



VALUATION REPORT

OFFICE FLOOR 5 OF BUILDING 3, COMMERZONE YERWADA, PUNE

Date of Valuation: 31st December 2023

Date of Report: 21st January 2024

Report For:

**K. Raheja Corp. Investment Managers Private Limited (acting as
Investment Manager to Mindspace Business Parks REIT) and
Mindspace Business Parks Private Limited ("MBPPL")**



Disclaimer

This report is prepared exclusively for the benefit and use of MREIT, Manager and MBPPL (“Recipient” or “Client”) and / or its associates for the valuation of the property christened Office Floor 5 of Building 3 in Commerzone Yerwada (the “Property”) owned by Sunflower Buildmart LLP (“Sunflower”) which is proposed to be acquired (“Proposed Acquisition”) by MBPPL (subject to board and other approvals, due diligence and commercial negotiations), in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange does not carry any right of publication to any other party. Mindspace Business Parks REIT (“MREIT”, “Trust”, “REIT”, “Mindspace REIT”) is a Real Estate Investment Trust under the Securities and Exchanges Board of India (Real Estate Investment Trust), 2014 and amended till date (“SEBI REIT Regulations”). The Client may share the report with its appointed advisors for any statutory or reporting requirements, in connection with the disclosure of valuation of assets. Neither this report nor any of its contents may be used for any other purpose other than the purpose as agreed upon in the Letter of Engagement (“LOE”) dated January 5, 2024 without the prior written consent of the Valuer.

The information in this report reflects prevailing conditions and the view of Valuer as of this date, all of which are, accordingly, subject to change. In preparation of this report, the accuracy and completeness of information shared by the Manager has been relied upon and assumed, without independent verification, while applying reasonable professional judgment by the Valuer.

This report has been prepared upon the express understanding that it will be used only for the purposes set out in the LOE dated January 5, 2024. The Valuer is under no obligation to provide the Recipient with access to any additional information with respect to this report unless required by any prevailing law, rule, statute or regulation.

This report should not be deemed an indication of the state of affairs of the real estate financing industry nor shall it constitute an indication that there has been no change in the business or state of affairs of the industry since the date of preparation of this document.

Executive Summary

Office Floor 5 of Building 3 in Commerzone Yerwada, Pune	
Valuation Date:	31 st December, 2023
Valuation Purpose:	Proposed purchase of a property by MBPPL
Subject Property:	<p>Office Floor 5, admeasuring ~42,000 sq. ft of leasable area located in Building 3 of Commerzone Yerwada is herein referred to as the “Subject Property”.</p> <p>Commerzone Yerwada is a Grade A, IT Park located in Yerwada, Pune, comprising a total of eight IT office buildings and one Amenity building. Out of the eight buildings, Building 1, 4, 5, 6, 7, 8 & Amenity Building collectively admeasuring ~1.7 msf forms a part of Mindspace REIT portfolio.</p> <p>Commerzone is spread over ~25.7 acres of land parcel. It enjoys good frontage and has flat topography, and it is well connected to major locations in the city via road network.</p>
Location / Situation:	<p>The Subject Property is a part of Commerzone Yerwada. The Subject Property is located in the established eastern secondary business district (SBD-East) of Pune. Subject Property is approximately 5 kms from Pune International Airport and approximately 7 kms from Pune Central Railway Station. Tech Park One, Business Bay, Nyati Unitree, Muttha Towers are some of the prominent commercial developments located in the vicinity of the Subject Property.</p>
Description:	<p>The Subject Property admeasures ~42,000 sq. ft. of leasable area which is ~50% occupied as on the date of valuation.</p>



View of Subject Property



Access Road of Subject Property



View of Subject Property



View of Parking of Subject Property



Total Area:	Total Leasable Area: 42,000 sq. ft.
MARKET VALUE OF THE SUBJECT PROPERTY	
INR 470 Million	
<i>This summary must not be copied, distributed or considered in isolation from the full report.</i>	



TABLE OF CONTENTS

Disclaimer	2
Executive Summary	3
A REPORT	7
1 Instructions	7
2 Professional Competency of The Valuer	7
3 Independence and Conflicts of Interest	8
4 Purpose of Valuation	8
5 Basis of Valuation.....	8
6 Valuation Approach & Methodology.....	9
7 Assumptions, Departures and Reservations	10
8 Inspection	10
9 General Comment.....	10
10 Confidentiality	10
11 Authority	10
12 Reliant Parties.....	11
13 Limitation of Liability	11
14 Disclosure and Publication	12
15 Anti-Bribery & Anti-Corruption.....	12
B PUNE CITY REPORT	13
1 Pune Office Market Overview	14
1.1 Existing and Upcoming Infrastructure - Pune	16
1.2 Pune- Supply, Absorption & Vacancy	17
2 Commerzone Yerwada Micro-Market.....	18
2.1 SBD East has emerged as the leading Front Office Market	18
2.2 Secondary Business District East Office Market Overview.....	19
2.3 Existing and Upcoming Infrastructure – SBD East	22
2.4 Micro Market- Rental Trend Analysis	23
2.5 Micro Market- Supply, Absorption & Vacancy	25
2.6 Key Statistics for SBD East:	28
2.7 Office Market Outlook.....	29
C PROPERTY REPORT.....	30
1. Address, ownership and title details of Subject property	31
1.1 Encumbrances.....	31
1.2 Revenue Pendencies	31
1.3 Material Litigation.....	31
1.4 Major Repairs	31
2 Location.....	32
2.1 General.....	32
2.2 Accessibility	33
2.3 Ground Conditions.....	33
2.4 Environmental Considerations	33
2.5 Town Planning and Statutory Considerations	33
3 Subject Property - Asset Description	34
3.1 Key Asset Information	35
3.2 Property Inspection.....	35
3.3 Investigation and nature and source of information	35
3.4 Tenant Profile	36
3.5 Lease Expiry Profile	36
D VALUATION APPROACH & METHODOLOGY	37
1.1 Asset-specific Review:	38
1.2 Micro-market Review:.....	38
1.3 Cash Flow Projections:	38
2 Assumptions considered in Valuation (DCF Method)	40



2.1	Valuation	40
3	Market Value	47
E	ANNEXURES	48
Annexure 1:	Cash Flows	49
Annexure 2:	Ownership Structure	50
Annexure 3:	Property Master Plan	51
Annexure 4:	Property Photographs.....	52
Annexure 5:	Statement of assets used for operations of the Building 3	53
Annexure 6:	List of sanctions and approvals	54
Annexure 7:	Ready Reckoner Rate	55
Annexure 8:	Caveats and Limitations	56



From: L. Anuradha, MRICS
IBBI Registered Valuer (L&B)
(IBBI/RV/02/2022/14979)

To: K Raheja Corp Investment Managers Private Limited and Mindspace Business Parks Private Limited (“MBPPL”)

Property: Office Floor 5 of Building Number 3 in Commerzone Yerwada

Report Date: 21st January 2024

Valuation Date: 31st December 2023

A REPORT

1 Instructions

K Raheja Corp Investment Managers Private Limited, has appointed Ms Anuradha, MRICS, registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of the Companies (Registered Valuers and Valuation) Rules, 2017 (hereinafter referred as the “Valuer”), in order to undertake the valuation of property comprising commercial office real estate asset located in Pune (herein referred as “Subject Property” across the report) owned by the Sunflower which is proposed to be acquired (subject to necessary approvals including board approvals, due diligence and commercial negotiations) (“Proposed Acquisition”) by MBPPL, in accordance with Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange. The property and interests valued as part of this valuation exercise are detailed in Part B of this report. The exercise has been carried out in accordance with the instructions (Caveats & Limitations) detailed in Annexure 8 of this report. The extent of professional liability towards the Client is also outlined within these instructions.

2 Professional Competency of The Valuer

Ms. Anuradha Vijay is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset classes of Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since September 2022. She completed her Bachelor in Architecture in 2002 and Masters in Planning from School of Planning & Architecture in 2004.

Anuradha has more than 16 years of experience in the domain of urban infrastructure, valuation and real estate advisory. She was working as an Associate Director for Cushman and Wakefield from 2013-2022 and was leading the team for Tamil Nadu, Kerala and Sri Lanka. Prior to joining Cushman, she has been involved in various strategy level initiatives in Institutional development and Infrastructure for donor agencies and various Government and Private clients. Anuradha worked with SIVA group in the M&A practice where she was involved with the financial appraisal and valuation of real estate projects. Prior to this she has worked with



PriceWaterhouse Coopers in the Government, Real estate and Infrastructure Development Practice where she was involved in carrying out financial appraisal and strategies for some of the State Governments in India. Her foundation in real estate valuation was at Jones Lang LaSalle where she worked for 3 years on multiple valuations and entry strategies for Indian NBFCs and funds.

Her last employment was at CWI. As an Associate Director of the Valuation and Advisory team at CWI, Ms. Anuradha provided support on identified business/ new opportunities, evaluated proposals for new property investments and/ or dispositions while providing analytical support for Investment recommendations. Anuradha was also key personnel in carrying out the Market study for the Mindspace REIT micro markets in India. She has undertaken valuations exercises for multiple private equity/real estate funds, financial institutions, developers and corporates across asset classes of commercial, retail, residential and hospitality. Her clientele included HDFC, Xander, DLF, RMZ, Embassy Group, CapitaLand, Tata Capital, Tata Realty, TVS group etc.

3 Independence and Conflicts of Interest

The Valuer confirms that there are no conflicts of interest in so far as discharging her duties as a valuer for the subject properties/ business is concerned and has undertaken the valuation exercise without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client or the Subject Properties in past five years from the date of this report.

The Valuer or any of her employees involved in valuing the assets of the REIT have not invested nor shall invest in securities of the Subject Property being valued till the time she is designated as Valuer and not less than six months after ceasing to be a Valuer of the REIT.

4 Purpose of Valuation

The Report is being prepared to be relied upon by the Reliant Parties and inclusion, as a whole, a summary thereof or any extracts of the report, in any documents prepared in relation to purchase of the Subject Property by MBPPL and for any documents to be filed with Stock Exchange Board of India or other regulators, other documents pertaining to fund raising, investment materials, research reports, press releases, notice, or communication to unitholders or lenders or sellers (collectively, the "Documents").

5 Basis of Valuation

It is understood that the valuation is required by the Client which is proposed to be acquired ("Proposed Acquisition") by MBPPL, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange and for accounting purposes. Accordingly, the valuation exercise has been carried out to estimate the "Market Value" of the Subject Property in accordance with IVS 104 of the IVSC International Valuation Standards issued in 2021, effective from 31 January 2022.

