



VALUATION REPORT

COMMERZONE RAIDURG, MADHAPUR, HYDERABAD

Date of Valuation: 31st December 2024

Date of Report: 21st January 2025

Report For:

Mindspace Business Parks REIT (acting through its Manager, K Raheja Corp Investment Managers Private Limited)



Disclaimer

This report is prepared exclusively for the benefit and use of MREIT and Manager (“Recipient” or “Client”) and / or its associates for the valuation of the property Commerzone Raidurg in Madhapur, Hyderabad (the “Property”) owned by Sustain Properties Pvt. Ltd., which is proposed to be acquired (“Proposed Acquisition”) by MREIT Group (MREIT and its Asset SPVs) (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 and investor materials 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”) for Acquisition for REIT dated January 2, 2025, 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 2, 2025. 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

Commerzone Raidurg, Madhapur, Hyderabad																
Valuation Date:	31 st December, 2024															
Valuation Purpose:	Proposed purchase of a property by MREIT															
Subject Property:	<p>Commerzone Raidurg is constructed on land measuring 9.07 acres situated at Plot No.: 16/A/1 and 16/A/2 in Survey No.:83/1 of Raidurg village, Serilingampally Mandal, Rangareddy district, Telangana.</p> <p>Commerzone Raidurg is a completed IT/ITeS office space development spread over total land extent of 9.07 acres. It is developed under Joint Development Agreement between the client (Sustain Properties Pvt Ltd) and Landlord. Sustain Properties Pvt. Ltd. has 65.5% undivided ownership share, right, title and interest in the (a) built-up area in the project including proportionate car parking space both open and covered, (b) common area and facilities in the project.</p> <p>The total leasable area of developer’s share is 1,822,433 sq.ft. and is 100% occupied. Commerzone Raidurg building configuration include 2 basements + 2 Stilt floors + Ground Floor + 20 office floors. During the site visit, we have noticed that the subject property of the developer share (Client) is leased to Qualcomm from 1st to 20th floor and is in operational use. A retail unit of 6,798 sq.ft. on stilt level is let to Total Environment Hospitality Pvt. Ltd.</p> <p>The area details of the subject property is as follows:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Unit</th> <th></th> </tr> </thead> <tbody> <tr> <td>Joint Development Ratio (Landlord: Developer)</td> <td>%</td> <td>34.5% : 65.5% of Built-up Area</td> </tr> <tr> <td>Landlord’s Share</td> <td>Sq.ft.</td> <td>982,428</td> </tr> <tr> <td>Developer’s Share</td> <td>Sq.ft.</td> <td>1,822,433</td> </tr> <tr> <td>Configuration</td> <td></td> <td>2B + 2 Stilt + GF + 20 Office Floors</td> </tr> </tbody> </table>	Particulars	Unit		Joint Development Ratio (Landlord: Developer)	%	34.5% : 65.5% of Built-up Area	Landlord’s Share	Sq.ft.	982,428	Developer’s Share	Sq.ft.	1,822,433	Configuration		2B + 2 Stilt + GF + 20 Office Floors
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Developer’s Share	Sq.ft.	1,822,433														
Configuration		2B + 2 Stilt + GF + 20 Office Floors														
Location / Situation:	<p>The subject property is a commercial IT SEZ building known as Commerzone Raidurg located in Knowledge City, Madhapur, Hyderabad. Hyderabad Knowledge city spread over approximately 440 acres of land is known for existing and upcoming commercial, IT/ITeS, residential and retail developments. It enjoys good accessibility and connectivity with other parts of the city. The subject property is accessible by 80 ft. wide Kohenur road and 100 ft. wide Commerzone road.</p> <p>Commercial IT/ITeS developments: Ascendas V Park, Salarpuria Knowledge City (P1), Raheja Mindspace, TCS Deccan Park, Cyber Pearl,</p>															



View of Subject Property



View of Subject Property



View of Subject Property



View of Subject Property



	<p>Cyber Gateway, Cyber Towers, Meenakshi Tech Park, Phoenix aVance Hub, Aurobindo Galaxy, RMZ Skyview, My Home Twitza and Dallas Centre</p> <p>Residential developments: My Home Abhra, NCC Urban Gardenia and My Home Bhooja</p> <p>Retail, Hospitality & other developments: Inorbit mall, ITC Kohenur, The Westin, Lemon Tree, Trident, Shilparamam and Shilpa kala vedika.</p>																			
Description:	<p>As on the date of valuation, the subject property is 100% occupied at the efficiency of 75% for Qualcomm tenant.</p>																			
	<table border="1"> <thead> <tr> <th>Building</th> <th>Floor</th> <th>Leasable Area (in Sq.ft.)</th> <th>Efficiency %</th> <th>Tenant</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Commerzone Raidurg</td> <td>1st Floor to 20th Floor</td> <td>1,815,635</td> <td>75%</td> <td>Qualcomm</td> </tr> <tr> <td>Stilt Floor</td> <td>6,798</td> <td>100%</td> <td>Total Environment Hospitality Private Limited (Windmills)</td> </tr> <tr> <td>Total</td> <td></td> <td>1,822,433</td> <td></td> <td></td> </tr> </tbody> </table>	Building	Floor	Leasable Area (in Sq.ft.)	Efficiency %	Tenant	Commerzone Raidurg	1 st Floor to 20 th Floor	1,815,635	75%	Qualcomm	Stilt Floor	6,798	100%	Total Environment Hospitality Private Limited (Windmills)	Total		1,822,433		
	Building	Floor	Leasable Area (in Sq.ft.)	Efficiency %	Tenant															
	Commerzone Raidurg	1 st Floor to 20 th Floor	1,815,635	75%	Qualcomm															
Stilt Floor		6,798	100%	Total Environment Hospitality Private Limited (Windmills)																
Total		1,822,433																		

