public transport accessibility

It takes about 15 minutes to get to the Salaryevo metro station by public transport. The territory of the former sanatorium has 2 entrances.

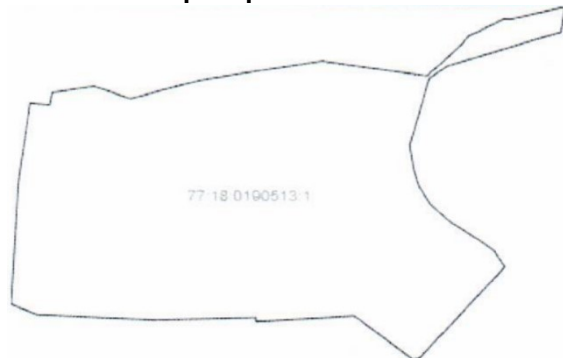
The Property has a good location within New Moscow in terms of logistics development and the Valuer assess the transport accessibility of the Property as good.

2. Description

2.1. Land Plot

The total area of the land plot is 135,039 sq m and cadastral number 77:18:0190513:1. The owner of the land plot is INVESTDEVELOPINGGROUP LLC.

Plan 1. Land plot plan



Source: Extract from Real Estate Unified State Register #99/2017/24335112

The Valuer have attached photographs of the site in Appendix 3 to this Report.

The main information on the land plot is presented in the table below.

Table 1. Land plot characteristics

Total area, sq m	Cadastral number	Land plot category / permitted use	Tenure
135,039	77:18:0190513:1	Settlement land/ Location of a sanatorium	Freehold

Source: Client's information, Rosreestr.ru

As of the date of valuation the land plot was occupied by twelve non-residential buildings. Gas supply, central water supply and sewage system are available on the land plot.

2.2. Building

As of the valuation date, twelve buildings with a total area of 10,364.1 sq m are located on the land plot. The buildings were previously used for sanatorium Zor'ka operation. The buildings' condition is deteriorated, all the facilities are with high obsolescence level.

The Valuer has attached photographs of the buildings in Appendix 3 to this Report.

The Client provided us with the main building's characteristics:

Table 2. Main building's characteristics

#	Description	Cadastral number	Total Area, sq m
1	Non-residential building: Dormitory No. 1	77:18:0190504:38	963.7
2	Non-residential building: Dormitory No. 2	77:18:0190504:51	977.1
3	Non-residential building: Dormitory No. 3	77:18:0190504:39	975.6
4	Non-residential building: Dormitory No. 4	77:18:0190504:41	962.7
5	Non-residential building: the canteen	77:18:0190504:42	1,889.7

#	Description	Cadastral number	Total Area, sq m
6	Non-residential building: the administrative building	77:18:0190504:43	624.8
7	Non-residential building: Dormitory No. 12	77:18:0190504:44	2,554.4
8	Non-residential building: the swimming pool	77:18:0190504:49	489.6
9	Non-residential building: the greenhouse	77:17:0110114:376	176.1
10	Non-residential building: waste treatment facilities	77:18:0190504:40	469.3
11	Non-residential building: the sports camp	77:21:0000000:2944	247.1
12	Non-residential building: the pumping station	77:18:0190504:45	34.0
Total			10,364.1

Source: Client's information, Rosreestr.ru

2.3. State of Repair

2.3.1. General

The Valuer was not instructed to undertake any structural surveys, tests for services, or arrange for any investigations to be carried out to determine whether any deleterious materials have been used in the construction of the Property. The Valuer does not normally carry out investigations on site to ascertain whether any building was constructed or altered using deleterious materials or techniques (including, by way of example, high-alumina cement concrete, and wood wool as permanent shuttering, calcium chloride or asbestos). Unless the Valuer is otherwise informed, the valuations are on the basis that no such materials or techniques have been used.

2.4. Environmental Considerations

The Valuer has been instructed not to make any investigations in relation to the presence or potential presence of contamination in land and therefore assumes that if investigations were made to an appropriate extent then nothing would be discovered sufficient to affect value. The Valuer has not carried out any investigation into past uses, either of the properties or any adjacent land, to establish whether there is any potential for contamination from such uses or sites and have therefore assumed that none exists. In practice, purchasers in the property market do require knowledge about contamination. A prudent purchaser of the Property would be likely to require appropriate investigations to be made to assess any risk before completing a transaction. Should it be established that contamination does exist, this might reduce the value now reported.

2.4.1. Ground Conditions

The Valuer has made the assumption that ground conditions are suitable for the Property.

2.5. Marketing Period

Provided proper marketing is carried out, the minimum presumed sale time (exposure time) of the Property in the existing market may be not less than 12 months. This conclusion is made on the basis of interviews with brokers taking an active part in the conclusion of transactions involving sales of similar real estate units.

3. Legal

3.1. Tenure

The Valuer has relied upon the following information, provided by the Client:

- Extract from Real Estate Unified State Register #99/2017/24335112 dated 3 August 2017 for the land plot with a total area of 135,039 sq m;
- Cadastral passports for the non-residential buildings and structures with a total area of 10,364.1 sq m;
- Cadastral certificate with the cadastral value of the land plot with a total area of 135,039 sq m.

The Valuer has assumed that the information supplied to him about the Property is both complete and correct. The Valuer has also assumed that all information likely to affect value, such as prospective lettings and outstanding requirements under legislation, has been made available to him and that the information is up to date.

3.1.1. Land Plot

As at the valuation date the land plot total area of 135,039 sq m with cadastral number 77:18:0190513:1 is held by INVESTDEVELOPINGGROUP LLC on the freehold basis.

3.1.2. Building

As at the date of valuation, there are twelve non-residential buildings that used to form sanatorium Zor'ka on the site. As at the valuation date the buildings are not operated.

The Valuer understand that the buildings with a total area of 10,364.1 sq m are held freehold by INVESTDEVELOPINGGROUP LLC.

3.1.3. Encumbrances

The Valuer has not carried out any legal expertise of the information provided by the Client. The Valuer has assumed in the valuation process that there are no encumbrances or unduly onerous or unusual easements, restrictions, outgoings or conditions, likely to have an adverse effect upon the value of the property, and the Valuer has assumed that a good and marketable title is held.

3.2. Property Assessment

3.2.1. General

The two statutory property taxes payable in Russia are property tax and land tax. Land tax is payable based on the site's cadastral value. If the site is held leasehold, then the leaseholder is liable to pay land rent. Property tax is payable based on the property's book or cadastral value.

3.2.2. Land Payment

Based on the cadastral map and documents provided by the Client, cadastral value of the land plot with a total area of 135,039 sq m is RUB520,710,000.

3.2.3. Value Added Tax (VAT)

VAT is payable on the sale of commercial property at the current rate of 20%. Most commercial property transactions are conducted through the sale of special purpose vehicle (SPV) companies, which owns the property. Sales of companies do not incur VAT liability.

No allowance has been made in the valuation for expenses of realisation or for any taxation that may arise in the event of a disposal. All sales and capital values stated are exclusive of Valued Added Tax.

4. Highest and Best Use Analysis

4.1. General Provisions

The highest and best use (HBU) of a real estate asset is the one that is:

- physically possible,
- legally permissible,
- economically feasible,
- the most efficient (effective)
- ensuring the property its maximum value.