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



6 Valuation Approach & Methodology

The basis of valuation for the Subject Property being Market Value, the same may be derived by any of the following approaches:

Market Approach

In '**Market Approach**', the Subject Property is compared to similar properties that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on property specific attributes to reflect the underlying value of the property.

Income Approach

The income approach is based on the premise that value of an income – producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

Income Approach – Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single – year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

Income Approach – Discounted Cash Flow Method

Using this valuation method, future cash flows from the property are forecasted using precisely stated assumptions. This method allows for the explicit modelling of income associated with the property. These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate. A variation of the Discounted Cash Flow Method is illustrated below:

Discounted Cash Flow Method using Rental Reversion

The market practice in most commercial/ IT developments involves contracting tenants in the form of pre-commitments at sub-market rentals to increase attractiveness of the property to prospective tenants typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rentals for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In



order to arrive at a unit value for these tenancies, we have considered the impact of such sub/above market leases on the valuation of the subject property.

For the purpose of the valuation of Subject Property, Discounted Cash Flow Method using rental reversion has been adopted.

7 Assumptions, Departures and Reservations

This valuation report has been prepared on the basis of the assumptions within the instructions (Caveats & Limitations) detailed in Annexure 8 of this report. The development mix, built up area, land area and lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the Subject Property is based on the appropriate relevant documents which has been provided by the Client and the same has been adopted for the purpose of this valuation.

8 Inspection

The Property was visually inspected on January 17, 2024, by the valuer, however no measurement or building survey has been carried out as part of the valuation exercise and the Valuer has relied entirely on the site areas provided by the Client, which has been assumed to be correct.

9 General Comment

A valuation is a prediction of price, not a guarantee. By necessity it requires the valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values.

The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the subject property/ business herein could differ significantly if the date of valuation was to change.

This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken for.

10 Confidentiality

The contents of this Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents except as maybe required in connection with disclosure of valuation of assets under the applicable law for the purposed of proposed acquisition by MBPPL which is SPV of Mindspace REIT.

11 Authority

The Client acknowledges and agrees that the Valuer's services hereunder (including, without limitation, the Deliverables itself and the contents thereof) are being provided solely to the Client in relation to the Acquisition and disclosure in the Documents and in the valuation report, as may be required.

The Valuer consents to the usage of his name as an expert, in relation to the Report, in the Documents. If the Client desires to use the Deliverables or the Valuer's name in any other offering other than the Documents as



contemplated under this Agreement, then the Client shall obtain the Valuer's prior written approval for such usage. The Client shall indemnify the Valuer for any losses suffered by him due to such usage other than for the Acquisition as contemplated under this Agreement. Additionally, the Client herewith consents to provide or cause to be provided, an indemnification agreement in his favor, reasonably satisfactory to him for any use of the Report other than for the purpose permitted under this Agreement. It is however clarified that the indemnity shall not cover any losses resulting from the use of the Report for the Acquisition including disclosure in the Documents and in the valuation report.

The Report (draft and final) shall be addressed to the Client and will be subject to the Caveats & Limitations described in Annexure 8 attached hereto and incorporated herein by reference.

The Parties to this engagement represent that they are authorized to enter into this engagement and the individuals signing this engagement are authorized representatives of the respective parties.

12 Reliant Parties

The reliance on the valuation reports prepared as part of this engagement to K Raheja Corp Investment Managers Private Limited ("Manager"), the Mindspace Business Parks Private Limited ("MBPPL"), Mindspace REIT and Stock Exchanges, Credit rating agencies, lenders of Mindspace REIT and or its SPVs holders/proposed investors and Axis Trustee Services Limited, the trustee to the Mindspace REIT (Trustee") for the purpose as highlighted in this report (valuation). The reliant parties shall also include auditors, lawyers and book running lead managers appointed in connection with the Acquisition. The Valuer, however, would extend no liability to such reliant parties.

The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ("Reliant Party") and for the Purpose specifically stated. The Instructing Party shall make all reliant parties aware of the terms and conditions of the agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

13 Limitation of Liability

The Valuer shall endeavour to provide services to the best of its ability and professional standards and in bonafide good faith. Subject to the terms and conditions in this Agreement, the Valuer's total aggregate liability to the Client arising in connection with the performance or contemplated performance of the services herein, regardless of cause and/or theory of recovery, shall not exceed the total fees paid to Valuer by Client hereunder. The Valuer acknowledges that it shall consent to be named as an 'expert' in the Documents and that its liability to any person, in its capacity as an expert and for the Report, shall be without any limitation and in accordance with law. In the event that the Client, the sponsors, the trustee, the REIT, the intermediaries appointed in connection with the Acquisition be subject to any claim ("Claim Parties") in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party/respondent to such claim and he shall not object to his inclusion as a necessary party/ respondent. In all such cases, the Client agrees to reimburse/ refund to the Valuer, the actual cost (which shall include legal fees and external counsel's fee) incurred by him while becoming a necessary party/respondent. If the Valuer does not cooperate to be named as a party/respondent to such claims in providing adequate/successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against him in this regard.



14 Disclosure and Publication

The Valuer must not disclose the contents of this valuation report to a third party in any way, except as allowed under the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.

15 Anti-Bribery & Anti-Corruption

Both Parties represents, warrants and undertakes that:

They are familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws;

It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on her part.

Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.



B PUNE CITY REPORT



1 Pune Office Market Overview

The overall commercial office market in India and Pune and its key micro markets:

Particulars	India*	Pune	CBD	SBD East	SBD West	PBD East	PBD West
Total completed stock 2023 (Million sq. ft.)	671.0	70.8	5.0	36.7	9.7	2.8	16.3
Current occupied stock 2023 (Million sq. ft.)	553.9	62.2	4.9	34.4	8.9	1.5	12.2
Current Vacancy 2023 (%)	17.4%	12.2%	1.3%	6.4%	8.7%	46.2%	25.0%
Future Supply – 2024-2026 (Million sq. ft.)	163.6	26.5	4.2	16.3	3.7	0.0	2.3
Market Rent – 2023 (INR/ sq. ft./ month)	92	88	102	101	92	65	60

Source: Cushman & Wakefield Research

*Please Note: India data comprises of the major cities in India i.e. Bengaluru, Chennai, Delhi, Noida, Gurugram, Hyderabad, Mumbai and Pune.

Location Key:

CBD – Laxmi Road, Camp, Bund Garden, Boat Club, Koregaon Park, Dhole Patil Road, Pune Station, Shivaji Nagar, FC Road, JM Road, Wakdevadi, SB Road, Model Colony, Ganeshkhind Road, etc.

SBD East – Kalyani Nagar, Kharadi, Mundhwa, Yerwada, Nagar Road, Viman Nagar, Hadapsar, Kondhwa, etc.

SBD West – Aundh, Baner, Pashan, Kothrud, Karve Nagar, Khadki, Paud Road

PBD East – Phursungi, Wagholi, Charoli, Solapur Road, Saswad Road, KatraJ, etc.

PBD West – Hinjewadi, Wakad, Pimpri, Bhosari, Chinchwad, Bavdhan, Mulshi, Talawade, Tathawade, Nanded, Pimple Saudagar, etc.

Pune, often referred to as the "Oxford of the East" and the "Detroit of India," is a thriving city in the state of Maharashtra. Over the years, Pune has evolved into a multifaceted hub, hosting various industries and educational institutions. Here are some key aspects that drive the demand for office space in the Pune region:

The key drivers of demand for office space in Pune are as follows:

- **Automobile and Manufacturing Industry:** Known as the "Detroit of India," Pune has a robust presence in the automobile and manufacturing sectors. Several automotive giants and manufacturing units have established their operations in the city. This sector's growth contributes significantly to the demand for office spaces accommodating corporate offices, research and development centers, and production facilities.