MARKET VALUE OF THE SUBJECT PROPERTY			
Particulars	Leasable Area (sq.ft.)	Market Value (INR Million)	Total Market Value (INR Million)
Commerzone Raidurg	1,822,433	21,192	22,104
¹ Facilities Management Services to the Subject Property	2,804,861	912	

¹Includes value of Facility Management Business for both Developer and landlord shares

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

To: **Mindspace Business Parks REIT (acting through its
Manager, K Raheja Corp Investment Managers
Private Limited)**

Property: **Commerzone Raidurg, Madhapur, Madhapur,
Hyderabad**

Report Date: **21st January 2025**

Valuation Date: **31st December 2024**

A REPORT

1 Instructions

- 2** Mindspace Business Parks REIT (acting through its Manager, 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 IT/ITeS office real estate asset located in Hyderabad (herein referred as “Subject Property” across the report) owned by the Sustain Properties Pvt. Ltd. which is proposed to be 100% acquired (subject to necessary approvals including board approvals, due diligence and commercial negotiations) (“Proposed Acquisition”) by MREIT, 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.

3 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’s in architecture in 2002 and master’s 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 Price Waterhouse 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.

4 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.

5 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 MREIT 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").

6 Basis of Valuation

It is understood that the valuation is required by the Client which is proposed to be acquired ("Proposed Acquisition") by MREIT Group (MREIT and its Asset SPVs), 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.'



7 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.

8 Assumptions, Departures and Reservations

This valuation report has been prepared on the basis of the assumptions within the instructions (Caveats & Limitations) detailed in Annexure 9 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.

9 Inspection

The Property was visually inspected on January 16, 2025, 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.

10 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.

11 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 MREIT.

12 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 9 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.

13 Reliant Parties

The reliance on the valuation reports prepared as part of this engagement to K Raheja Corp Investment Managers Private Limited ("Manager"), 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 ("MREIT") 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.

14 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.



15 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.

16 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 HYDERABAD CITY REPORT



1 Hyderabad Office Market Overview

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

Particulars	India*	Hyderabad	**Madhapur	Gachibowli	Peripheral east
Total completed stock 2024 (msf)	666.31	113.10	67.51	40.67	2.27
Current occupied stock 2024 (msf)	562.90	84.59	60.85	21.20	1.05
Current Vacancy 2024 (%)	15.5%	25.2%	9.9%	47.9%	53.7%
Future Supply – 2025F – 2027F (msf)	175.0	40.86	9.79	31.07	0.0
Market Rent – 2024 (INR psf / month)	97	74	80	66	48

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 Hyderabad.

**Subject property micro-market

Location Key:

Madhapur – Hitec – city, Kondapur, Madhapur, Raidurg.

Gachibowli – Kokapet, Nanakramguda, Gachibowli, Manikonda, Puppalguda.

Peripheral East – Uppal, Pocharam, L.B. Nagar.

Hyderabad is the capital city of Telangana and India's fourth most populous city. Hyderabad Metropolitan Area (HMR) is spread over 7,229 sq.km. Affordable cost of living, rapid infrastructure development and a proactive government have driven the corporate activity and investments in the city. Hyderabad has emerged as 2nd largest IT exporter. The Telangana IT Minister stated in an August 2024 interview that the IT sector employed 9.46 lakh people as of FY24. Hyderabad is home to global captive centers of renowned technology companies such as Apple, Microsoft, Uber, Google, Facebook, Infosys and Cognizant, institutions (such as Centre for Cellular and Molecular Biology, Centre for Good Governance, Insurance and Regulatory Development Authority) as well as prominent educational institutions (such as Indian School of Business, Indian Institute of Technology, NALSAR University of Law and Agha Khan Academy). The physical infrastructure of the city is well developed with excellent road, rail and air transport networks. Madhapur and Gachibowli economic corridor houses most of the commercial office space establishments in Hyderabad. In Madhapur and Gachibowli economic corridor, Madhapur is an established micro market with presence of renowned technological, financial services and professional services companies.