Each potential use of the real estate property is estimated under these four criteria. Along with this the sequence of these criteria applying corresponds to the order in which they are stated. If the potential use doesn't satisfy any of these criteria, it is discarded, and the next variant of use is considered. HBU must comply with all the criteria.

When choosing the highest and best use for sites, the following must be considered:

- functional and legal use;
- prevailing land use types in the vicinity of the land plot;
- development perspectives of the area where the land plot is located;
- expected changes in the land and real estate market;
- current use of the land plot.

4.2. Commentaries

In the analysis the Valuer has taken into account the following:

- The land plot belongs to the category of settlement lands with permitted use for allocation of a sanatorium;
- Good location of the Property in terms of the requirements for the recreational property allocation, due to the proximity to the forest and Neznayka River;
- Good location of the Property in terms of the transport infrastructure, provided by the relative proximity to the Kiev Highway and MKAD.

Having regard to the foregoing, the Valuer assumes that the highest and best use of the Property is for recreational purposes.

5. Market Commentary

5.1. Russian Investment Market Overview

In Q2 2021, Russian real estate investment volumes amounted to USD1.22bn, which is by 140% higher YoY (USD500m). The three-digit growth rate was influenced by the low base effect, but investment activity in April-June 2021 peaked in the last 4 years. As a result, the volume of transactions amounted to USD1.84bn in H1 2021, which is 38% higher YoY. This is the maximum for the first half-year since 2017 (USD2.1bn in H1 2017).

According to JLL forecasts, by the end of 2021, the volume of investment transactions will reach USD4.5-5.0bn.

In H1 2021, there was a stable demand of investors for land for the residential project development - the share of investments in the residential real estate sector accounted for most of the transactions in this period (63%). The warehouse real estate sector took the second place (14%).

The share of the St.Petersburg in Russian real estate investment volumes remains high, amounting to 46% in H1 2021.

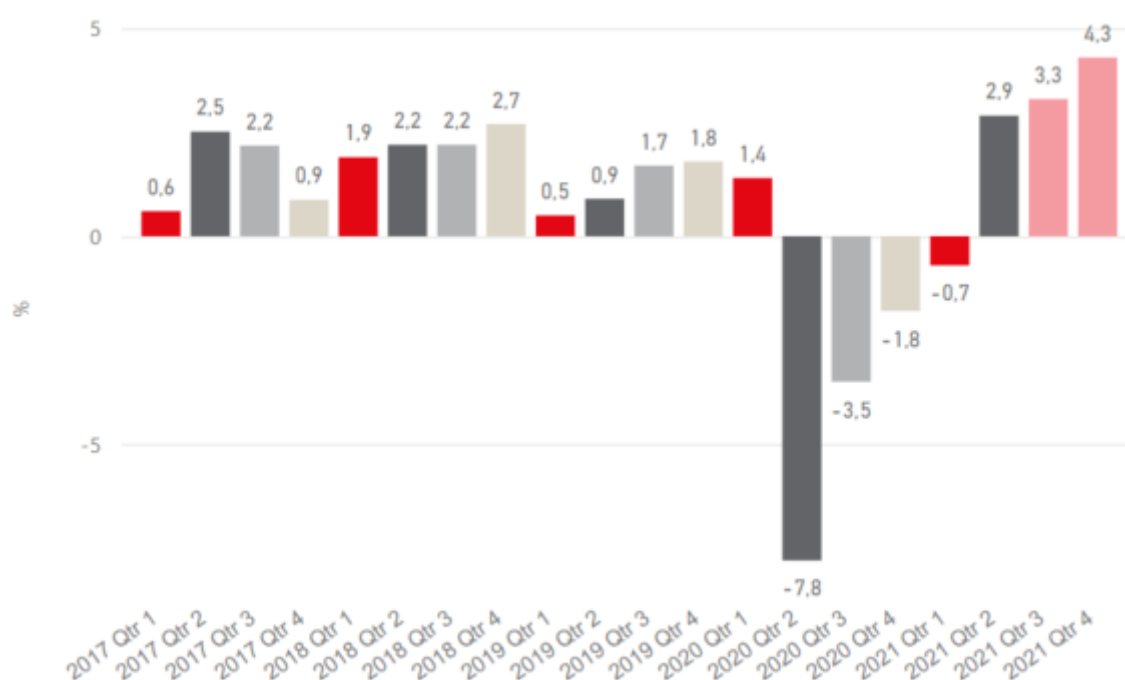
The global downward trend in international investment activity is also observed in Russia. In H1 2021, all investment transactions were made with the use of local capital. However, the interest of foreign investors remains and we expect the several deal closing till the end of 2021.

As benchmarks for the market now JLL analysts consider Moscow prime yields between 9.75-11% for warehouses, 8.5-10% for offices and 9.25-10.5% for shopping centers; St. Petersburg prime yields are assessed at 10-11.5% for warehouses, 9-11% for offices and 9.75-11.5% for shopping centers.

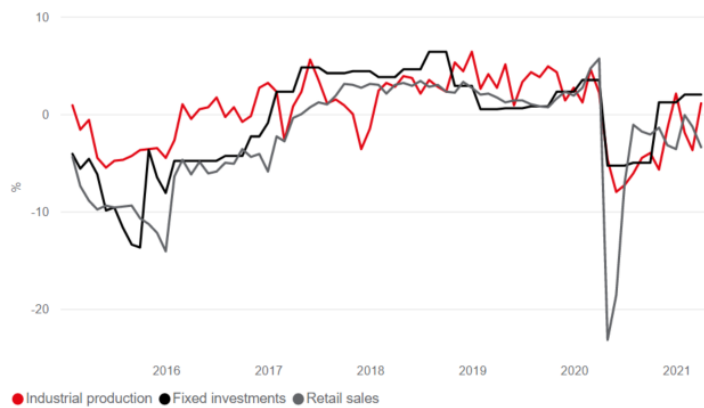
Russian Economy

Russian Investment Market overview was prepared by JLL Research Team.

Graph 1. GDP real growth, YoY

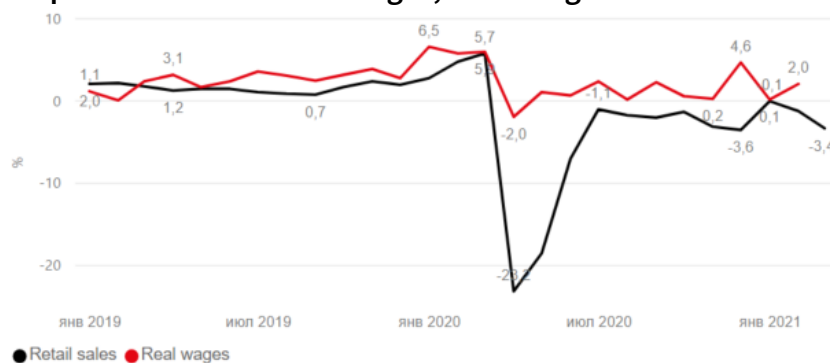


Source: Rosstat, Ministry of Economic Development of Russian Federation, Oxford Economics

Graph 2. Russia real sector indicators, YoY real growth

Real GDP fell by 2.9% YoY in 2020. Growth is expected in 2021, with the exception of Q1.

