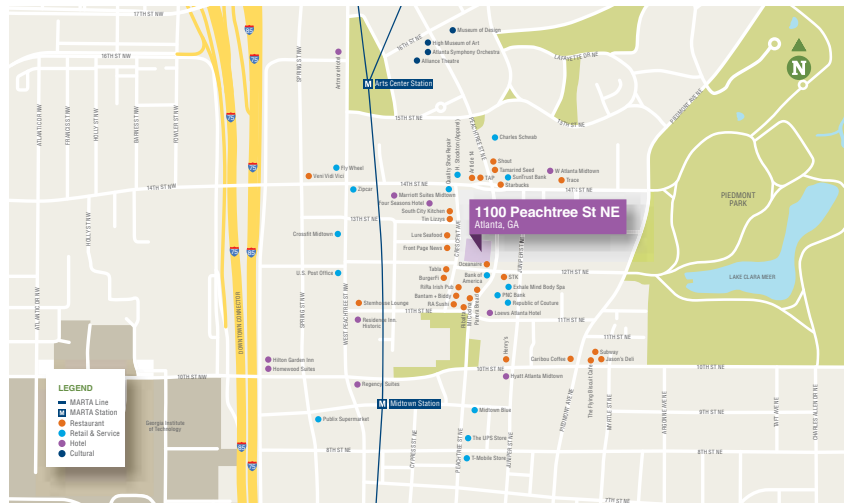


PEACHTREE

1100 Peachtree Street, Atlanta, Georgia



Property Description

Peachtree is a 27-storey high-rise, 553,778 sq ft, Class A office building located in a prominent location on Peachtree Street within the Midtown submarket of metropolitan Atlanta. Built in 1991, the octagonal-shaped building has granite architectural panels interlaid with dark grey reflective glass exteriors. The building's amenities include a high-end seafood restaurant, a sandwich cafe, news and sundries shop, a brand new fitness centre and a large conference centre.

The Property is connected to an adjacent parking garage with 1,221 parking stalls equating to a parking ratio of 2.2 parking stalls per 1,000 sq ft.

As at 31 December 2015, Peachtree was 95.1% leased to a diverse group of 25 tenants from a variety of industries including law firms, accounting firms and real estate firms, a majority of which have leases expiring beyond 2021. The occupancy for the Property is well above the average Midtown submarket occupancy rate of 86.1%.

The Property was awarded the Energy Star Label by the U.S. Environmental Protection Agency for its operating efficiency every year since 2012.

Surrounding Infrastructure

Peachtree has a prominent location in the heart of Midtown on the west side of Peachtree Street between the 12th and 13th Streets. The Property is less than one-half mile east of Interstate 75 and Interstate 85, making it accessible from all surrounding business districts. The building is within close proximity to two Subway stations, Midtown station and Arts Center station, which are both only a few blocks away.

Atlanta Hartsfield-Jackson International Airport is 20 minutes away from the Property by rail or car.

The Property is located along the "Midtown Mile", a stretch of office, retail and multi-family developments on Peachtree Street conceived as a blueprint for Midtown in the late 1990s which now provides numerous retail, restaurant and hotel offerings. The building is surrounded by high-end condominiums, luxury apartments, and numerous retail and dining options.

City Description

Atlanta is considered to be the capital of the southeastern U.S. It is the 9th largest metropolitan area in the U.S. and the 38th largest economy in the world. Atlanta is recognised as an international gateway, home to the world's busiest airport¹ and the headquarters location for 18 Fortune 500 companies, including Delta Air Lines, United Parcel Service and The Coca-Cola Co. Atlanta is often ranked as one of the top metropolitan areas for employment and job growth, with its diverse economy, low cost of living and favourable business climate frequently being cited as key factors for companies relocating to the area.

Midtown is regarded as the new urban centre in Atlanta and is one of the most desirable submarkets in Atlanta's office market. It is also a preferred live, work and play location in Atlanta for young professionals seeking an environment that offers retail, entertainment and dining venues, combined with multiple commuting and transportation options. Midtown has been one of Atlanta's top performing office submarkets since the end of the recession and owes its resurgence to the growth of both the technology industry and professional services firms.

Midtown Atlanta is widely regarded as the cultural heart of the metropolitan area with multiple opportunities for cultural enhancement, such as Piedmont Park, Woodruff Arts Centre, the High Museum of Art, the Atlanta Symphony Orchestra and the Fox Theatre, amongst others. Midtown is also home to several well-respected institutions for higher education, including Georgia Institute of Technology, Emory University, John Marshall Law School, and Savannah College of Art and Design.

City Infrastructure

Atlanta is the transportation and distribution hub of the Southeast. Its roadways and intermodal connections allow companies the ability to access 80% of the U.S. consumer market within two travel days. There are seven major interstates serving Atlanta (I-75, I-85, I-285, I-575, I-985, I-675 and I-20). Georgia 400, the state's only toll road, and U.S. Highway 316 also play important roles in increasing Atlanta's accessibility. Atlanta is also home to the Hartsfield-Jackson International Airport, the world's busiest airport¹ and the first airport in the world to welcome its 100-millionth passenger (in 2015). The airport serves an average of more than 250,000 passengers a day and 17,500 flights weekly, and is often cited as one of the major factors for companies relocating to Atlanta.