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

- **Technology Sector:** Technology services are the primary demand driver for the office space demand in Hyderabad. Hyderabad houses most of the technology companies and provides direct employment to people. Major technology companies operating from Hyderabad include Apple, Accenture, Google, IBM, Cognizant, Qualcomm, Facebook and others. In addition to the tenanted commercial office spaces, Hyderabad also houses several large size campuses of companies like Infosys, Wipro, Amazon, Cognizant, Cyient, Capgemini, Virtusa and Hitachi Consulting to name a few.
- **Engineering & Manufacturing, Professional and Financial Services:** Engineering & Manufacturing, Professional and Financial services companies are among the key demand drivers for office space in Hyderabad. Major Engineering & Manufacturing companies include Qualcomm, Micron, Apple, Intel and others. Major professional services companies / knowledge centers in Hyderabad include Deloitte, Invesco, E&Y, KPMG, OMICS and others. Major financial services Companies in Hyderabad include JP Morgan, Wells Fargo, Bank of America, DBS, HSBC, Synchrony, Goldman Sachs and others.
- **Social Infrastructure:** Hyderabad has established educational institutions and colleges (International Institute of Information Technology, Indian School of Business, Tata Institute of Social Sciences), shopping malls (Inorbit, Nexus, GVK One, City Capital, Central, etc.), hospitals (Apollo, Yashoda, KIMS Sunshine, Care etc.), hotels (ITC, Westin, Park Hyatt, Novotel and Taj Krishna) and MICE centers (HITEX Exhibition Centre and HICC Convention Centre).
- **Physical Infrastructure:** Hyderabad is well connected to the rest of the country by National Highways – NH-7, NH-9 and NH-202. Outer Ring Road encircles the city and acts as nodal connecting point with the city and other town located within the state. The city has India's 4th busiest airport which connects Hyderabad to major international hubs and has current capacity to handle 25 million passengers. The city has a combination of light rail transportation system and metro.

Hyderabad enjoys relatively superior physical infrastructure facilities as compared to other metro cities in India. Integrated infrastructural facilities like outer ring road, metro rail, MMTS, radial roads and arterial roads provide faster and easier connectivity to Madhapur- Gachibowli economic corridor. To sustain the existing developments and grow the technology sector in Hyderabad, Government of Telangana has initiated several steps including the enhancement of physical infrastructure through strategic road development program and establishment of incubation center to promote value added technology initiatives and entrepreneurship. Several large-scale infrastructure developments like Regional Ring Road ("RRR"), Phase-2 of Metro Rail, Future Fourth City are at planning stage.



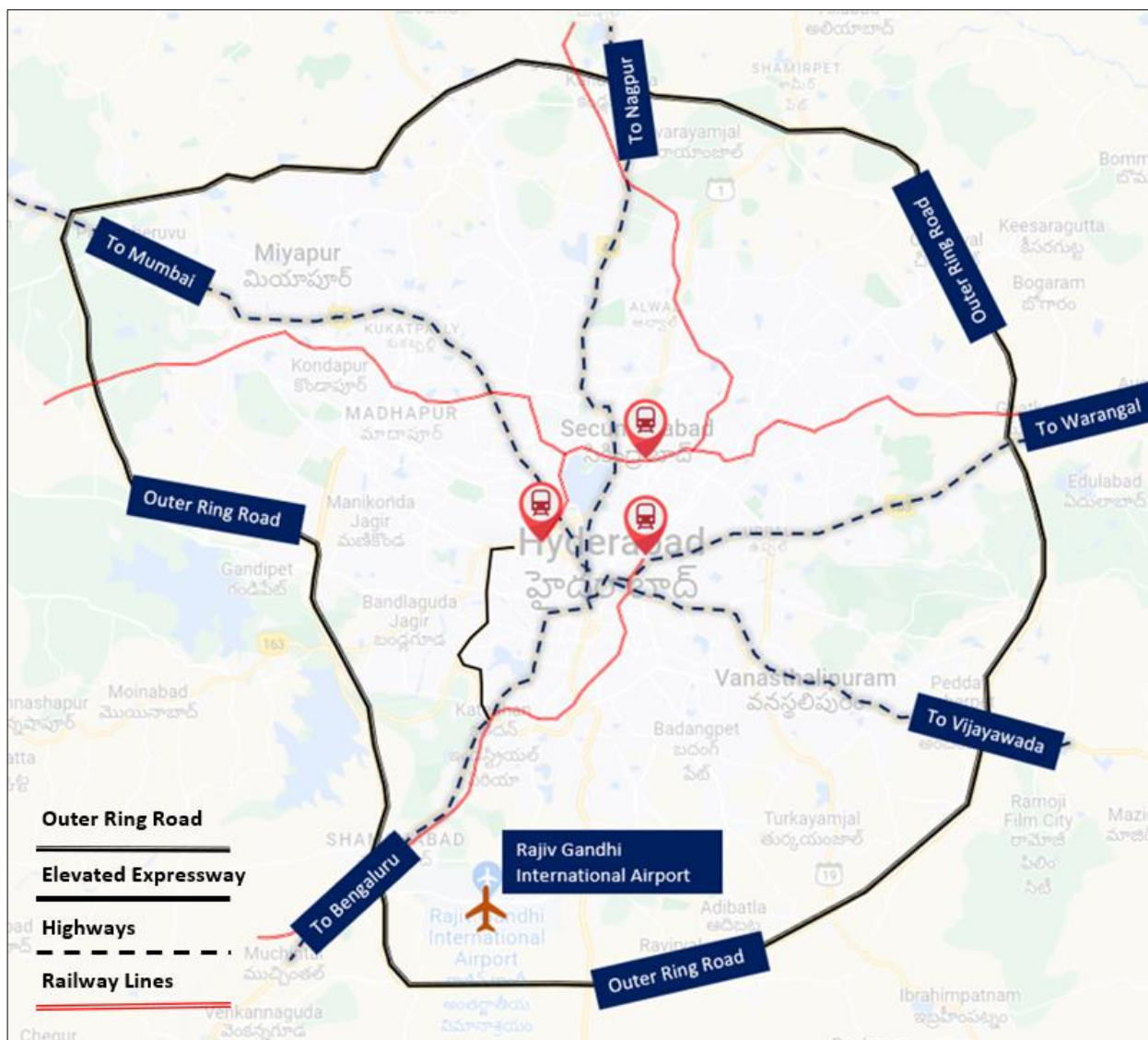
1.1 Existing and Upcoming Infrastructure - Hyderabad