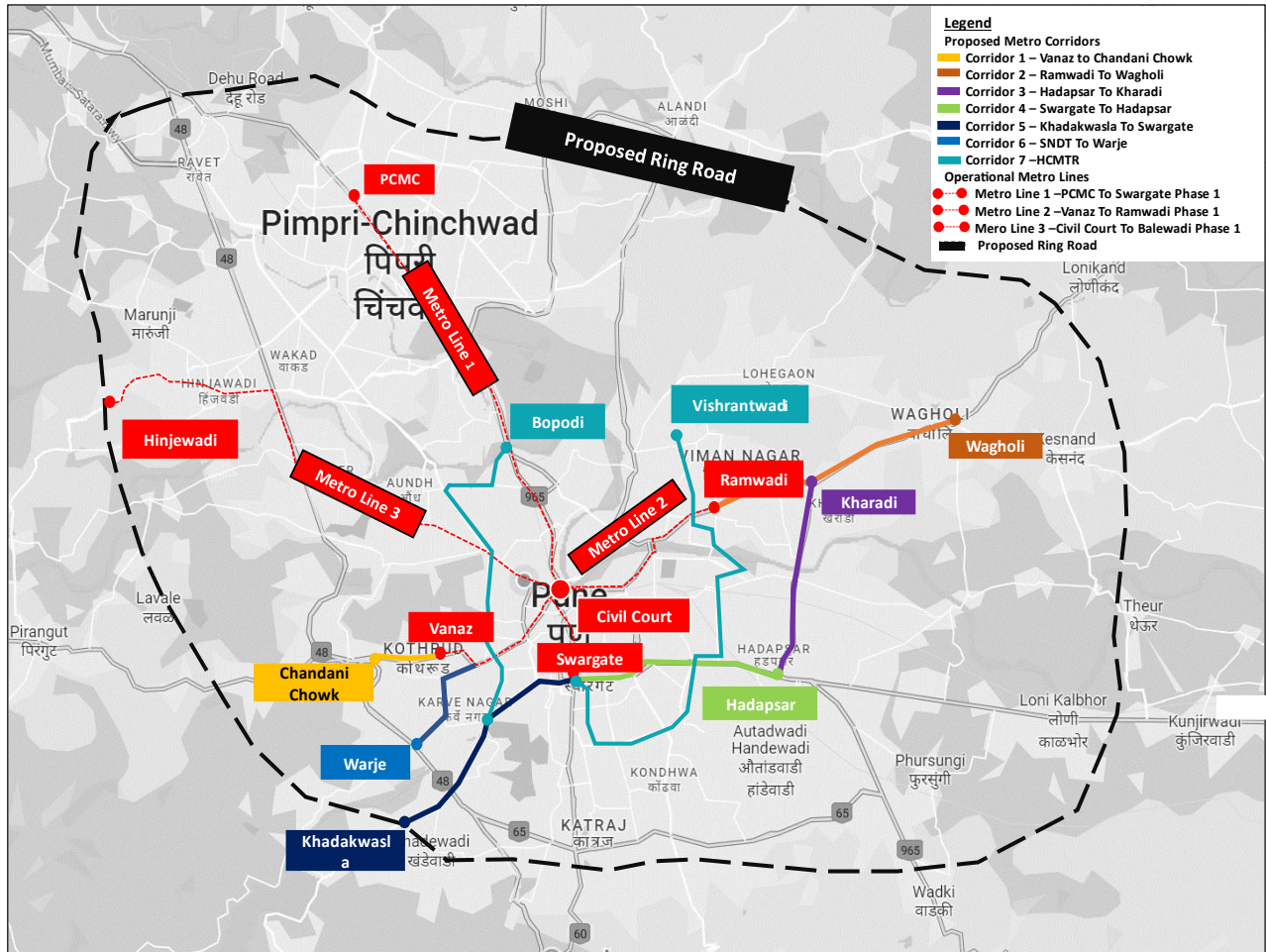


- **IT Parks and Special Economic Zones (SEZs):** Pune has witnessed a surge in the development of IT parks and SEZs, providing a conducive environment for IT and business process outsourcing (BPO) companies. These zones foster innovation, collaboration, and business growth, attracting both domestic and international firms.
- **Strategic Location:** Pune's strategic location, situated between Mumbai and Bangalore, two major economic hubs, enhances its accessibility and connectivity. The city is well-connected by road, rail, and air, making it an attractive location for businesses seeking a central presence in India.
- **Infrastructure Development:** Pune has witnessed significant infrastructure development initiatives, including metro rail projects, road expansions, and the expansion of Pune International Airport. These ongoing and planned projects enhance the city's connectivity and make it more conducive for business operations.
- **Educational and Social Infrastructure:** Pune boasts a well-developed social infrastructure, including reputed educational institutions, healthcare facilities, shopping malls, and recreational spaces. This creates a desirable living and working environment, attracting professionals and their families.



1.1 Existing and Upcoming Infrastructure - Pune

The State Government of Maharashtra has undertaken a number of initiatives to reduce the infrastructure inadequacies that Pune city is facing due to increasing population density in the city. Some of the key infrastructure initiatives undertaken (which are either completed, under implementation or at an advance planning stage) by the State Government are:



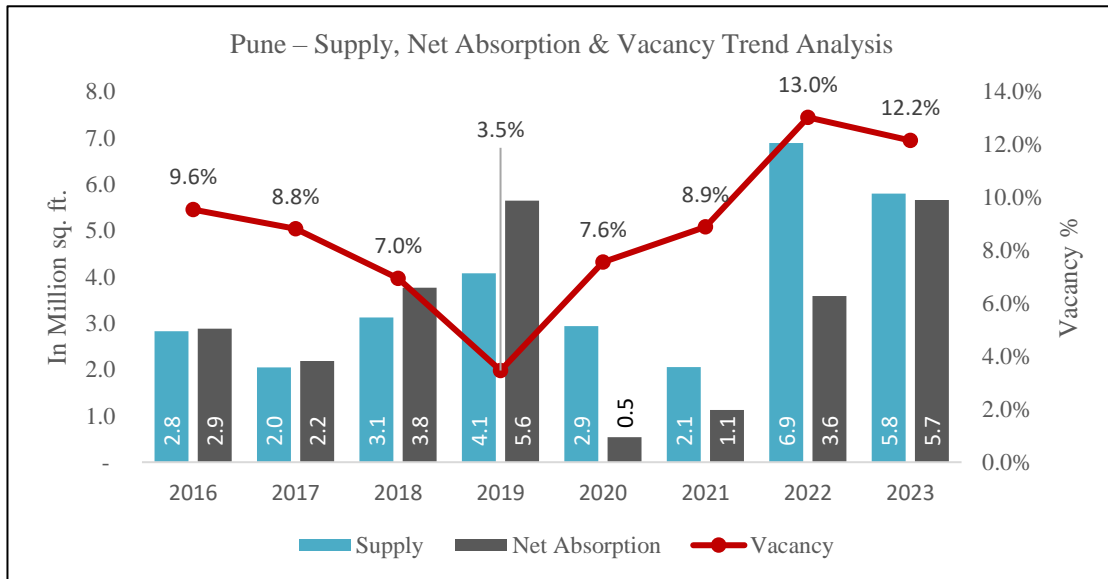
Map Not to Scale

Particulars	Existing	Upcoming
Metro Line 1	PCMC to Swargate (17.4 Km) Operational Between – PCMC to Shivji Nagar	1. Khadakwasla to Swargate 2. Swargate to Hadapsar 3. Hadapsar to Kharadi
Metro Line 2	Vanaz to Ramwadi (15.7 Km) Operational Between – Vanaz to Ruby Hall Clinic	1. Vanaz to Chandni Chowk 2. Ramwadi to Wagholi
Metro Line 3	-	1. Civil Court to Hinjewadi



1.2 Pune- Supply, Absorption & Vacancy

A snapshot of the supply, net absorption and vacancy trend for Pune is as below –



Source: Cushman Wakefield Research

Net Absorption: Refers to the difference between the occupied stock for two subsequent periods



2 Commerzone Yerwada Micro-Market

2.1 SBD East has emerged as the leading Front Office Market

The SBD East micro-market in Pune has emerged as a dynamic hub for corporate activities, reflecting a distinctive shift in the city's commercial real estate landscape. Comprising prominent areas such as Magarpatta City and Kharadi, this micro-market has become a focal point for major corporates, commanding premium rentals compared to other parts of Pune.

SBD East boasts a unique mix of IT parks and non-IT office developments, creating a diverse tenant profile. The Maharashtra IT Policy has played a significant role in shaping the landscape, with large IT parks dominating the scene. These developments adhere to specific guidelines, aligning with the state's IT policies.

Historically, the BFSI sector preferred the central areas of Pune for their proximity to premium residential zones catering to senior management. However, a noticeable trend has seen occupiers shifting their preference from the traditional locations to SBD East. The micro-market has positioned itself as an attractive destination due to continually improving infrastructure, accessibility from premium residential catchment areas, and a big talent pool.

The SBD East micro-market has seen consistent Grade A supply, offering quality assets to occupiers. The current vacancy rate in the overall Grade A front office market is around 6.4%.

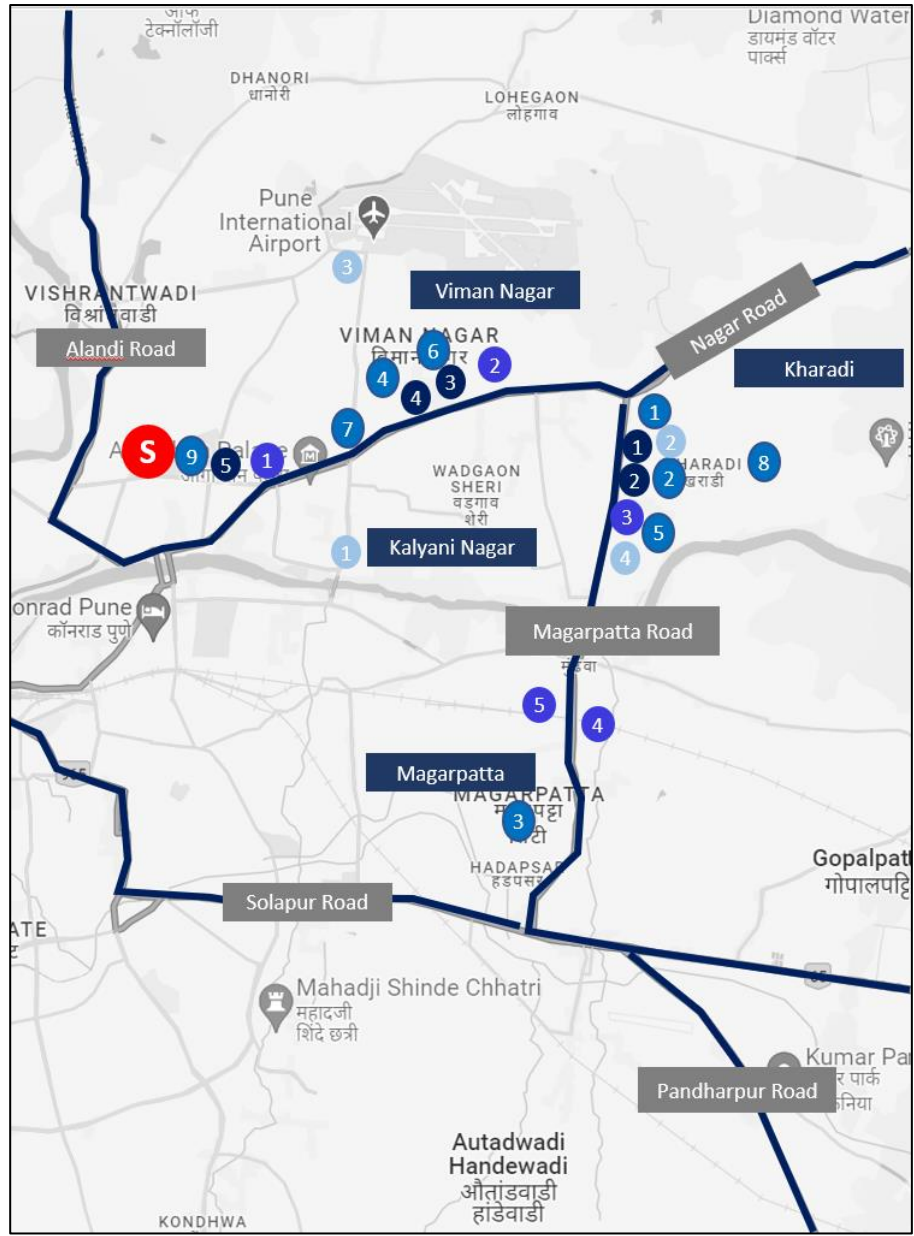
Looking ahead, the SBD East micro-market is poised for further growth, with approximately 16.3 msf of Grade A supply expected to be delivered by 2026. Noteworthy projects by leading developers, such as Mapletree, Mindspace, Amar builders, Panchshil Realty, etc are set to contribute to the micro-market's expansion, solidifying its position as a premier destination for corporate offices in Pune.