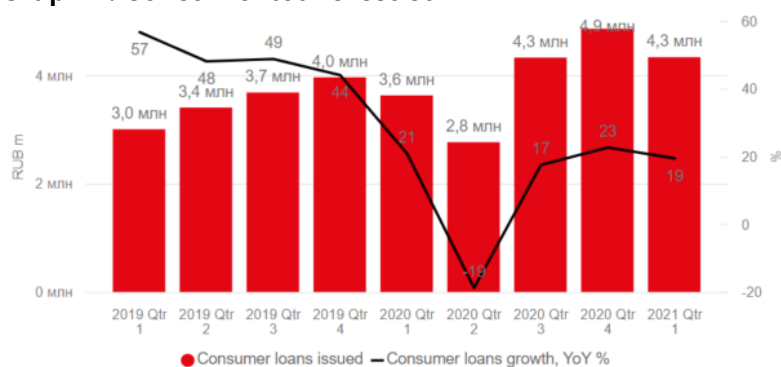
Consumer sector

Graph 3. Retail sales and wages, YoY real growth

Source: Rosstat, CBR

At the back of growing inflation, which significantly exceeds the target, the Central Bank of Russia raised the key rate twice in Q2 2021. At the moment it is 5.5%.

The growth in the cost of debt financing will continue in the short term. However, if the key rate is kept within 6-6.5%, the impact on the real estate investment activity will not be very significant.

Graph 4. Consumer loans issued

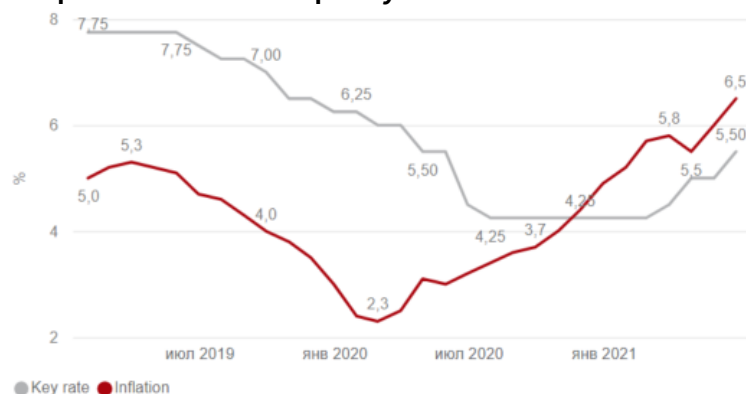
Source: CBR

Inflation and monetary policy

Against the background of growing inflation, which significantly exceeds the target, the Bank of Russia raised the key rate twice in Q2 2021. At the moment, it is 5.5%.

However, if there is no sharp slowdown in inflation, the dynamics of the growth of the cost of debt financing will continue in the short term. However, if the key rate is kept within 6%, the impact on investment activity in the real estate sector will not be very significant.

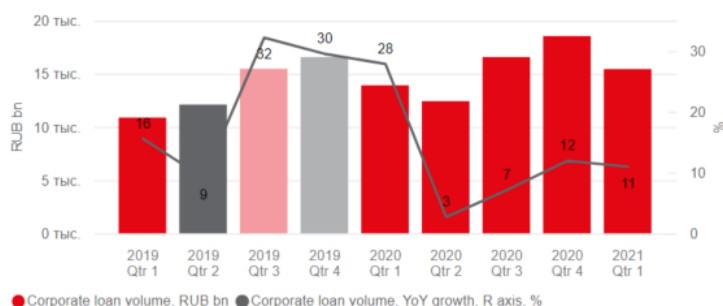
Graph 5. Inflation and policy rate



Source: Rosstat, CBR

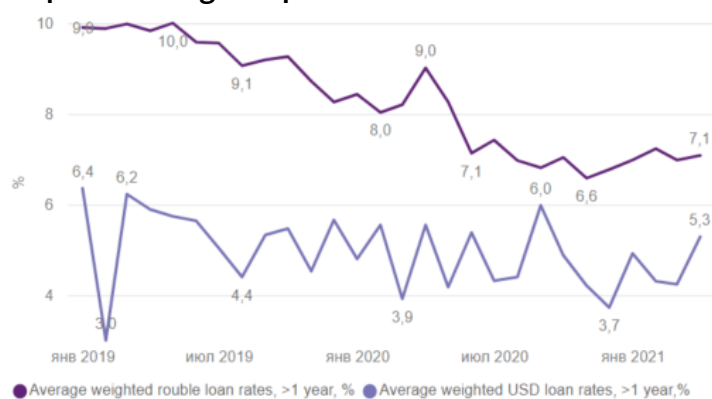
Banking sector

Graph 6. Corporate loan volume and YoY growth



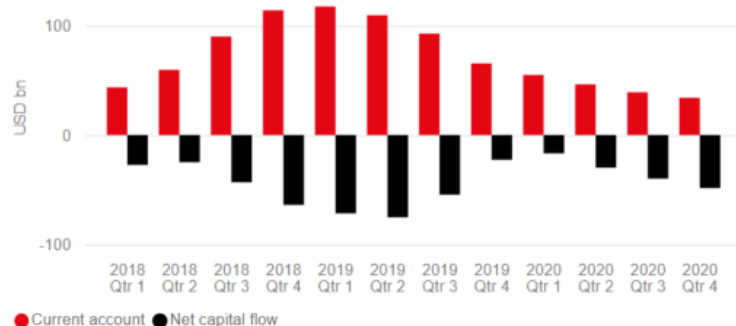
Source: Rosstat, CBR

Graph 7. Average corporate loan rates

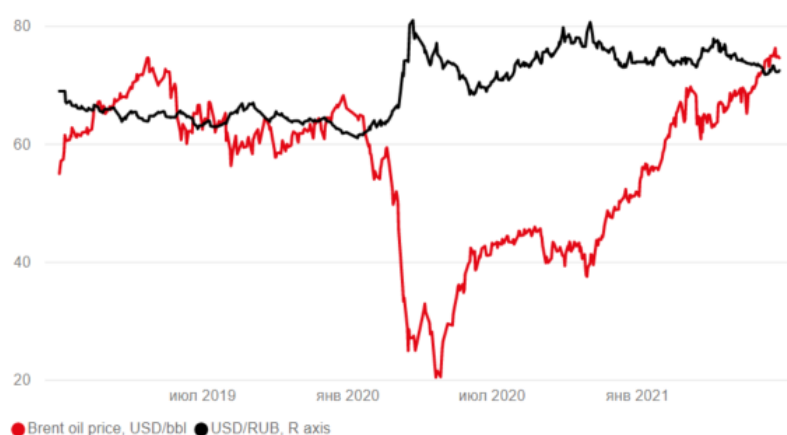


Source: Rosstat, CBR

External sector

Graph 8. Balance of payments, USD bn, 12m rolling total

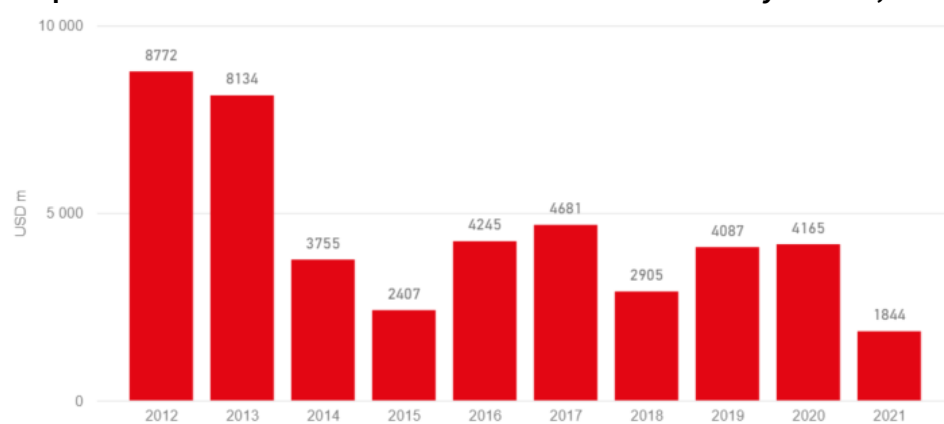
Source: CBR, Bloomberg

Graph 9. USD/RUB exchange rate and oil price

Source: CBR, Bloomberg, Oxford Economics

Russia real estate investment volume

increased by 38% YoY in H1 2021 to USD1.84bn

Graph 10. Russia real estate investment deals volume dynamics, USD bn*

*Investment deals, excluding land acquisitions, JVs, direct residential sales to end-users.