The city is well connected by all the modes of transport to the major cities of India via road, rail and air. The details of various modes of connectivity are highlighted in the table below:

Particulars	Details
Air Connectivity	Hyderabad's connectivity via air is primarily through the Rajiv Gandhi International Airport (RGIA), located at Shamshabad approx. 25 kms from Hyderabad. The new state-of-the-art Rajiv Gandhi International Airport is well equipped to handle high passenger and cargo traffic. It commenced operations in March 2008. The present capacity of the airport is approximately 25 million passenger per annum.
Rail Connectivity	Hyderabad has a robust rail network both for commuting inside and outside the city. The city has a combination of light rail transportation system known as the Multimodal Transport System ("MMTS") which offers connectivity within the city. The Hyderabad Metro, another mode of rapid transport is with approximately 69 km stretch in 3 stretches. Secunderabad, Nampally and Kachiguda railway stations are the major railway junctions in the city. These junctions provide connectivity via rail both within the city and to other parts of the country.
Road Connectivity	Hyderabad is well connected to the rest of the country by National Highways – NH-44, NH-65, NH-163 and NH-765. It is well connected to other parts of the State also through Srisailem Highway, Karimnagar Highway, Nagarjuna Sagar Highway, etc. Inner Ring Road and ORR are the major road networks present in Hyderabad which provide easier and faster connectivity across the city. The city has several flyovers which facilitate and quick connectivity. The city is well connected by bus network and its Mahatma Gandhi Bus Station (Imlibun Bus Station) ranks third in the league of largest bus stations in Asia. The bus station consists of 72 platforms and has a capacity of housing about 89 buses at a time. The other most common means of commuting within the city are auto rickshaw and private cabs.
Elevated Expressway	12 km stretch from Shamshabad (International airport) to Mehdiapatnam for better connectivity of airport with the city.



The map below highlights the connectivity of the city as it is well connected by all modes of transport – rail, road, and air



Map Not to Scale



Further, few of the infrastructure initiatives, in past and in current date which have been undertaken to improve the connectivity are as highlighted in the table below:

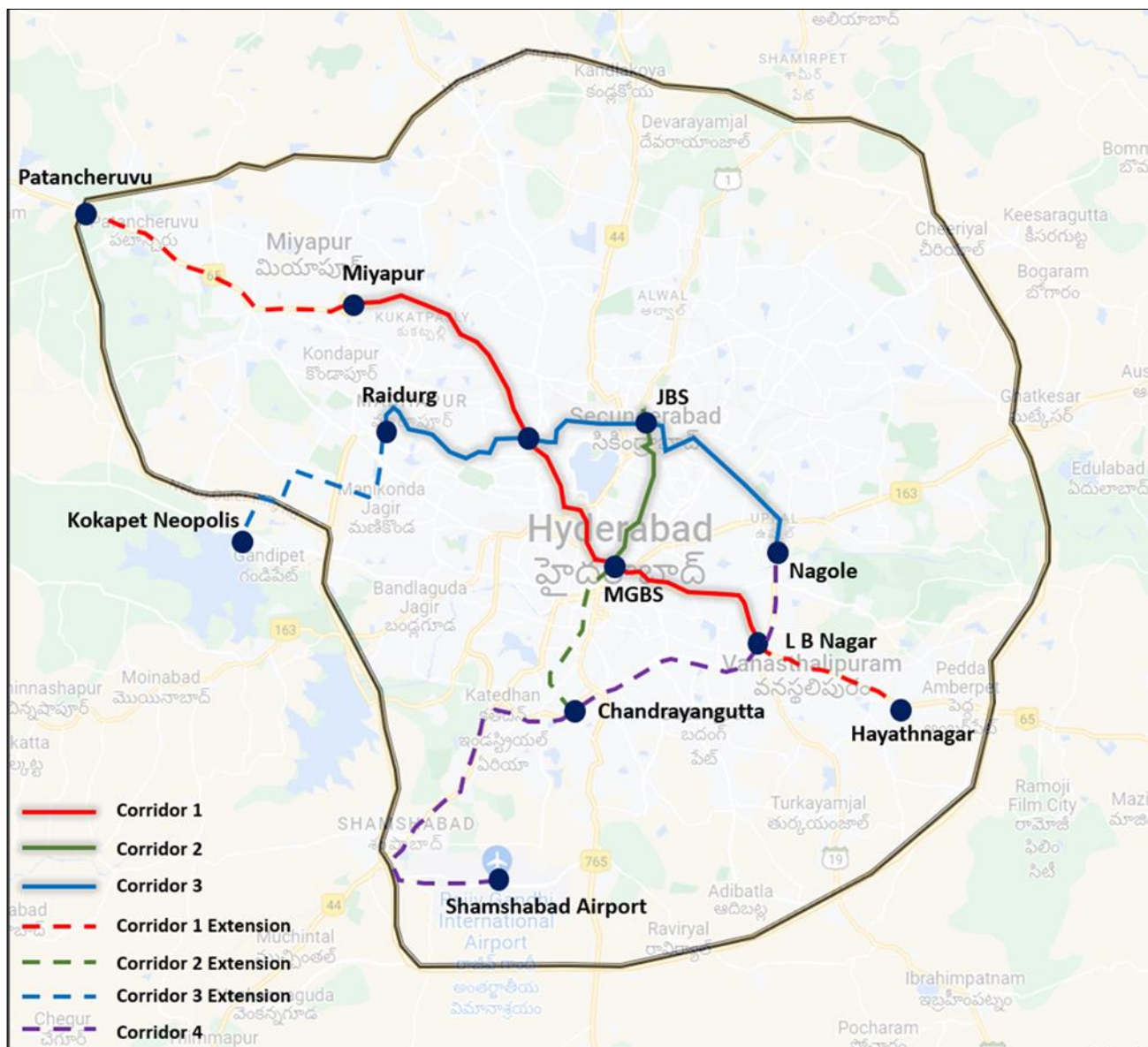
Particulars	Status	Details
Outer Ring Road (ORR) – 158 Km	Operational since 2012	ORR developed under two phases cover as total distance of 158 km. ORR being operational led to relieve in traffic congestion in the city area, facilitates development of satellite townships, and provide linkage to the proposed MMTS, MRTS and bus networks.
Inner Ring Road	Operational since 2008	The project stretches from the following areas covering around 53 kms - Mettuguda to Uppal Junction to Katedan to Mettuguda, all the prominent areas around Hyderabad.
Metro Line Phase 1	Operational since 2017	Hyderabad Metro Phase 1 is 73 kms long, of which approx. 69 kms is operational. There are 3 lines viz. Blue, Red and Green that are fully elevated and operational. The Red line is of 29 kms from LB Nagar to Miyapur, blue line is of 29 kms from Nagole to Raidurg and green line is of 11 kms from JBS to MGBS. The metro lines provide interchange facilities at Ameerpet junction of red and blue metro lines, MG Bus Station junction of red and green line and Parade Ground junction of blue and green line.
Metro Line Phase 2	Under Planning	The phase 2 of Metro line includes extension of blue line, red line, green line, Nagole Airport line (Corridor 4) & Airport – Skill University Corridor. The corridor 4 (36.6 km) will connect Nagloe to Rajiv Gandhi International Airport via L.B Nagar, Karmanghat, Owaisi Hospital, DRDO, Chandrayangutta, Mailardevpally, Aramghar, New High Court and Shamshabad Jn on NH. The red line extension on Miyapur side will connect Patancheru (13.4 kms) and will pass through Miyapur – BHEL – Ramachandrapuram – Patancheru (located also on the Red Line) intersecting itself to form a small ring for the north-west quadrant of the city. The red line on L. B. Nagar side will connect to Hayathnagar via Vanasthalipuram (7.1 km). The blue line extension (11.6 kms) is going to connect Raidurg to Kokapet Neopolis through Biodiversity Junction, Khajaguda Road, Nanakramguda Junction, Wipro Circle, & Financial District which connects old to city to Gachibowli IT zone. The green line extension (7.5 kms) will connect to old city via Mandi Road in Old City over Darulshifa Junction, Shalibanda Junction, and Falaknuma. The metro connectivity is also being planned to Skill University (Fourth City) from Airport (40 kms).
Strategic Road	Under-Development	<ul style="list-style-type: none"> Phase-1: 47 projects with construction of numerous flyovers,



Particulars	Status	Details
Development Plan (SRDP)		<p>under passes across Hyderabad are planned as part of SRDP phase-1. All the projects in the Phase 1 are completed.</p> <ul style="list-style-type: none"> Phase 2: The Government in June 23 has announced 36 Projects under Phase 2 of SRDP programme at a cost of Rs. 4305 crores. <p>These flyovers and underpasses are expected to relieve congestion in the micro markets like Madhapur, Biodiversity Junction, Kondapur RTO Junction, Aramghar Junction, Indira Park-VST Road, Gachibowli, LB Nagar & Nagole Junction, Chandrayangutta, Shaikpet, Punjagutta, Bahadurpura, Owaisi Hospital, Balanagar, Amberpet, RTC crossroads, Uppal – Narapally Junction and will aid to the faster connectivity across the city.</p>
Hyderabad City Innovative & Transformative Infrastructure (H-CITI)	Under-Development	<ul style="list-style-type: none"> Phase-1: Construction of flyover and underpass at Jubilee Hills check post, KBR Park entrance, and Mugdha junction near KBR Park at Rs. 421 crores. Phase 2: Construction of flyover and underpass at Road No. 45 junction, Film Nagar junction, Maharaja Agrasen junction and Cancer Hospital junction at Rs. 405 crores. <p>The government has announced the construction of underpasses & flyovers in October 2024 under H-CITI programme at a cost of Rs. 826 crores. These flyovers and underpasses will come up at the KBR Park entrance junction, Jubilee Hills check post junction, Road No. 45 junction, Film Nagar junction, Maharaja Agrasen junction and Cancer Hospital junction under Engineering Procurement Contract (EPC).</p>