2.2 Secondary Business District East Office Market Overview

Yerwada is part of the Eastern Secondary Business District (SBD-East) of Pune. SBD-East has emerged as one of the most established micro-markets of Pune. This micro market has witnessed a surge in take up over the past promise, of years due to its proximity to airport and Ahmednagar Road also known as Nagar Road, availability of large floor plates and quality of developments. SBD-East micro-market houses well-known commercial developments like Eon-IT Park, Gera Commerzone Kharadi, Commerzone Yerwada, World Trade Centre, Magarpatta Cyber City, Weikfield IT Park etc. Major tenants include Banking & Financial Institutions, IT/ITES, Consulting and Engineering companies are operational in this micro-market. It is home to major IT and ITes and BFSI companies such as HSBC, Tech Mahindra, BNY Melon, Citi Bank, Deutsche Bank, ZS Associates, etc. Due its proximity to Airport and strong social infrastructure and better connectivity to the rest of the Pune City, this micro-market has emerged as one of the most preferred commercial destinations.

Developers such as Panchshil Realty, Gera Development, K Raheja Corp, CapitaLand India, Phoenix, etc. Developers have their projects in the micro market.



S Subject Property

Map Not to Scale

- Key Commercial Developments
- Social Infrastructure
- Hospitality Developments
- Proposed Commercial Developments

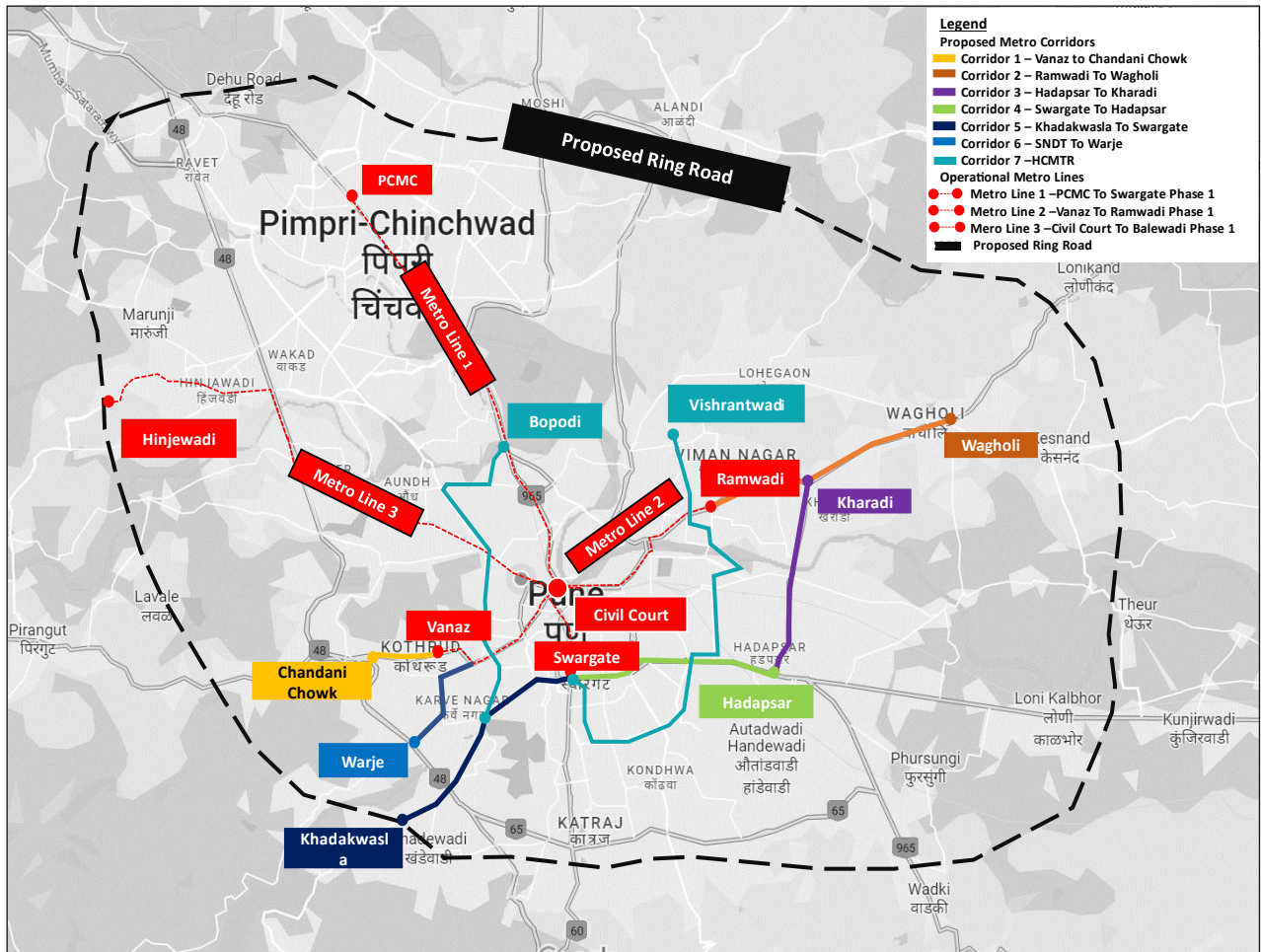


Key Commercial Developments	Social Infrastructure	Hospitality Developments	Proposed Commercial Developments
1. ITPP Kharadi	1. Sahayadri Super Speciality Hospital	1. Radison Blue Kharadi	1. Panchshil Avenue
2. EON Free Zone	2. Phoenix Market City	2. Fairfield by Marriott	2. Prestige Alphatech
3. Magarpatta Cyber City	3. Manipal Hospital	3. Hyatt Regency	3. Poloroche
4. Phoenix Fountainhead	4. Amanora Town Centre	4. ibis Pune	4. Nyati Enthral
5. World Trade Centre	5. Seasons Mall	5. Ritz Carlton Pune	
6. Panchshil Business Park			
7. Amar Tech Center			
8. Gera Commerzone Kharadi			
9. Commerzone Yerwada			

Source: Cushman and Wakefield Research



2.3 Existing and Upcoming Infrastructure – SBD East



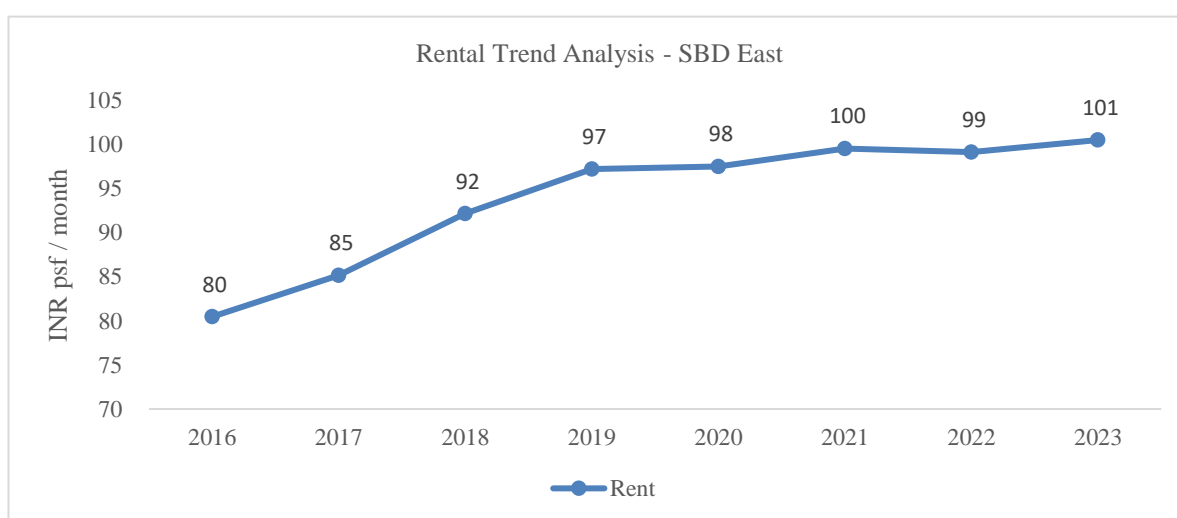
Pune Metro Rail Project – SBD East

Particulars	Existing	Upcoming
Metro Line 2	Vanaz to Ramwadi (15.7 Km) Operational Between – Vanaz to Ruby Hall Clinic	<ol style="list-style-type: none"> Vanaz to Chandni Chowk Ramwadi to Wagholi



2.4 Micro Market- Rental Trend Analysis

The vacancy levels in the Secondary Business District East (SBD East) micro market have decreased from 8.1% in 2022 to 6.4% in 2023. The reason can be attributed to large transactions in the micro market in 2023. Current quoted market rentals in SBD East are in the range of INR 80 - 100 per sq. ft./ month. Yerwada which forms a part of SBD East micro market have quoted market rentals in the range of INR 70 to 80 per sq. ft. / month. The rental escalations from the years 2016 - 23 have witnessed moderate growth resulting in a CAGR of approximately 2.8%. In addition, it has been observed that there is high demand for Commercial Office Developments by Grade A developers (viz. Mindspace REIT, Panchshil Realty, Capitaland, Phoenix, etc.) Further, the upcoming Grade A developments like upcoming buildings in Gera Commerzone Kharadi, Panchshil Avenue, Ascendas ITPP Tower 2, Prestige Alphatech, Poloroche, etc are going to improve absorption in this micro market and rentals are expected to witness an upward trend.



Source: Cushman Wakefield Research

Note: The rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 5% depending upon negotiations, final structuring of the lease agreement and other parameters.