Source: Rosstat, CBR

Prime yields

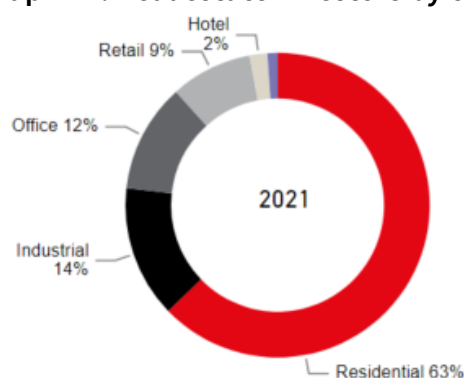
Table 3. Moscow and St. Petersburg prime yields

	Moscow	St. Petersburg
Offices	8.50 - 10.00%	9.00 - 11.00%
Shopping centres	9.25 - 10.50%	9.75 - 11.50%
Warehouses	9.75 - 11.00%	10.00 - 11.50%

Source: JLL

Investment breakdown by sector & source of capital

Graph 11. Real estate investors by origin



Source: JLL

Graph 12. Russia investment breakdown by sector



Source: JLL

Real GDP fell by 2.9% YoY in 2020. Growth is expected in 2021, with the exception of Q1.

The exchange rate forecast is 73.9 USD/RUB at the end of 2021 (according to Oxford Economics).

In Q2 2021, the Bank of Russia raised the key rate to 5.5%, focusing on accelerating inflation. We expect a further key rate increase until the end of 2021.

In H1 2021, the investment volumes reached USD1.84bn, increased by 38% YoY. The full-year investment volumes will amount to USD4.5-5.0bn.

In H1 2021, the high investment activity was observed in St. Petersburg due to demand for land in the residential real estate sector. However, in 2021, Moscow will retain the leading position with about 70-75% of the transaction volume, the share of St. Petersburg will be 15-20% and the share of other regions around 5-10%.

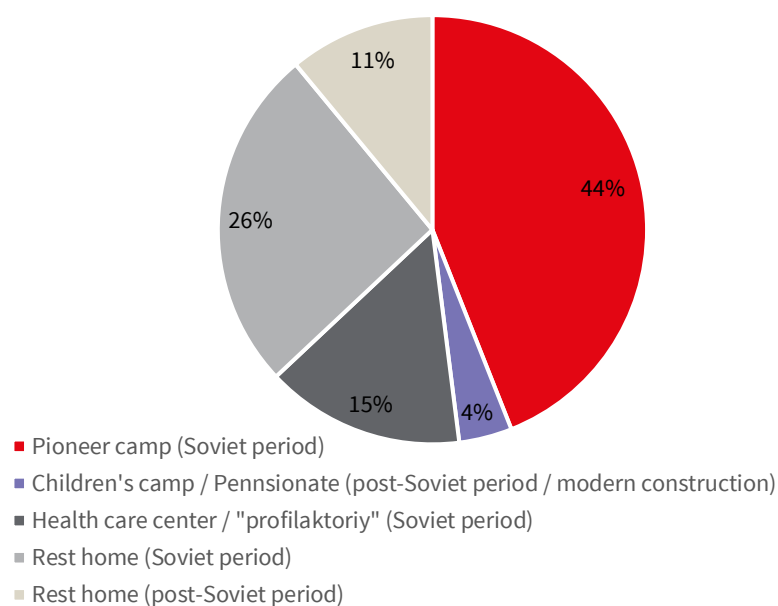
5.2. Market Overview

Moscow has a high potential in terms of recreation and tourism. The recreation and tourism area of the Moscow accounts for more than 44 thousand sq m.

The main types of recreational real estate are:

- Modern recreational complexes (10%)
 - Spa complex
 - Cultural and sports complex
 - Recreational hotel
- Recreational properties of the Soviet period (50-80%)
 - Pioneer camp
 - Pensionate
 - Health care center ("profilaktoriy")
 - Rest home

Graph 13. Types of recreational properties (obsolete formats)



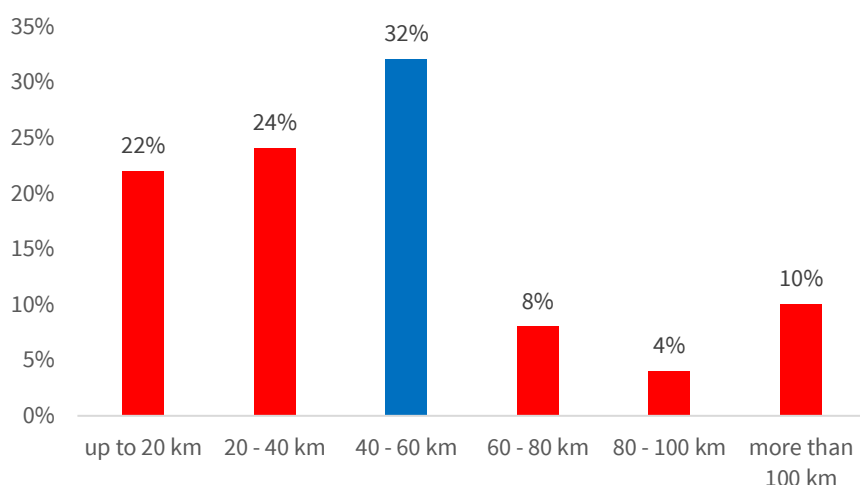
Source: GVA Sawyer

Clear geographic structuring of quality accommodation facilities is one of the specific features of the recreational real estate market. The most popular and high-demand properties are located relatively close to Moscow, at a distance of no more than 30-35 km from MKAD (such a geographical structuring is also one of the features of the cottage settlements market).