Public transit in Atlanta is mainly served by the Metropolitan Atlanta Rapid Transit Authority (MARTA), which consists of over 1,000 miles of bus and rail services and is the ninth largest transit system in the U.S. Other transit systems in the region include Gwinnett County Transit, Cobb County Transit and GRTA Xpress, which provide 33 routes serving 12 counties in Atlanta.

1 Based on Airports Council International's World Airport Traffic Report released on 31 August 2015.

The table below sets out a summary of selected information on Peachtree.

Address	1100 Peachtree, Atlanta
Land Tenure	Freehold
Completion Date	1991
Occupancy as at 31 December 2015	95.1%
Parking Stalls	1,221
Number of Floors	27
NLA (sq ft)	553,778
Land Area (sq ft)	124,387
Gross Revenue for FY2015 (US\$ million)	17.7
Net Property Income for FY2015 (US\$ million)	10.9
Annualised Average Rent per sq ft (US\$) based on the month of December 2015	30.0
Valuation by RERC as at 15 December 2015 (US\$ million)	168.0
Valuation by Colliers as at 15 December 2015 (US\$ million)	179.0
Number of Tenants as at 31 December 2015	25
WALE by NLA as at 31 December 2015 (years)	7.4
WALE by Cash Rental Income for the month of December 2015 (years)	7.3

Top 10 Tenants

The top 10 tenants of Peachtree in aggregate contributed 92.0% of Peachtree's Cash Rental Income for the month of December 2015.

Kilpatrick Townsend & Stockton is a prominent international law firm with its headquarters in Peachtree. The firm has been the anchor tenant at the Property since 1992, shortly after the completion of the building's development. They are currently occupying 11 floors and their lease does not expire until 2025.

The table below sets out selected information on the top 10 tenants of Peachtree by percentage of Cash Rental Income for the month of December 2015.

Tenant	Trade Sector	Lease Expiry	% of Cash Rental Income
Kilpatrick Townsend & Stockton	Law Firms	31 July 2025	49.6%
Industrial Developments	Real Estate	30 June 2020	10.2%
Grant Thornton	Business Services	30 November 2020	7.6%
Triage Consulting Group	Business Services	30 June 2023	7.2%
BDO USA ⁽¹⁾	Business Services	31 December 2016	5.1%
HDR Engineering	Engineers/Architects	31 October 2021	3.8%
M.J. Brunner	Business Services	29 February 2024	2.3%
Oceanaire Restaurant	Retailers/ Wholesalers	31 December 2019	2.1%
The HON Company ⁽²⁾	Business Services	31 May 2016	2.1%
Offices at 1100 Peachtree	Business Services	31 May 2023	2.0%
Top 10 Tenants			92.0%
Other Tenants			8.0%
Total			100.0%

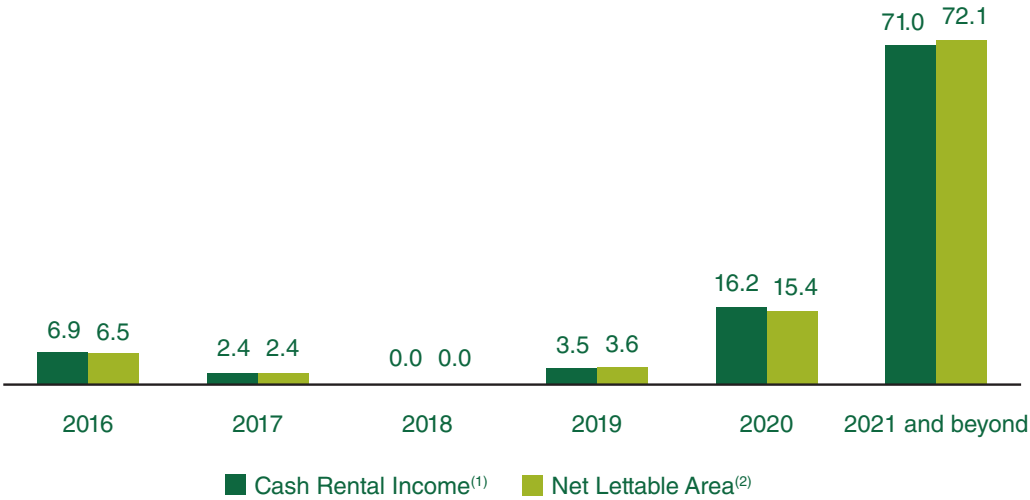
Notes:

- (1) The Property Manager has recently executed a lease renewal with BDO USA, which extends their current lease term to the year 2026.
- (2) The tenant has not expressed interest to renew their lease and the Property Manager has begun to market the space for lease to other tenants.

Lease Expiry Profile

The graphs below illustrate the committed lease expiry profile of Peachtree by Cash Rental Income for the month of December 2015 and Net Lettable Area as at 31 December 2015.

Peachtree Lease Expiry Profile



Notes:

- (1) Cash Rental Income for the month of December 2015.
- (2) Net Lettable Area as at 31 December 2015.