Some of the prominent transactions in the SBD East are tabulated below-

Tenant	Development	Location	Area Leased (Mn sq. ft.)	Date of Transaction	Rent (INR per sq. ft. per month)	Type of facility
HSBC	Business Bay	Yerwada	0.5	Q1 2023	92	Warm Shell
Deutsche Bank	Business Bay	Yerwada	0.4	Q1 2023	92	Warm Shell
BP Business Solutions	Gera Commerzone	Kharadi	0.2	Q4 2023	80	Warm Shell
315 Work Avenue	Raheja Woods	Kalyani Nagar	0.2	Q3 2023	75	Warm Shell
Deloitte	ITPP CapitaLand	Kharadi	0.2	Q2 2023	80	Warm Shell

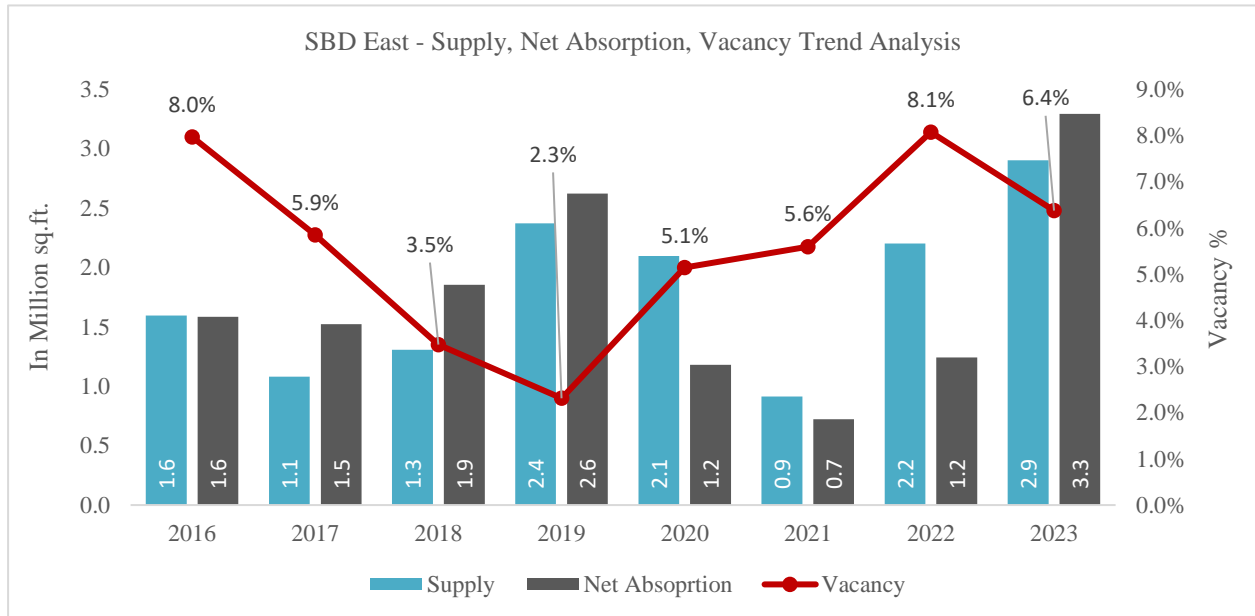


Tenant	Development	Location	Area Leased (Mn sq. ft.)	Date of Transaction	Rent (INR per sq. ft. per month)	Type of facility
Mphasis	Eon Phase II	Kharadi	0.1	Q1 2023	85	Warm Shell
Indiqube	Amar Tech Centre	Viman Nagar	0.1	Q2 2023	80	Warm Shell
Schlumberger	Commerzone Yerwada	Yerwada	0.1	Q1 2023	75	Warm Shell
Aegis	Commerzone Yerwada	Yerwada	0.03	Q1 2023	72	Warm Shell
Bajaj Allianz	Commerzone Yerwada	Yerwada	0.02	Q3 2023	72	Warm Shell

Source: Cushman and Wakefield Research

2.5 Micro Market- Supply, Absorption & Vacancy

A snapshot of the supply, absorption and vacancy trend for SBD East is as below-



Source: Cushman Wakefield Research

Note: Future supply estimates are based on analyses of under construction buildings, however future absorption estimates are derived basis past trend, current vacancy and estimated supply. Vacancy estimates are based on supply and absorption trend.

Net Absorption: Refers to the difference between the occupied stock for two subsequent periods

Note: Cushman & Wakefield has considered the future supply after analyzing each of the project based on the physical progress of the project, available information on approvals and interactions held with various stake holders

- The total stock of commercial office space in SBD East as on 2023 is approximately 36.7 Million sq. ft. (Grade A office space)
- The total net absorption of commercial office space in SBD East during 2023 has been approximately 3.3 million sq. ft. and during 2022 total net absorption was approximately 1.2 Million sq. ft.
- The supply in this micro market as on 2023 was 2.9 Million sq. ft. in comparison to the 2.2 Million sq. ft. supply in 2022. Also, the future supply in this micro market from 2024 to 2026 is ~16.3 Million sq. ft.
- The vacancy level for office space in SBD East dropped to 6.4% in 2023 from 8.1% in 2022. The reason can be attributed to healthy absorption in 2023 in SBD East micro market.



Some of the prominent operational commercial developments in SBD East include:

Building Name	Developer	Location	Year of Completion	Completed Super Built-up area (Million sq. ft.)	Vacancy as on 2023 (Mn sq. ft.)	Warm shell Quoted Rentals (INR per sq. ft. per month)	Main Occupiers
Eon Free Zone	Panchshil Realty	Kharadi	2008 - 2019	6.6	0.2	100 -110	L&T, Mphasis, Genpact
Commerzone Yerwada	Mindspace	Yerwada	2008 - 2015	2.9	0.0	70 - 80	Nvidia, Indiqube, Johnson Control, UBS
World Trade Centre	Panchshil Realty	Kharadi	2011 - 2020	2.2	0.0	95 - 105	Wework, POSCO, Fiat
Gera Commerzone	Mindspace	Kharadi	2019 - 2023	1.9	0.0	85 -90	BP Business Solutions India Pvt Ltd, Allstate, Crowdstrike
Capitaland ITPP	Capitaland	Kharadi	2020 - 2022	1.5	0.2	85 – 90	Deloitte, KPMG, Tablespace
Park City B1	Brookfield	Kalyani Nagar	2023	0.9	0.0	110 - 120	Mastercard

Source: Cushman and Wakefield Research



Some of the prominent under construction commercial developments in SBD East are:

Building Name	Developer	Location	Year of Completion	Leasable Area (Million sq. ft.)	Construction Status
AP IT Park	Amar Builders	Kharadi	2026	4.0	Under Construction
Global Business City	Mapletree	Kharadi	2025	2.3	Under Construction
ITPP Tower 2	Capitaland	Kharadi	2024	1.5	Under Construction
Panchshil Business Hub	Panchshil Realty	Kharadi	2026	1.3	Under Construction
Nyati Enthral	Nyati Group	Kharadi	2024	1.2	Under Construction
Keppel Land	Keppel Corporation	Kharadi	2025	1.2	Under Construction
Gera Commerzone Building B4	Mindspace	Kharadi	2025	1.0	Under Construction
Park City B2	Brookfield	Yerwada	2026	0.9	Under Construction
Gera Commerzone Building B1	Mindspace	Kharadi	2024	0.7	Under Construction
Poloroche	ABIL Group	Viman Nagar	2024	0.6	Under Construction
Panchshil Avenue	Panchshil Realty	Kalyani Nagar	2024	0.5	Under Construction

Source: Cushman and Wakefield Research



2.6 Key Statistics for SBD East:

Particulars	Details
Total completed stock (2023)	Approximately 36.7 Million sq. ft.
Current occupied stock (2023)	Approximately 34.4 Million sq. ft.
Current Vacancy (2023)	Approximately 6.4%
Future Supply (2024 – 2026)	Approximately 16.3 Million sq. ft.

Source: Cushman and Wakefield Research

Note: Cushman & Wakefield has considered the future supply after analyzing each of the project based on the physical progress of the project, available information on approvals and interactions held with various stake holders



2.7 Office Market Outlook

The total commercial stock in eastern Secondary Business District (SBD East) as of 2023 is approximately 36.7 million sq. ft. (approx. 51.8% of the city's total stock of commercial office stock). Current quoted market rentals in SBD East are in the range of INR 80 -100 per sq. ft./ month. Due to locational advantages, the developments in SBD East tend to command higher rental rates. Further, over 2016 - 2023 the rentals in the micro market witness growth resulting in a CAGR of approximately 3.2%. SBD East has seen a new high in net absorption since 2016. SBD East has seen average annual net absorption of approximately 1.8 million sq. ft. between 2016 to 2023. Vacancy in this micro market has dropped from 8.1% in 2022 to 6.4% in 2023 owing to high absorption in the micro market. Basis the lease rates and the capitalisation rates prevailing in the micro market, the capital value of Grade - A office spaces is in the range of INR 10,000 to 11,500 per sq. ft. on leasable area.

The Subject Property is a part of Commerzone Yerwada admeasuring ~2.9 msf of leasable area and the achievable rent in this park is in the range of INR 72 -78 per sq. ft. per month. Looking ahead to the future, SBD East is anticipated to experience an influx of new supply of approximately 16.3 million sq. ft. between 2024 to 2026. The projections for 2024 suggest an expected net absorption of about 3.7 million sq. ft., reflecting a noteworthy increase of approximately 12.4% compared to the absorption levels observed in 2023. This anticipated growth is driven by the high demand in the micro market and the quality of the upcoming supply, suggesting a potential increase in rentals in the upcoming years.



C PROPERTY REPORT



1. Address, ownership and title details of Subject property

Address:	Office Floor 5, Building 3, Commerzone Yerwada, Samrat Ashok Path, Pratik Nagar, Mohanwadi, Yerwada, Pune
Related Party Transaction:	Proposed transaction is not a related party transaction.
Current Ownership & title details:	100% owned by Sunflower Buildmart LLP
Proposed Holding:	The unit under consideration is proposed to be held completely by MBPPL (subject to necessary approvals including but not limited to board approvals, due diligence and commercial negotiations) which is an asset SPV of Mindspace REIT. Mindspace REIT holds 100% interest in MBPPL

Source: Architect Certificate, Title Documents, MBPPL

1.1 Encumbrances

Unless disclosed and recorded in the Property Report – Part C, the Subject Property is considered to possess a good and marketable title and is free from any unusually onerous encumbrances with no option or pre-emption rights in relation to the assets except for those created in favour of the lenders as mentioned below, based on the Management Representation and the title documents provided. We have not checked and verified the title of the Subject Property.

1.2 Revenue Pendencies

On the basis of Management Representation and discussion with the Client, there are no revenue pendency including local authority taxes associated with and compounding charges, if any with the asset proposed to be sold. No independent verification of this has been made from revenue authorities and reliance has been made on the Client information for the same.

1.3 Material Litigation

Based on discussions with the Client and Management Representation shared, there are no material litigation including tax dispute relating to the Subject Property. It may be noted that the valuation is subject to the fact that the property is considered to possess a good and clear marketable title and is free from any unusually onerous encumbrances.

1.4 Major Repairs

Based on discussions with the Client and Management Representation shared, there were no major repairs undertaken or expected to be happen at present.