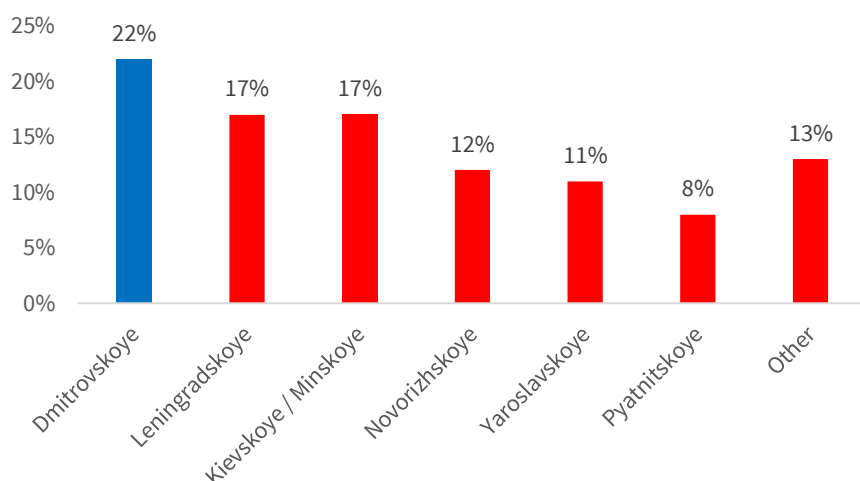
However, recreational properties located at more than 40 km from MKAD also may be high-demand and profitable, if they have large area and wide diversity of infrastructure facilities. Generally, such properties are represented by health care centers ("profilaktoriy"), assuming a long period of stay.

The tourist potential of Moscow is most demonstrated in the north, north-west, west and south-west directions.

Geographical distribution of the demand is presented on the diagram below:

Graph 14. Demand distribution for accommodation facilities, depending on the distance from MKAD

Source: GVA Sawyer

Graph 15. Demand distribution for accommodation facilities, depending on the distance from MKAD

Source: GVA Sawyer

In addition, it should be noted that, regardless of distance and location, recreational real estate market is very influenced by seasonal fluctuation. Usually, the maximum occupancy rates are achieved by country hotels and recreational complexes in the spring-summer period, when the hotel occupancy reaches 80-85% due to 100% occupancy during weekends and holidays.

In order to diffuse the impact of seasonal fluctuation, operators increase the emphasis on event-driven tourism and year-round infrastructure.

Trends and forecasts

- Despite the decrease in the growth rates of the main indicators of Russia's social and economic development during the period from 2013 to 2018 (which reduces the attractiveness of investments and demand for recreational facilities), the dynamics of the development of large properties in Moscow is the highest in the entire Russian tourist industry: by number of accommodation units Moscow recreational market is growing by 10% per year;
- Based on the information on the announced projects, by 2019 the number of accommodation units (hotels and boarding houses) will be twice as much as in 2014. At the same time, considering the capital intensity of this segment and its low payback compared with other segments of commercial real estate, against the backdrop of high project financing rates

and the insufficient number of experienced operators, it is obvious that many of the announced projects will not be realized.

- Competition on the market of accommodation facilities is increasing. Considering the growth of the consumer's demand for a price-quality ratio and the range of services, large and highly professional complexes are in a relatively better position. At the same time, there is an opportunity of successful functioning of small projects with a niche / highly specialized offer – for example, a narrow range of medical and recreational services, the uniqueness of active recreation facilities.

Recreational land plots are intended and used for recreation, tourism, health and sports activities of citizens. Recreational land plots may be occupied by such recreational facilities as: rest homes, pensionates, holiday camps, cultural and sports complexes, recreation camps, children's camps etc.

In addition to the above mentioned, there are land plots of suburban green areas, i.e. outside the city limits, surrounded by rivers and ponds and occupied by forests and woodland parks.

The Property is represented by the land plot with a total area of 135,039 sq m, land category of the site – settlement land, permitted use – allocation of a recreational facility. The land plot is occupied by twelve buildings with a total area of 10,364.1 sq m, which were previously used for sanatorium Zor'ka operation. The buildings' condition is deteriorated, all the facilities are with high obsolescence level and cannot be used for operations.

The recreational land market of New Moscow was analyzed on the basis of public and online sources of information, such as: geodevelopment.ru, invest.ru, kupizemli.ru. Asking price per sq m on the market varies approximately from RUB1,500 to RUB7,000, depending mainly on the area, direction, distance from MKAD and permitted use of the land plot.

6. Valuation Commentary

6.1. Market Commentary

There is some ongoing uncertainty over the path of the pandemic and if future restrictions could be required. Market activity is currently robust, in both occupational and investment markets. However, the uncertainty does mean that market values can change frequently in the current conditions.

6.2. Valuation Approach

There are three approaches to market valuation: cost, comparable and income approach.

Cost approach is based on the assumption that market participants compare the value of the property with the costs required to build it. The value of the property is the sum of the land value and construction costs less depreciation. The approach is best used when information on sale comparables does not exist.

The sales comparable approach is the most efficient when information on transactions is available. Estimations of the properties' market value are based on analysis of recent sales of comparable real estate assets subject to adjustments that reflect the condition and specific use of the valued property compared to the comparable property. Usually the approach based on the comparison of the valued property with data on sales of comparable assets and information on asking prices can also be used.

The income approach is based on the capitalization or discounting of cash flows from the property. The discounted cash flow methodology involves the calculation of the present value of all future costs and income to be incurred and generated by the development of the property. This cash flow is discounted at an appropriate rate and this in turn generates the present value of the cash flow, which is the market value at the date of valuation.

In arriving at the opinion of market value the Valuer has adopted sales comparable approach.

Under the comparable sales method, estimations of the land plot's market value are based on the analysis of recent sales of comparable real estate assets, provided that key parameters of comparable assets are similar to those of the subject property. The method assumes that the market will estimate the value of the subject property the same way as it was done for comparable competing projects.

In choosing the comparable land plots the Valuer paid special attention to the plots of similar category, quality, the level of infrastructure development and location which are the major factors in determining prices for land plots.

6.3. Key Attributes

The Valuer would like to highlight the following main advantages in respect of the Property:

- The attractive location in Novomoskovsky Administrative District, characterized by a favourable ecologic situation and developed infrastructure;
- Transport accessibility is good enough taking into account quick access to the Kiev Highway;
- Prospects for the development of New Moscow areas, extension of a network of roads, modern shopping centers, schools, medical and sports centres, etc;
- The Property is provided with centralized utilities.

6.4. Principle Risks

The Valuer would like to highlight the following main advantages in respect of the Property:

- Existing buildings and facilities with high obsolescence level are located on the land plot;
- Good connection with public transport.

6.5. Market Value Calculation. Comparable Approach

In arriving at his opinion of market value the Valuer has adopted the comparable approach and the sales comparable method.

Under comparable sales method, estimations of the property's market value are based on analysis of recent sales/offers of comparable real estate assets, provided that key parameters of the comparable assets are like the ones of the valued property. The method assumes that the market will estimate the value of the valued property the same way as it was done for comparable properties.