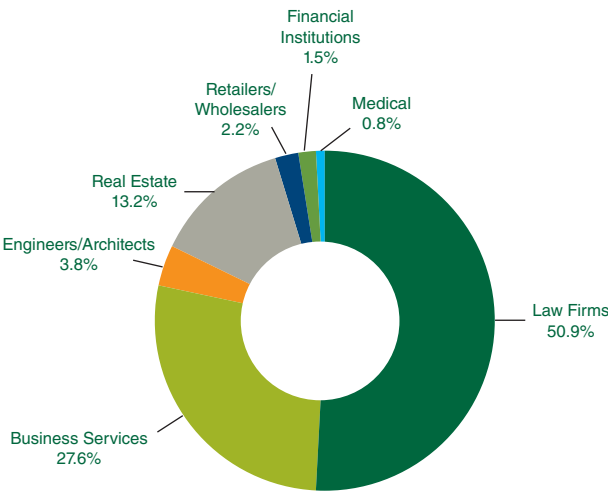
The WALE by Net Lettable Area as at 31 December 2015 is 7.4 years¹. The table below sets out the number of leases expiring at Peachtree for FY2015, FY2016, FY2017, FY2018, FY2019, FY2020 and FY2021 and beyond (based on the leases as at 31 March 2015).

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021 and beyond
No. of leases expiring as at 31 December 2015	0	5	2	0	4	3	11

Trade Sector Analysis

The charts below provide a breakdown by Cash Rental Income of Peachtree by trade sector for the month of December 2015.

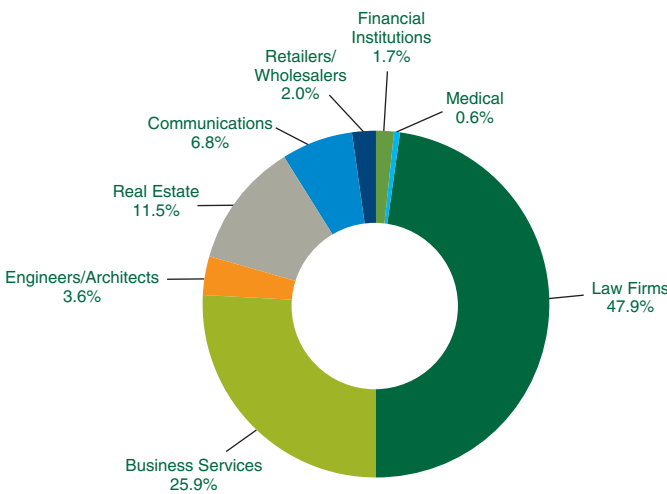
Peachtree Cash Rental Income by Trade Sector



Note: "Personal Services" refers to services for personal needs like laundry, dry cleaning, barber/hairdresser, etc.

The chart below provides a breakdown by Net Lettable Area of Peachtree by trade sector as at 31 December 2015.

Peachtree Net Lettable Area by Trade Sector



Note: "Personal Services" refers to services for personal needs like laundry, dry cleaning, barber/hairdresser, etc.

¹ The WALE by Cash Rental Income for the month of December 2015 is 7.3 years.

Competition

The properties listed below are all Class A properties in the Midtown submarket. The properties are between 22 and 41 stories in height, and between 502,000 and 775,000 sq ft in size. In terms of proximity, 1075 Peachtree is the closest to the subject property at one block away. The Proscenium and 1180 Peachtree are a block and a half away. The Atlantic Station office buildings of 171 17th Street and 271 17th Street are the furthest away at three-quarters of a mile and are located on the other side of Interstate I-75/I-85. Five of the buildings are located along “Midtown Mile”. All comparable properties were either built or renovated during or after 2000. 1180 Peachtree is quoting one of the highest rental rates in the city at approximately US\$40.0 per sq ft. Regions Plaza is among the most affordable in the submarket with asking rents ranging between US\$28.0 to US\$30.5 per sq ft. Most of the properties are over 80% leased except Regions Plaza which is 70%.

The table below sets out the details of the existing competitors of Peachtree in office space.

Development	Completion Year	Size (sq ft)	Occupancy (%)	Rent (US\$/sq ft)
171 17th Street	2004	533,259	85.5	21.0 – 23.0 NNN
271 17th Street	2009	541,870	74.1	34.5 Full Service ⁽¹⁾
The Proscenium, 1170 Peachtree Street	2000	533,135	81.9	33.0 Full Service
999 Peachtree Street	1987	621,946	87.1	32.5 Full Service
1075 Peachtree Street	2010	752,710	84.4	24.0 – 26.0 NNN
1180 Peachtree Street	2006	670,443	92.7	40.0 Full Service
Promenade, 1230 Peachtree Street	1990	774,535	91.5	21.0 – 22.0 NNN
Regions Plaza, 1180 W Peachtree Street	2001	502,369	68.1	28.0 Full Service

Source: Colliers International

Note:

- (1) For “Full Service” leases, the landlord is generally responsible for operating expenses and real estate taxes with the tenant only paying its pro-rata share of increases in such expenses over the level of expenses in the tenant’s first year of the occupancy under the lease.