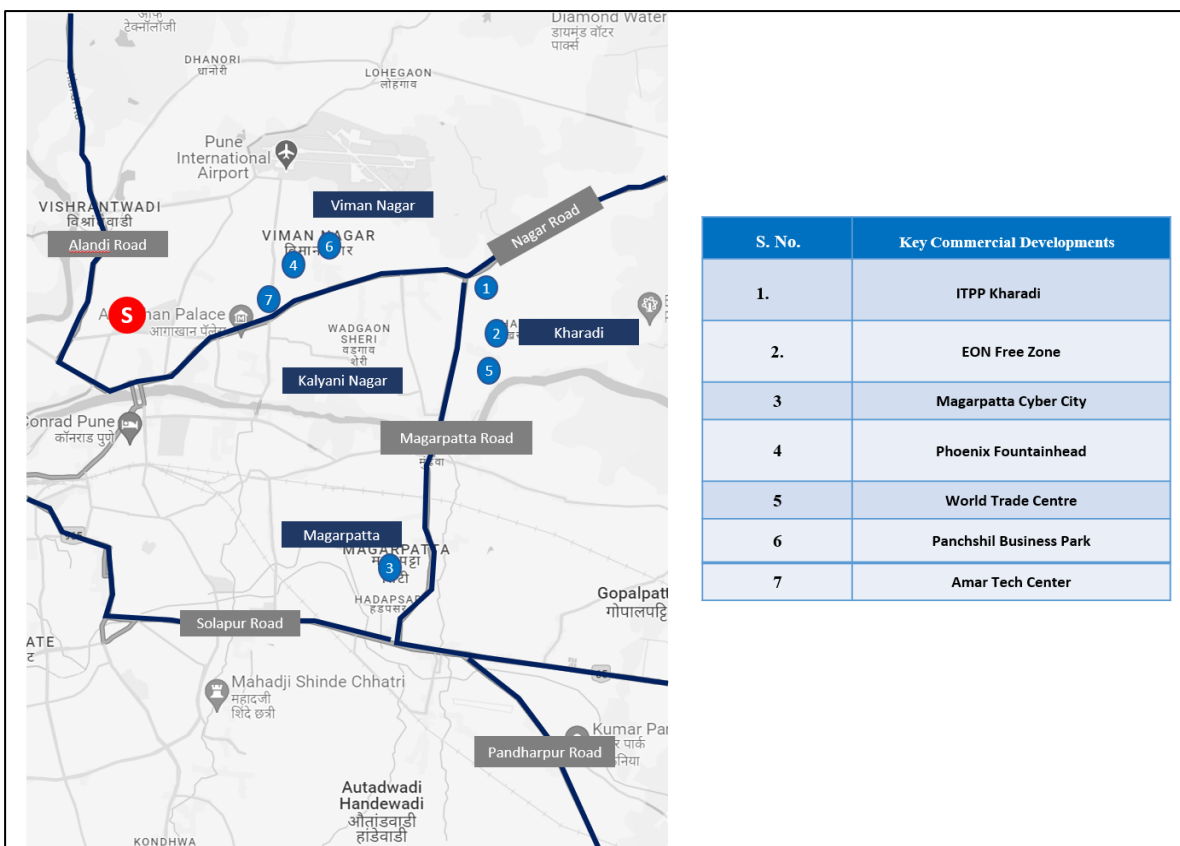


2 Location

2.1 General

Office Floor 5, admeasuring ~42,000 sq. ft of leasable area located in Building 3 of Commerzone Yerwada is herein referred to as the “Subject Property”. The Subject Property is located in the established eastern secondary business district (SBD-East) of Pune. Subject Property is approximately 5 kms from Pune International Airport and approximately 7 kms from Pune Central Railway Station. Tech Park One, Business Bay, Nyati Unitree, Muttha Towers are some of the prominent commercial developments located in the vicinity of the Subject Property.

The location map of the Subject Property is set out below:



S Subject Property

Map Not to Scale

Commerzone Yerwada is spread over ~25.7 acres of land parcel. Located along Samrat Ashok Path, the Subject Property enjoys good frontage and has a relatively flat topography with no significant variations in the height of the land.



2.2 Accessibility

The Subject Property is well connected to major locations in the city via road network. The distance of the Subject Property from major landmarks in the city is as follows:

- Approximately 5-6 kms from Pune Railway Station
- Approximately 4-5 kms from Pune International Airport
- Approximately 7-8 kms from Shivajinagar (CBD)

The Subject Property is well accessible to different parts of the city through the Nagar Road. It also has access to basic urban infrastructure in terms of power, water supply and municipal sewerage system. The property photographs of the Subject Property are attached in Annexure 4.

2.3 Ground Conditions

Based on visual inspection, there were no evidence of adverse ground conditions at the property or immediate vicinity.

2.4 Environmental Considerations

We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the subject or any other land (including any ground water).

For the purpose of assessing the vulnerability of the Subject Property to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Pune where the Subject Property is located falls in Seismic Zone IV with least risk. The city faces low risk in terms of high winds or cyclones too. The Subject Property is not likely to face any higher risk than the overall risk profile of the city. No hazardous activity was noted in the vicinity of the Subject Property which may expose it for any induced disaster.

2.5 Town Planning and Statutory Considerations

We have not made formal search but have generally relied on readily available information to general public. Our Report is on current use/ current state basis of the property, and we have not considered any Government proposals for road widening or compulsory purchase/ acquisition, or any other statute in force that might affect the Subject Property.



3 Subject Property - Asset Description

Office Floor 5, admeasuring ~42,000 sq. ft of leasable area located in Building 3 of Commerzone Yerwada.

It forms a part of larger development called Commerzone Yerwada.

Commerzone Yerwada is a Grade A, IT Park located in Yerwada, Pune, comprising a total of eight IT office buildings and one Amenity building. Out of the eight buildings, building 1, 4, 5, 6, 7, 8 & Amenity Building collectively admeasuring ~1.67 msf forms a part of Mindspace REIT portfolio.

3.1 Key Asset Information

Particulars	Details
Grade A Tech Park:	Forms a part of larger development called Commerzone, Yerwada
Occupancy Certificate Date:	September 2008
Age of the Building:	~15 years 3 months
Asset type:	IT and Non SEZ
Approved Usage:	IT
Leasable Area:	~42,000 sq. ft.
Status of construction:	Operational
Approvals received and pending as on Valuation Date	List of approvals detailed in Annexure 6

3.2 Property Inspection

The Subject Property comprises of Office Floor 5 of Building 3 in Commerzone Yerwada admeasuring a total leasable area of approximately 42,000 sq. ft. The Subject Property is 50% occupied as on the date of inspection. The amenities of the Commerzone Yerwada are also available to the Subject Property for use.

3.3 Investigation and nature and source of information

The Valuer undertook physical visits of the Subject Property wherein the buildings and related assets were visually inspected to assess the condition of the buildings and the apparent state of its maintenance/upkeep.

Information related to state and structure of the relevant real estate market for the Subject Property was sourced from the industry and market sources.

The Valuer relied on the following information and documents shared by the Client with respect to the Subject Property:

Title documents provided by MBPPL covering the type of ownership interest enjoyed and information on ongoing litigation with respect to the Subject Property.

- a. Architect's certificates mentioning site areas and property areas
- b. Relevant approval documents from competent authorities regarding occupancy, operations and fire



safety with respect to specific buildings in the subject property

- c. Lease terms and commercial clauses thereof for Vodafone
- d. Masterplan/ Development plan applicable in the jurisdiction of the Subject property.
- e. Management representation regarding the following:
 - i. Statement of Assets
 - ii. Revenue pendency if any
 - iii. Options or rights of pre-emption and any other encumbrances concerning or affecting the property
 - iv. litigations including tax disputes in relation to the asset (if any)

3.4 Tenant Profile

Vodafone has leased ~21,000 sq. ft. (5th Office Floor) of leasable area with a 77% efficiency.

3.5 Lease Expiry Profile

The ultimate Lease Expiry of Vodafone in the property is 5 years.



D VALUATION APPROACH & METHODOLOGY

1.1 Asset-specific Review:

As the first step, the rent rolls (and the corresponding lease deeds/key lease related terms on a sample basis) were reviewed to identify tenancy characteristics for the asset.

Physical site inspections were undertaken to assess the current status of the Subject Property.

1.2 Micro-market Review:

An assessment of the site and surroundings has been undertaken with respect to the prevailing activities, market dynamics impacting the values and the current use of the respective property vis-à-vis its locational context, etc of office assets. Analysis of the micro-market was undertaken primarily based on the findings of the industry and readily available information in public domain to ascertain the transaction activity of office space. The analysis entailed review of comparable assets in terms of potential competition (both completed and under-construction/planned assets), comparable recent lease transactions witnessed in the micro-market along with the historical leasing and re-leasing history within the asset over the last 2-3 years, if available. This was undertaken to assess the achievable market rent (applicable rental for the micro-market where the asset is located) for the Subject Property for leasing vacant spaces as well as upon releasing.

1.3 Cash Flow Projections:

1. The cash flows for the operational and under-construction/proposed area have been projected separately to arrive at their respective value estimates.
2. Net operating income (NOI) has primarily been used to estimate the cash flows from the Subject Property. The following steps were undertaken to arrive at the value for operational and under-construction/proposed areas respectively. The projected future cash flow from the Subject Property is based on existing lease terms for the operational area till the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier, following which, the lease terms have been aligned with achievable market rent for the Subject Property. For vacant area and under-construction/proposed area, the achievable market rent led cash flows are projected factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been projected for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate.

For each lease, principally, the following steps have been undertaken to assess the rent over a 10-year time horizon:

Step 1: Projecting the rental income for the tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, etc. whichever is applicable. In the event of unleased spaces, market-led rent is adopted with suitable lease-up time

Step 2: Generating a rental income stream for the tenancies for the time period similar to the cash flows drawn in the aforementioned step



Step 3: For projection of rental income, the contracted terms have been adopted going forward until the next lease review/ renewal. Going forward for new leases, rent escalation of 15% at the end of every 3 years has been assumed.