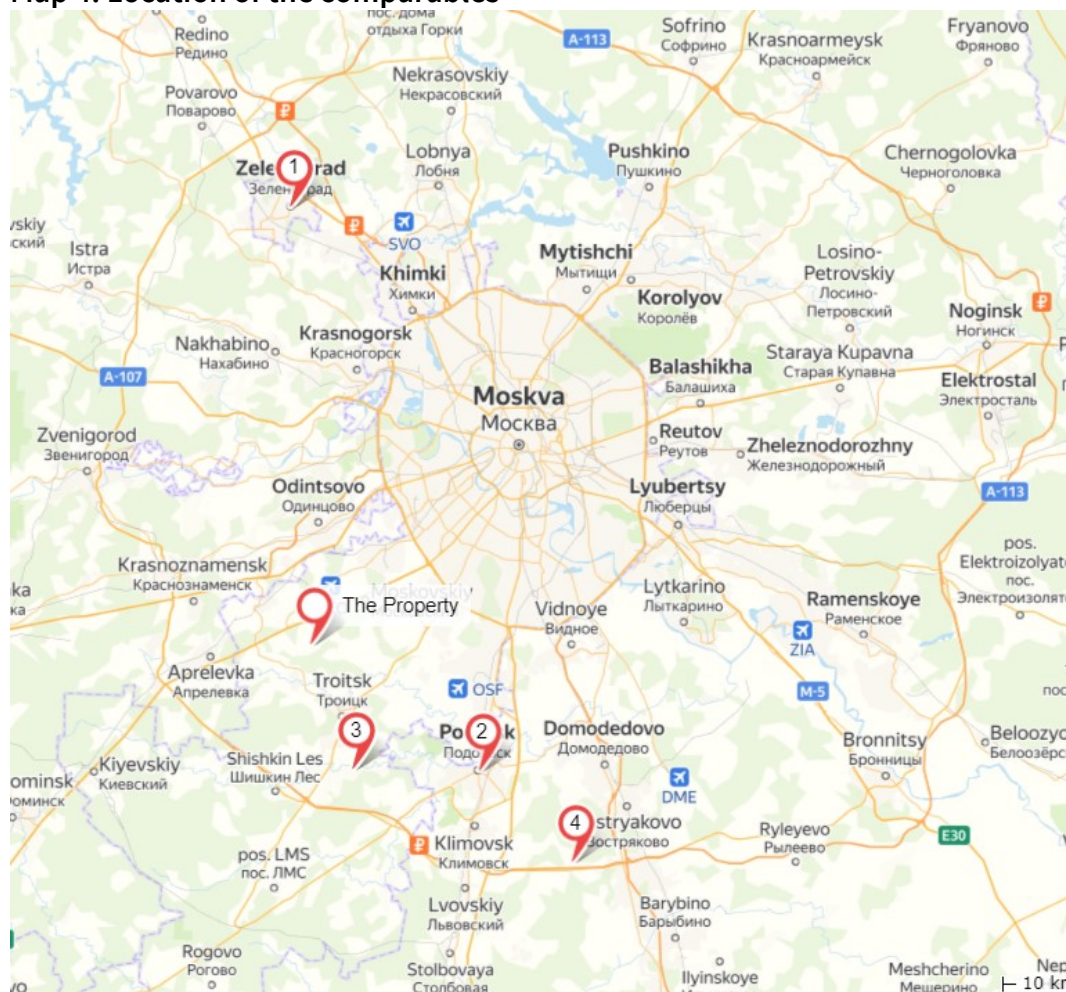
The valuer may choose any measures to compare properties, which can ensure his measuring. For the valued property the price per one square meter constitutes the most commonly used measure. All the estimations herein were done on this basis.

The Valuer set out below a summary of the main inputs which form part of the valuation.

In choosing the comparable properties the Valuer has made detailed research and confirmed the information regarding the properties and the market conditions by making calls to the relevant brokers and seeking the professional opinion of local consultants.

Location of the comparables is on the map below.

Map 4. Location of the comparables



Source: yandex.com/maps/, JLL

The description of comparable projects is represented in the table below.

Table 4. Comparables description

Characteristics	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Location	Moscow, Zelenograd	Moscow Region, Podolsk	Moscow Region, Sof'ino	Moscow Region, Turgenevo
Area, sq m	60,000	53,000	212,600	110,000
Legal status	Leasehold	Freehold	Freehold	Freehold
Land category	Settlement land	Settlement land	Settlement land	Settlement land
Permitted use	For operation of recreation property	For operation of recreation property	For operation of recreation property	For operation of recreation property
Utilities	On the borders	On the borders	On the borders	On the borders
Direction	North-West, Leningradskoye highway	South, Simferopolskoye highway	South-West, Kaluzhskoye highway	South-west, Novokashirskoye highway
Micro location (1st line of the Hwy.)	No	No	No	No
Distance from MKAD, km	20	20	21	27

Characteristics	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Source	https://www.geodeveloment.ru/catalog/Zelenograd_113029/	http://www.invst.ru/podaja/zemli_pod_zastroyku/zemlya_pod_bazu_otdykha_5_3_ga_podolsk/	https://kupizemli.ru/yugo-zapad/kaluzhskoe/uchastok-2126-ga-podkottedzhnyy-poselok-sofino-novaya-moskva-rayon	https://www.domofond.ru/uchastokzemli-na-prodazhu-domodedovo-2029560919
Asking price, RUB	180,000,000	180,000,000	580,261,000	400,000,000
Asking price, RUB/ sq m	3,000	3,396	2,729	3,636

The selected comparables are consistent with the Property in terms of the following requirements and therefore the Valuer has made no adjustments for these factors:

- Financing terms – assumption made that financing of all the transactions will be made under market conditions;
- Conditions of sale – comparable properties had been offered on the open market with proper marketing and wherein the parties had each acted knowledgeably, prudently, and without compulsion and there were no factors of forced sale;
- Market conditions – information about the prices used are at today's date, assuming similar taxation in the case of the comparables and the Property.

The Valuer has made adjustments for such factors as negotiation, title, area and micro location (1st line of the Highway), utilities, based on own research and experts' opinion. The adjustments were made for the comparables, considering their advantages and disadvantages compared to the Property.

Adjustment for negotiation. According to the Handbook for real estate valuations – 2020, ABN Consult, the negotiation adjustment for inactive markets and, in particular, for recreational land plots, is in the range of 9.32% to 30.12%. We applied a average adjustment of 18.21% to all comparables.

Adjustment for size. This adjustment is made to reflect difference in area of land plots. Larger land plots are sold at lower prices per sq m than similar plots of smaller area. To allow for the difference in area we used the information provided on picture 20 of Handbook for real estate valuations – 2020, 'Land Plots' by L. A. Leifer.

As the area of comparables #1, 2, 4 is smaller and more saleable we applied the following downward adjustments and upward for comparable #3, because it is bigger:

- 10.6% to the comparable #1;
- 12.1% to the comparable #2;
- 6.5% to the comparable #3.
- 2.8% to the comparable #4.

Adjustment for the type of transferred rights. The Property and comparables ##1, 3 and 4 are held freehold. We have applied an upward adjustment by 16% to comparable #2 because this land plot is held long-term leasehold. The adjustment was applied in accordance with information provided in table 18 of Handbook for real estate valuations – 2020, 'Land Plots' by L. A. Leifer.

Adjustment for utilities. The subject land plot is provided with central utilities system, while all comparables only have an opportunity of its connection. In this context, we have applied 14% upward adjustment to all comparables, based on the information from research by "Statrielt".

The market value calculations are presented in Appendix 4.

The calculations result in the Market Value as at the valuation date of **RUB 397,600,000 (rounded)** or **USD 5,380,000 (rounded)**.

6.6. Buildings

As of the valuation date, twelve buildings with a total area of 10,364.1 sq m are located on the land plot. The buildings were previously used for sanatorium Zor'ka operation. The buildings' condition is deteriorated, all the facilities are with high obsolescence level and cannot be used for operations.

Considering the information mentioned above and based on the visual inspection, there was estimated physical deterioration of the buildings by using the expert method and concluded that the buildings of the former sanatorium Zor'ka should be demolished. According to the Client's data, all the buildings and structures located on the site have been abandoned for approximately 8 years. However, it should be mentioned, that the pumping station and the waste treatment facilities are still usable.