The map below highlights the above-mentioned infrastructure initiatives:



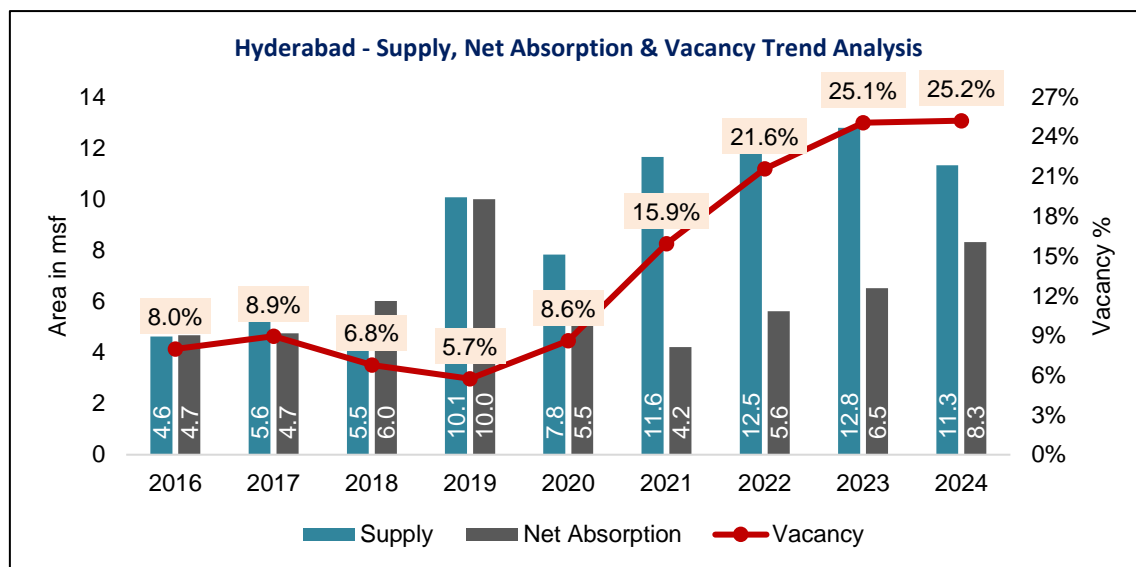
Operational ———
 Upcoming - - - - -

Map Not to Scale



1.2 Hyderabad- Supply, Absorption & Vacancy

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



Source: Cushman Wakefield Research

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



2 Madhapur Micro-Market

2.1 Madhapur is the preferred market for global IT/ITeS tenants.

The Madhapur micro-market in Hyderabad 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 HITEC - City and Madhapur, this micro-market has become a focal point for major corporates, commanding premium rentals compared to other parts of Hyderabad.

Madhapur boasts a unique mix of IT parks and non-IT office developments, creating a diverse tenant profile. This 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 9.9%.

Looking ahead, the Madhapur micro-market is poised for further growth, with approximately 9.79 msf of Grade A supply expected to be delivered by 2027. Noteworthy projects by leading developers, such as K. Raheja Corp, Phoenix Group, Salarpuria Sattva, RMZ Corp., etc. are set to contribute to the micro-market's expansion, solidifying its position as a premier destination for corporate offices in Hyderabad.