Step 4: Computing the monthly rental income projected as part of Step 3 and translating the same to a quarterly income (for the next 10 years and NOI of the 11th year – considered for calculation of terminal value)

3. Adjustments for other revenues and recurring operational expenses, fit-out income (if any) – projected till first term expiry and discounted to present day – the same has been not included in the NOI for the purpose of arriving at the terminal value by capitalisation) and vacancy provisions have been adopted in-line with prevalent market dynamics. In addition, appropriate rent-free periods have been adopted during any fresh lease and lease roll-overs to consider potential rent-free terms as well as outflows towards brokerage. For all office assets, operational revenues and expenses of the respective assets are reviewed to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly estimate the income which accrues as cash inflows to the Subject Property.
4. The net income on quarterly basis have been projected over the next 10 years and the one year forward NOI (for 11th year) as of end of year 10 has been capitalized to assess the terminal value of the development. The quarterly net cash flows over the next 10 years along with the terminal value estimated at the end of year 10 have been discounted at a suitable discount rate to arrive at the net present value of the cash flows accruing to the commercial office assets through this approach.

2 Assumptions considered in Valuation (DCF Method)

The following assumptions have been made to arrive at the market value of the Subject Property as on 31st December 2023

Cashflow Period	Unit	Details
Valuation Date		31-Dec-23
Cashflow period	Years	10
Cashflow exit period	End date	31-Dec-33

2.1 Valuation

Property details

Property Details	Unit	Details
Total Property Leasable Area	sq.ft.	42,000
Area Leased	sq.ft.	21,000
Leased	%	50.00%
Vacant Area	Sft	21,000
Vacancy	%	50.0%
Stabilized Vacancy	%	2.0%
Further leasing	Sft	20,160
Existing Lease rollovers	%	100.0%
Rent Free Period-Existing Lease Roll Overs	Months	2.0
Rent Free Period- New Lease	Months	3.0
Total 4W parking slots	Number	43
4W Slots leased	Number	10
Estimated leasing period	No. of quarter	1.0

- The Total Property Leasable Area is ~42,000 sq. ft. and 50% is leased as of 31st December 2023.
- **Rent-free period:** In accordance with market benchmarks for Grade A property, rent-free period of two months has been considered for existing lease rollovers and three months for new leases.



Revenue Assumptions

Revenue Assumptions	Unit	Details
Market Rent - Office	Per sq.ft./month	INR 77.0
Market 4 W Parking Rent	Per slot/month	INR 2,500
Market Rent growth rate - CY 25 onwards	% p.a.	5.0%
Parking income growth rate	% p.a.	5.0%
Normal Market lease tenure	years	9 years
Normal market escalation at end of every	years	1 years of lease tenure
Market escalation at end of escalation period	%	4.5%
Target Efficiency	%	76.0%
CAM/O&M Income prevailing in the market	Per sq.ft./month	14.50

- Achievable Market Office:**
 SBD East had its highest net absorption in 2023 with ~ 3.29 Million Sq. ft. Yerwada which forms a part of SBD East micro market witness rental range of INR 70 to 80 per sq. ft. / month
- Achievable market rent of the Subject Property has been considered in line with market rental trends at INR 77 per sq. ft. per month.
- 4W Parking Rent** of INR 2500 per slot per month has been assumed with an annual escalation of 5%.
- CAM Income** of INR 14.50 with an annual escalation of 5% is assumed based on the similar asset performing in the micro market.

Operating Cost Assumptions

Cost Assumptions	Unit	Details
Brokerage cost (New Lease)	Months	2 Month Rent
Brokerage cost (Renewal/Release)	Months	1 Month Rent
Current CAM/ O&M cost	Per sq.ft./month	INR 12.08
Property Tax	Per sq.ft./month	INR 2.57
Insurance	Per sq.ft./month	INR 0.43
Cost escalation	% p.a.	3%
CAM escalation	% p.a.	5%
Transaction cost on sale	% of Terminal Value	1.0%
Other Operating Expenses	% of Lease Rentals	1.0%
Property Management Fees	% of Lease Rentals	3.5%

- **Brokerage-** In accordance with the market benchmarks for Grade A property, we brokerage expenses amounting to two months for new leases and one month for existing lease rollovers.
- **Property Tax** have been considered at INR 2.57 per sq. ft. per month and Insurance at INR 0.43 per sq. ft. per month.
- **Other Operating Expenses** and have been assumed at 1% of the rentals. The other expenses account for minor repairs and maintenance to the buildings, legal and professional fees, rates and taxes and other such expenses.
- Based on information received from the client, **Property Management fees** have been assumed at 3.5% of lease rentals, parking income, and other operating income.
- **Transaction cost** has been assumed at 1% of the terminal value and is expected to be incurred towards brokerage, transaction fees, etc.

Discount Rate & Capitalization rate assumptions

- Capitalization Rate: (Office Development)**

Capitalization rate (“Cap rate”) is a real estate industry metric referring to the ratio of the Net Operating Income (NOI) arising rental income to their gross asset value indicating the expected income yield of the investor from concerned property. It reflects the expectation of the investor on stability of rental income driven by the asset quality, tenant profile, market demand-supply dynamics and macro-economic expectations on prevailing risk free/low risk interest rates.

In order to arrive at the capitalization rate for the property, relevant parameters of some key investments in comparable properties of similar quality, use, tenant profile made by institutional real estate investors were perused. Further, considering that these investments have been made through private equity and the subject valuation is being carried out for a potential public listing with better liquidity/marketability of ownership interest, the cap rate for the commercial office portion of the Subject Property has been assumed to be 8.00% in line with the available market information applied on the one year forward NOI in the terminal year.

Name of Seller	Name of Buyer	Location	City	Name of Building	Type of Building	Year of Transaction	Area(Sq.ft.)	Deal Size(INR Mn)	Capitalisation Rate
Prestige Estates	*CPPIB	Koramangala	Bangalore	Prestige RMZ Star Tech	Commercial	2022	1,370,000	969	7.6%-7.8%
Hines	DCCDL-GIC	Gurugram	Gurugram	One Horizon Centre	Commercial	2020	421,134	10101	~8%
Embassy Sponsor Group	Embassy Office Parks REIT	ORR, Bangalore	Bangalore	Embassy Tech Village	Commercial	2020	9,100,000	97824	~8%
Tishman Speyer	Shapoorji Pallonji - Allianz	Gachibowli, Hyderabad	Hyderabad	Waverock	Commercial	2019	2,300,000	18000	~8%
Xander Investment Manag	Vascon Group	Pune	Pune	Weikfield IT Park	Commercial	2019	1,081,000	9000	8.65%
Radius Developer	Blackstone	Bandra BKC	Mumbai	One BKC	Commercial	2019	700,000	25000	8%-8.25%
Essar Group	Brookfield Asset Management	Off BKC Mumbai	Mumbai	Equinox Business Park	Commercial	2018	1,250,000	24500	~8.5%
Indiabulls Real Estate	Blackstone	Ambattur Chennai	Chennai	One Indiabulls	Commercial	2018	1,880,000	9000	8.33%
JV of Shapoorji and CPPIB	Mapletree	Perungudi, Chennai	Chennai	SP Infocity	Commercial	2018	2,700,000	24000	7.75%-8%

Source: News in media, discussion with market participants

*CPPIB took 51% stake in the property erstwhile held by Prestige estates



- **Discount Rate**

This discount rate applied to the available cash flows reflect the opportunity cost to all the capital providers, namely shareholders (Cost of Equity) and creditors (Cost of Debt), weighted by the relative contribution to the total capital of the company (WACC). The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

For the purpose of arriving at the Cost Equity, a peer group of listed comparable were studied and suitable adjustments made therein to reflect the specific opportunities and characteristics of the Subject Property as part of a listed portfolio. The Cost of Debt is assumed on the basis of the marginal cost of debt that the SPV owning the Subject Property has been able to avail and the general borrowing rates of similar assets. The Weights attributed to equity and debt were benchmarked against similar portfolios/properties in the market. The derived discount rate of 11.75% was found to be aligned with the expectations of international investors investing in similar assets.

3 Market Value

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which she has no knowledge, the opinion of value of the complete ownership interest in the Subject Property, as explained above, on 31 December 2023 is as follows

Market Value
INR 470 Million
<i>This summary must not be copied, distributed or considered in isolation from the full report.</i>

I, L. Anuradha, the Valuer for the Subject Property, hereby declare that:

- I am fully competent to undertake the valuation,
- I am independent and have prepared the report on a fair and unbiased basis, and
- I have valued the properties based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014

Prepared by



(L. Anuradha)

IBBI/RV/02/2022/14979



E ANNEXURES



Annexure 1: Cash Flows

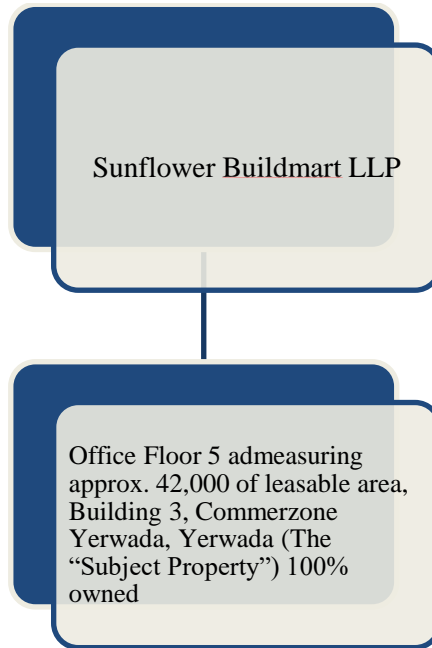
Particulars	Unit	31-Dec-24	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29	31-Dec-30	31-Dec-31	31-Dec-32	31-Dec-33	31-Dec-34
OPERATING INCOME												
Lease Rentals	INR Million	21	36	38	40	42	44	50	52	55	53	61
O&M income	INR Million	8	8	9	9	9	10	10	11	11	12	13
Total Income from occupancy	INR Million	29	44	46	49	51	53	60	63	66	65	73
OPERATING COSTS												
O&M cost	INR Million	(6)	(7)	(7)	(7)	(8)	(8)	(8)	(9)	(9)	(10)	(10)
Insurance Cost	INR Million	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Property Taxes	INR Million	(1)	(1)	(1)	(1)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Total Operating Costs	INR Million	(8)	(8)	(9)	(9)	(9)	(10)	(10)	(11)	(11)	(12)	(12)
Net operating Income	INR Million	21	36	38	40	41	44	50	52	55	53	61
Terminal Value	INR Million	-	-	-	-	-	-	-	-	-	762	
Transaction Cost	INR Million	-	-	-	-	-	-	-	-	-	(8)	
Total Net income	INR Million	21	36	38	40	41	44	50	52	55	807	
Property Mangement Fees	INR Million	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(2)	(2)	(2)	
Other Operating Expenses (R&M, Legal, Professional, Bad Debts and Rates and Taxes)	INR Million	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(1)	(1)	(1)	
Brokerage Expenses	INR Million	(3)	-	-	-	-	(2)	-	-	-	(2)	
Net Cashflows	INR Million	17	34	36	38	40	40	48	50	52	802	
Discount Rate	11.75%											
Property Value												
NPV INR Million	470											
INR/ sq.ft. / leasable area	11,188											

Note: We have arrived at the valuation using quarterly cash flows and reproduced the above-mentioned annual cash flows for representation purposes.