Table 5. Description of buildings to be demolished

#	Description	Total Area, m ²	Construction volume, m ³
1	Non-residential building: Dormitory No. 1	963.7	3,432
2	Non-residential building: Dormitory No. 2	977.1	3,432
3	Non-residential building: Dormitory No. 3	975.6	3,494
4	Non-residential building: Dormitory No. 4	962.7	3,436
5	Non-residential building: the canteen	1,889.7	8,697
6	Non-residential building: the administrative building	624.8	2,290
7	Non-residential building: Dormitory No. 12	2,554.4	11,052
8	Non-residential building: the swimming pool	489.6	2,734
9	Non-residential building: the greenhouse	176.1	726
10	Non-residential building: the sports camp	247.1	1,426
Total		9,860.8	40,719

Source: Client's data

According to the expert opinion of Project & Development Services Department of JLL, the demolition costs for the buildings and structures of the former sanatorium Zor'ka are in the range of RUB300 to RUB500 per m³. For the purposes of calculation, we applied an average value of RUB400 per m³.

As a result, the demolition costs for the former sanatorium Zor'ka are (rounded) RUB16,287,600.

7. Valuation

7.1. Market Value

Having regard to the foregoing, the Valuer is of the opinion that the Market Value of the Property as at 31 December 2020 was as follows (net of value-added tax, rounded):

USD5,160,000 (Five Million One Hundred Sixty Thousand US Dollars)

that is equal to

RUB381,300,000 (Three Hundred Eighty One Million Three Hundred Thousand Russian Rubles)

As at the valuation date the Valuer applied exchange rate according to Central Bank of Russia as at 31 December 2020 which was equal to RUB73.8757 per 1 USD.

The opinion regarding market value of the Property is time-specific and is valid as at the valuation date. The Valuer shall not be liable for any change in economic, legal or other factors that may arise after that date and affect the market and thus the market value of the Property.

The Valuer has assumed that there hasn't been a material change in market conditions, or in the circumstances of the Property, between the valuation date and the date of the Report.

7.2. Confidentiality and Publication

Finally, and in accordance with the normal practice the Valuer confirms that the Report is confidential to the party to whom it is addressed for the specific purpose to which it refers. No responsibility whatsoever is accepted to any third party and neither the whole of the Report, nor any part, nor references thereto, may be published in any document, statement or circular, nor in any communication with third parties without his prior written approval of the form and context in which it will appear.

Yours Faithfully,

Ksenia Litvinova,
Valuer,
Valuation Department, Russia and CIS, JLL

Dmitry Davydov MRICS,
Head of Valuation Department,
Russia and CIS, JLL

For and on behalf of JLL

Appendix 1

General Principles Adopted in the Preparation of Valuation and Reports

These are the general principles upon which Jones Lang LaSalle Valuations and Reports are normally prepared; they apply unless the Valuer has specifically mentioned otherwise in the body of the report. Where appropriate, the Valuer will be pleased to discuss variations to suit any particular circumstances, or to arrange for the execution of structural or site surveys, or any other more detailed enquiries.

These General Principles should be read in conjunction with Jones Lang LaSalle's General Terms and Conditions of Business.

1. RICS Valuation – Global Standards:

Valuations and Reports are prepared in accordance with the Valuation Standards contained in the RICS Valuation – Global standards issued November 2019, effective from 31 January 2020. RICS Valuation – Global standards published by the Royal Institution of Chartered Surveyors, by valuers who conform to the requirements thereof.

Except where stated, valuers are an External Valuers.

2. Valuation Basis:

Properties are generally valued to 'Market Value' or alternatively another basis of valuation. 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'.

The full definition of any other basis, which the Valuer may have adopted, is set out in the report.

In the valuations, no allowances are made for any expenses of realisation, or for taxation, which might arise in the event of a disposal. All property is considered as if free and clear of all mortgages or similar financial encumbrances, which may be secured thereon.

Unless otherwise stated, the valuations are of each separate property. Portfolio valuations are aggregates of individual valuations rather than the portfolio having been valued as a whole. No allowance is made for the effect of the simultaneous marketing of all/or a proportion of the properties.

3. Source of Information:

The Valuer accepts as being complete and correct the information provided to him, by the sources listed, as to details of tenure, tenancies, tenant's improvements, planning consents and other relevant matters, as summarised in the report.

4. Documentation:

The Valuer does not normally read leases or documents of title. The Valuer assumes, unless informed to the contrary, that each property has a good and marketable title, that all documentation is satisfactorily drawn and that there are no encumbrances, restrictions, easements or other outgoings of an onerous nature, which would have a material effect on the value of the interest under consideration, nor material litigation pending. Where the Valuer has been provided with documentation he recommends that reliance should not be placed on his interpretation without verification by your lawyers.

5. Tenants:

Although the Valuer reflects the general understanding of a tenant's status in the valuations, enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed, unless the Valuer is informed otherwise, that the tenants are capable of meeting their financial obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

6. Measurements:

Where appropriate, all measurement is carried out in accordance with the Code of Measuring Practice issued by the Royal Institution of Chartered Surveyors, except where indicated or where the Valuer specifically states that he has relied on another source.

7. Town Planning and Other Statutory Regulations:

Information on Town Planning, wherever possible, is obtained verbally from the Local Planning Authority. The Valuer does not make formal legal enquiries and, if reassurance is required, the Valuer recommends that verification be obtained from lawyers that:

- 7.1. the position is correctly stated in the report;
- 7.2. the property is not adversely affected by any other decisions made, or conditions prescribed, by public authorities;
- 7.3. there are no outstanding statutory notices.

Outside the UK however, it is often not possible to make such verbal enquiries.

The valuations are prepared on the basis that the premises (and any works thereto) comply with all relevant statutory and EC regulations, including enactments relating to fire regulations, access and use by disabled persons and control and remedial measures for asbestos in the workplace.

8. Structural Surveys:

Unless expressly instructed, the Valuer does not carry out a structural survey, nor do the Valuer tests the services and he therefore does not give any assurance that any property is free from defect. The Valuer seeks to reflect in the valuations any readily apparent defects or items of disrepair, which he notes during the inspection, or costs of repair which are brought to his attention.

9. Deleterious Materials:

The Valuer does not normally carry out investigations on site to ascertain whether any building was constructed or altered using deleterious materials or techniques (including, by way of example, high-alumina cement concrete, woodwool as permanent shuttering, calcium chloride or asbestos). Unless the Valuer is otherwise informed, the valuations are on the basis that no such materials or techniques have been used.

10. Site Conditions:

The Valuer does not normally carry out investigations on site in order to determine the suitability of ground conditions and services for the purposes for which they are, or are intended to be, put; nor does the Valuer undertake archaeological, ecological or environmental surveys. Unless the Valuer is otherwise informed, the valuations are on the basis that these aspects are satisfactory and that, where development is contemplated, no extraordinary expenses or delays will be incurred during the construction period due to these matters.

11. Environmental Contamination:

Unless expressly instructed, the Valuer does not carry out site surveys or environmental assessments, or investigate historical records, to establish whether any land or premises are, or have been, contaminated. Therefore, unless advised to the contrary, the valuations are carried out on the basis that properties are not affected by environmental contamination. However, should the site inspection and further reasonable enquiries during the preparation of the valuation lead us to believe that the land is likely to be contaminated the Valuer will discuss his concerns with you.