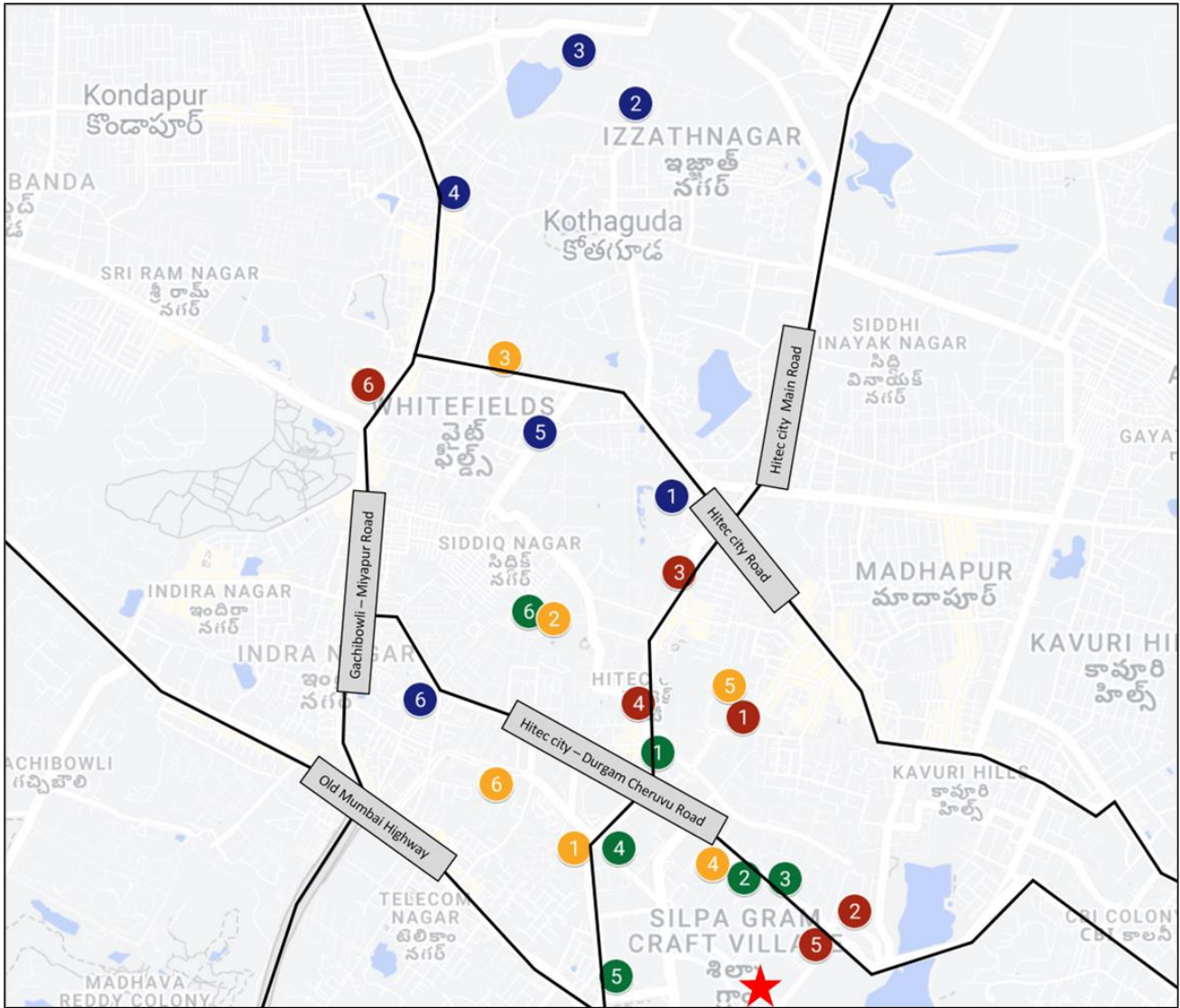
2.2 Madhapur Office Micro Market Overview

Madhapur is an established office space micro market in Hyderabad and is home to large scale commercial developments such as Raheja Mindspace, The V, Cyber Pearl, I-Labs, Divyasree Orion, Salarpuria Sattva Knowledge City as well as TCS and TCL campuses.

In addition to office space, Madhapur also consists of several retail, hospitality, and entertainment developments such as HITEX Exhibition Centre, HICC Convention Centre, Inorbit mall, L&T Next Galleria Mall and Shilpa Kala Vedika. Prominent hospitality developments in the micro-market include ITC Kohenur, Westin and Novotel.

Madhapur enjoys excellent physical infrastructure with direct connectivity to the airport and connectivity with other parts of the city via the metro rail, MMTS rail network and road networks. Infrastructure projects in Madhapur include flyover at Kondapur to ease traffic congestion, thereby providing easier and faster access to other parts of the city.

Madhapur is the most preferred office space micro market in Hyderabad due to the presence of existing office space infrastructure, superior physical infrastructure and social infrastructure. In last decade, Madhapur dominated the other office space micro markets in Hyderabad doubling its office space to 67.51 msf in 2024 from 25.4 msf in 2016 and represents 69% of total office absorption in Hyderabad in last 5 years. Madhapur has recorded the 2nd highest aggregate net absorption between 2019 & 2024 in India, as compared to other micro markets in India. The vacancy levels have been at sub 5% during 2016 to 2019, however delay in timelines of under construction projects & consolidation of spaces by existing tenants due to Covid pushed vacancy levels to 10.0% in 2021 and further increased to 9.9% in 2024. CAGR rental growth during 2016 – 2024 stood at 4.1%. Madhapur rentals are 18% premium to Gachibowli rents as of 2024



Map Not to Scale

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

Key Office Developments	Social Infrastructure	Lifestyle Infrastructure	Proposed Commercial Developments
1. Raheja Mindspace	1. Shilparamam	1. Westin Hotel	1. Phoenix Equinox
2. Salarpuria Knowledge City	2. Hitex Exhibition Centre	2. Inorbit Mall	2. Phoenix H10
3. Ascendas IT Park	3. HICC Convention Centre	3. Trident Hotel	3. Aparna Technopolis
4. Aurobindo Galaxy	4. KIMS Hospital	4. Lemon Tree	4. The Image Towers
5. RMZ Skyview	5. Rainbow Hospital	5. ITC Kohenur	5. Mindspace Block 1
6. aVance Business Hub	6. AIG Hospitals	6. Sharat City Capital Mall	6. Phoenix 14
★ Commerzone Raidurg (Subject Property)			