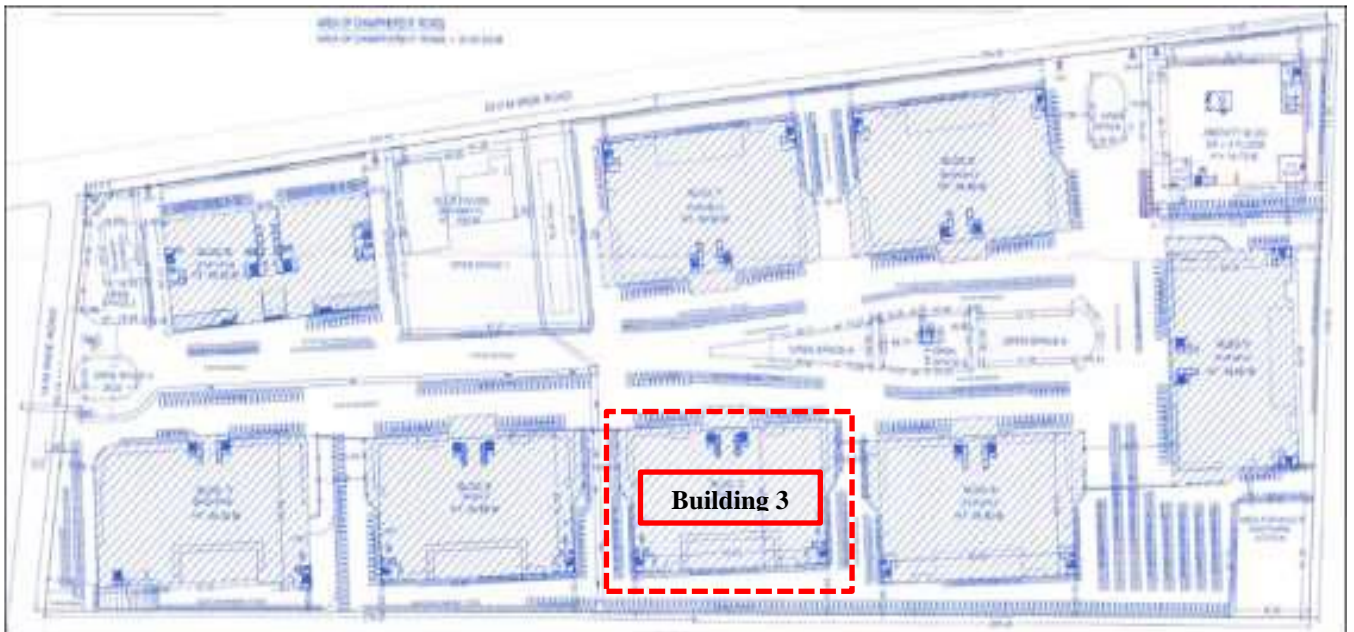
Note: The estimated annualized stabilized NOI on full lease is INR 36 million and the estimated vacancy loss till full lease up is INR 14 million.



Annexure 2: Ownership Structure



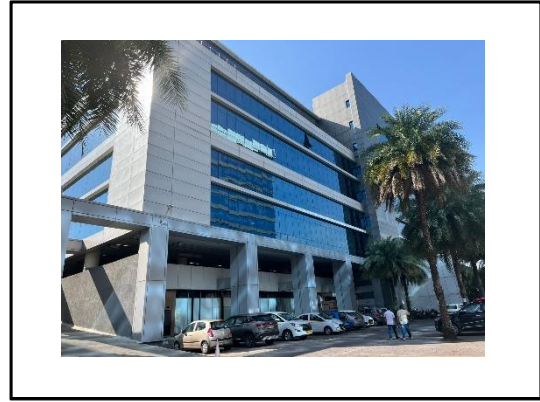
Annexure 3: Property Master Plan



Annexure 4: Property Photographs



Access Road of Subject Property



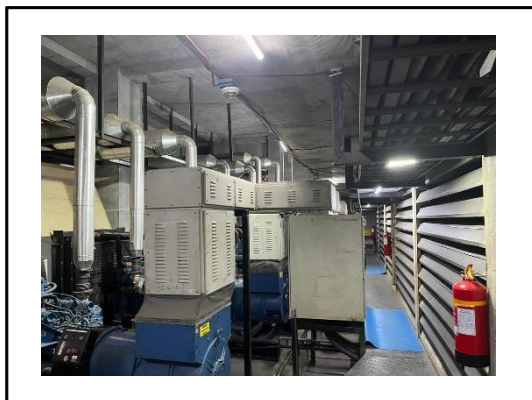
View of Subject Property



Internal View of Subject Property



Internal Access Road of Subject Property



View of Subject Property



Entrance of the Subject Property


Annexure 5: Statement of assets used for operations of the Building 3

SERVICE	AS PER ATL
Air Cooled Chiller	7 X 180 TR
No. of Elevators	8 – Thyssenkrupp
DG	4 X 1010 KVA
Transformer	2 X 2000 KVA
Booster Pumps	5.5 KW – Kirloskar Brothers
Jockey Pumps	11 KW – Kirloskar Brothers
Fire Diesel Pump	68 KW – Kirloskar Brothers
Hydrant Pump	56 KW – Kirloskar Brothers
Sprinkle Pump	56 KW – Kirloskar Brothers
STP Rating	150 KLD

Note: The Statement of Asset represented above is for the operation of the entire Building 3. It is not part of the Subject Property.




Annexure 6: List of sanctions and approvals

Approvals Received (includes onetime approvals and periodic approvals)

1. Approved Masterplan
2. Commencement Certificate
3. Occupancy Certificate
4. Consent to Operate
5. Fire NOC
6. Environmental Clearance
7. Lift NOC
8. Hight NOC
9. Form B

Approvals Pending: None

Annexure 7: Ready Reckoner Rate


Department of Registration & Stamps
 Government of Maharashtra

नोंदणी व मुद्रांक विभाग
 महाराष्ट्र शासन

नोंदणी व मुद्रांक विभाग, महाराष्ट्र शासन
 बाजारमूल्य दर पत्रक

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Year	Annual Statement of Rates						Language
2023/2024							English
Selected District	पुणे						
Select Taluka	हवेली						
Select Village	येरवडा						
Search By	<input type="radio"/> Survey No <input checked="" type="radio"/> Location						
Select	उपविभाग	खुली जमीन	निवासी सदनिका	ऑफिस	दुकाने	औद्योगिक	एकक (Rs.)
SurveyNo	25/403.1 -निवासी प्रकल्प	35520	90300	124460	185300	0	चौ. मीटर
SurveyNo	25/403.2 - कल्याणनगर	41260	93740	158260	231550	0	चौ. मीटर
SurveyNo	25/403.3-सम्राट अशोक रोड वरील मिळकती	24860	58500	69860	109490	0	चौ. मीटर
SurveyNo	25/403.4-मुकुंद भवन ट्रस्ट यांचा निवासी प्रकल्प	29510	64030	112770	154030	0	चौ. मीटर
SurveyNo	25/403.5-पी.ए.इनामदार यांचा निवासी प्रकल्प	29510	67760	112770	154030	0	चौ. मीटर
1 2 3 4							



Annexure 8: Caveats and Limitations

1. The Valuation Report (hereafter referred to as the “Report”) covers specific markets and situations that are highlighted in the Report based on readily available secondary market information and does not entail any comprehensive analysis of the market and the industry given the nature of the scope of the assignment.
2. The opinions expressed in the Report are subject to the limitations expressed below.
 - a. The valuation method adopted is based on the Valuer’s expertise and knowledge taking into account the generally available market information and considered to be relevant and reasonable at that point of time. The Report and the opinions therein do not constitute any recommendation to **K. Raheja Corp. Investment Managers Private Limited (Acting as Investment Manager to Mindspace Business Parks REIT) and Mindspace Business Parks Private Limited (“MBPPL”)** (or “the Client”) or its affiliates and subsidiaries or its customers or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which these opinions have been expressed and is not recommended as an input to any financial decision.
 - b. It should be noted that the valuation is based upon the facts and evidence available at the time of conduct of the valuation and applicable on the date of valuation. It is therefore recommended that these valuations be periodically reviewed.
 - c. Changes in socio-economic and political conditions could result in a substantially different situation than those presented herein. The Valuer assumes no responsibility for changes in such external conditions.
 - d. The Valuer has relied on his own macro understanding of the market through readily available information in public domain. Hence, no direct link is sought to be established between the macro- level understandings on the market with the assumptions estimated for the analysis herein.
 - e. The services provided is limited to valuation of the Subject Property primarily comprising Land and Building and any part thereof and does not constitute any audit, survey, due diligence, tax related services or an independent validation of the projections. Accordingly, no opinion has been expressed on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
 - f. While the information included in the Report is accurate and reliable to the best of the knowledge of the Valuer, no representations or warranties, expressed or implied, as to the completeness of such information is being made. The Valuer shall not undertake any obligation to update or supplement any information contained in the Report save as provided for in the Agreement.
 - g. Apart from the sources already mentioned in the report, the Valuer has relied on readily available public information for the purpose of preparing this report.
3. The Report reflects matters as they currently exist. Any changes thereon may materially affect the information contained in the Report.

All assumptions made in order to determine the valuation of the Subject Property is based on information or opinions as current. In the course of the analysis, the Valuer has relied on information or opinions, both written and verbal, as obtained from the Clients as well as from third parties provided with, including limited information on the market, financial and operating data, which has been accepted as accurate in bona-fide belief. No responsibility is assumed for technical or specialised information furnished by the third-party organizations, and this is on a bona-fide basis, believed to be reliable.

4. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid unless



anything contrary is mentioned in the main report. No consideration is given to liens or encumbrances, which may be against the assets. Therefore, no responsibility is assumed for matters of a legal nature.

5. The Valuer's total aggregate liability to the Client including that of any third-party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum agreed in the LOE. The Valuer shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
6. The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from the Valuer for any purpose.
7. This engagement shall be governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be resolved by Arbitration at Mumbai.