12. Insurance:

Unless expressly advised to the contrary the Valuer assumes that appropriate cover is and will continue to be available on commercially acceptable terms. For example, in regard to the following:

Composite Panels

The Valuer understands that a number of insurers are substantially raising premiums, or even declining to cover, buildings incorporating certain types of composite panel. Information as to the type of panel used is not normally available, and the market response to this issue is still evolving. Accordingly, the Valuer's opinions of value make no allowance for the risk that

insurance cover for any property may not be available, or may only be available on onerous terms, or for any adverse market reaction to the presence of such panels.

Terrorism

To the extent that it is feasible, the valuations have been made on the basis that the properties are insured against risks of loss or damage including damage caused by acts of Terrorism.

Flood and Rising Water Table

The valuations have been made on the assumption that the properties are insured against damage by flood and rising water table.

13. Currency:

The valuations are prepared in Russian Rubles and US Dollars, unless otherwise stated.

14. Value Added Tax:

Valuations are prepared and expressed exclusive of VAT payments, unless otherwise stated.

15. Outstanding Debts:

In the case of property where construction works are in hand, or have recently been completed, the Valuer does not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, subcontractors or any members of the professional or design team.

Appendix 2

Extract from the RICS Valuation –
Global Standards, effective from 31 January 2020

Copied from RICS Valuation – Global Standards, issued November 2019, effective from 31 January 2020

4. Market Value

Market value is defined in IVS 104 paragraph 30.1 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’.

4.1 Market value is a basis of value that is internationally recognised and has a long-established definition. It describes an exchange between parties that are unconnected and are operating freely in the marketplace and represents the figure that would appear in a hypothetical contract of sale, or equivalent legal document, at the valuation date, reflecting all those factors that would be taken into account in framing their bids by market participants at large and reflecting the highest and best use of the asset. The highest and best use of an asset is the use of an asset that maximises its productivity and that is possible, legally permissible and financially feasible – fuller treatment of this particular premise of value can be found at section 140 of IVS 104.

4.2 It ignores any price distortions caused by special value (an amount that reflects particular attributes of an asset that are only of value to a special purchaser) or marriage value. It represents the price that would most likely be achievable for an asset across a wide range of circumstances. Market rent applies similar criteria for estimating a recurring payment rather than a capital sum.

4.3 In applying market value, regard must also be had to the requirement that the valuation amount reflects the actual market state and circumstances as of the effective valuation date. The full conceptual framework for market value can be found at paragraph 30.2 of IVS 104.

4.4 Notwithstanding the disregard of special value, where the price offered by prospective buyers generally in the market would reflect an expectation of a change in the circumstances of the asset in the future, the impact of that expectation is reflected in market value. Examples of where the expectation of additional value being created or obtained in the future may have an impact on the market value include:

the prospect of development where there is no current permission for that development and

the prospect of marriage value arising from merger with another property of asset, or interests within the same property or asset, at a future date.

4.5 The impact on value arising by use of an assumption or special assumption should not be confused with the additional value that might be attributed to an asset by a special purchaser.

4.6 In some jurisdictions a basis of value described as ‘highest and best use’ is adopted and this may either be defined by statute or established by common practice in individual countries or states.

Appendix 3

Photographs





Appendix 4

Market Value Calculations

Table 6. Market Value calculation

Charachteristics	Property	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Location	Moscow, Novomoskovskij district, Akinshino village	Moscow, Zelenograd	Moscow Region, Podolsk	Moscow Region, Sof'ino	Moscow Region, Turgenevo
Area, sq m	135,039	60,000	53,000	212,600	110,000
Legal status	Freehold	Leasehold	Freehold	Freehold	Freehold
Land category	Settlement land	Settlement land	Settlement land	Settlement land	Settlement land
Permitted use	For operation of recreation property	For operation of recreation property	For operation of recreation property	For operation of recreation property	For operation of recreation property
Utilities	Yes	On the borders	On the borders	On the borders	On the borders
Direction	South-West, Kievskoye highway	North-West, Leningradskoye highway	South, Simpheropolskoye highway	South-West, Kaluzhskoe highway	South-west, Novokashirskoe highway
Micro location (1 st line of the Hwy.)	No	No	No	No	No
Distance from MKAD, km	18	20	20	21	27
Source		https://www.geodevelopment.ru/catalog/Zelenograd_113_029/	http://www.invst.ru/prodaja/zemli_pod_zastroyku/zemlya_pod_bazu_otdykha_5_3_ga_podolsk/	https://kupizemli.ru/yugo-zapad/kaluzhskoe/uchastok-2126-ga-pod-kottedzhny-poselok-sofino-novaya-moskva-rayon	https://www.domofond.ru/uchastokzemli-na-prodazhu-domodedovo-2029560919
Asking price, RUB		180,000,000	180,000,000	580,261,000	400,000,000
Asking price, RUB/sq m		3,000	3,396	2,729	3,636
Adjustments					
First group					
Negotiation		-18.2%	-18.2%	-18.2%	-18.2%
		2,454	2,778	2,232	2,974
Title		16,3%	0%	0%	0%
		2,853	2,778	2,232	2,974
Second group					
Land category		0%	0%	0%	0%
Permitted use		0%	0%	0%	0%
Area		-10.6%	-12.1%	6.5%	-2.8%
Micro location (1st line of the Hwy.)		0%	0%	0%	0%

Characteristics	Property	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Distance from MKAD		0%	0%	0%	0%
Utilities		14.0%	14.0%	14.0%	14.0%
Total adjustment, %		3%	2%	20%	11%
		2,950	2,830	2,689	3,308
Average price, RUB / sq m	2,944				
Average price, USD / sq m	40				
Market value, RUB	397,603,598				
Market value, RUB (Rounded)	397,600,000				
Market value, USD (Rounded)	5,380,000				

Market Value calculation (including demolition cost)

The Property	Market Value under the sales comparison approach, RUB, excl. VAT	Market Value under the sales comparison approach, USD, excl. VAT	Demolition costs, RUB, excl. VAT	Total Market value, RUB, excl. VAT	Total Market value, USD, excl. VAT
The land plot with a total area of 135,039 sq m with twelve buildings of a former sanatorium Zor'ka located on it	397,600,000	5,380,000	16,300,000	381,300,000	5,160,000

Appendix 5

Statement of Qualifications



Head of Valuation Department, Russia and CIS, JLL

Dmitry has been working in Russian real estate market since 2001 and has over 20 year's valuation experience. He joined JLL in 2007 as a Senior Valuer to improve local expertise and understanding of the St. Petersburg market. In 2014, Dmitry was appointed Deputy Head of Valuation Department. Nowadays, Dmitry manages and coordinates operating and professional work of Valuation Team and also is responsible for further development of JLL valuation business in Russia and CIS.

Dmitry has carried out valuation of shopping centres, logistic complexes and business centres. Dmitry also has extensive experience in land valuation for development of commercial and residential real estate properties.

Dmitry graduated from St. Petersburg University of Economics and Finance with a degree in Business valuation in 2001. Dmitry is a Member of the Royal Institution of Chartered Surveyors (MRICS) and a member of the non-commercial partnership Self-regulating organization Intellectual Business Alliance (IBA). In 2017 and 2020 Dmitry successfully passed the exam to receive qualification certificate in Valuation of real estate properties in accordance with requirements of Russian valuation legislation.



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