Source: Cushman and Wakefield Research

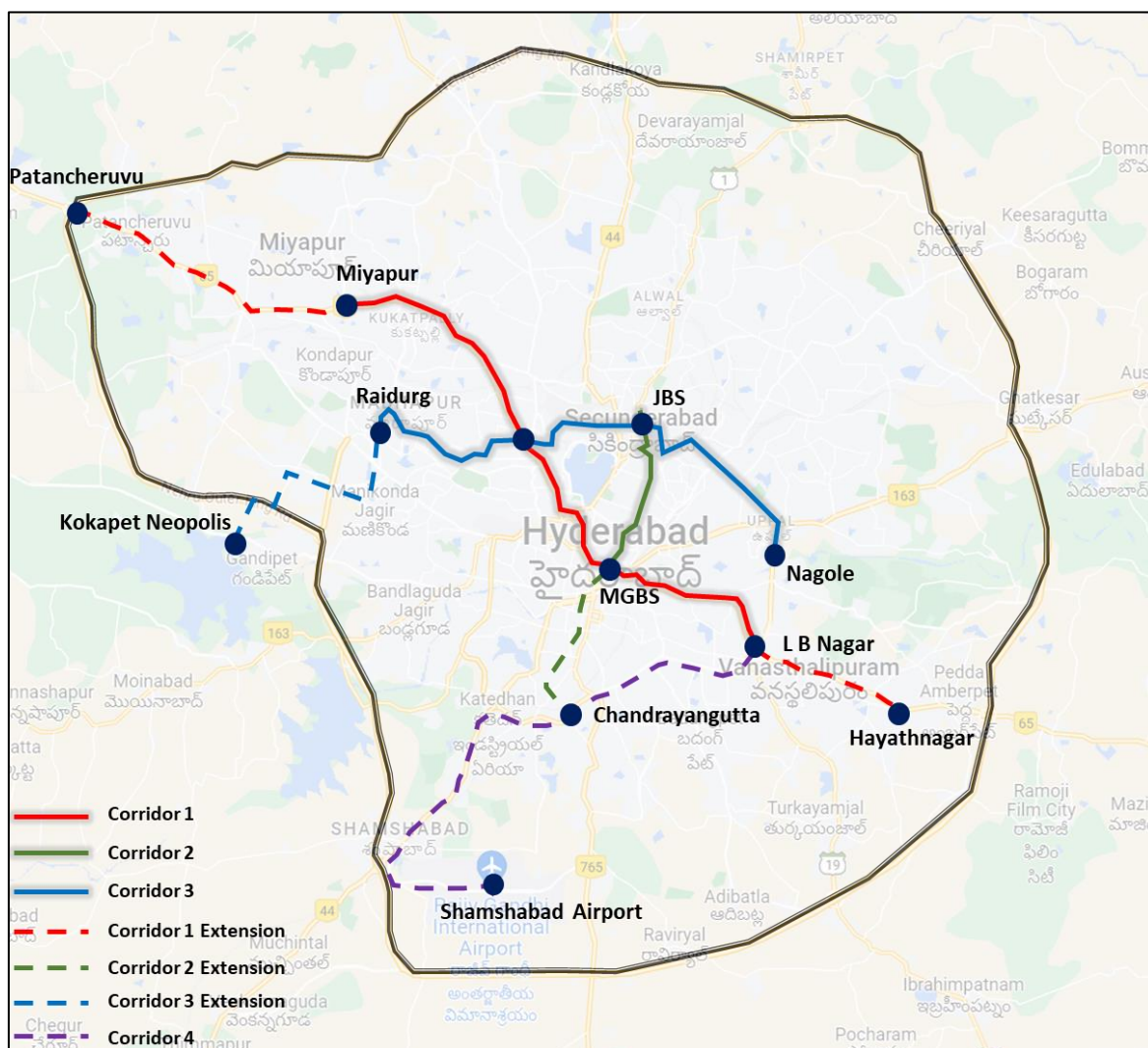


2.3 Existing and Upcoming Infrastructure – Madhapur

Madhapur enjoys excellent physical infrastructure with direct connectivity to the airport and connectivity with other parts of the city via the metro rail, MMTS rail network and road networks. Infrastructure projects in Madhapur includes, flyover at Kondapur to ease traffic congestion, thereby providing easier and faster access to other parts of the city.

Durgam Cheruvu cable bridge is the recent development in the micro market, providing easier access to Jubilee Hills and other CBD parts of the city by reducing the travel time. Apart from the Durgam Cheruvu Cable bride, the Multilevel Flyover at Mindspace Junction & Biodiversity Park on Old Mumbai highway improve connectivity of the micro market with other parts of the city by reducing the travel time. Further, the commencement of metro line from Nagole to Raidurg also eased the connectivity form longer distances.

Below map represents metro infrastructure:



Operational ———
Upcoming - - - - -

Map Not to Scale



Hyderabad Metro Rail Project – Madhapur

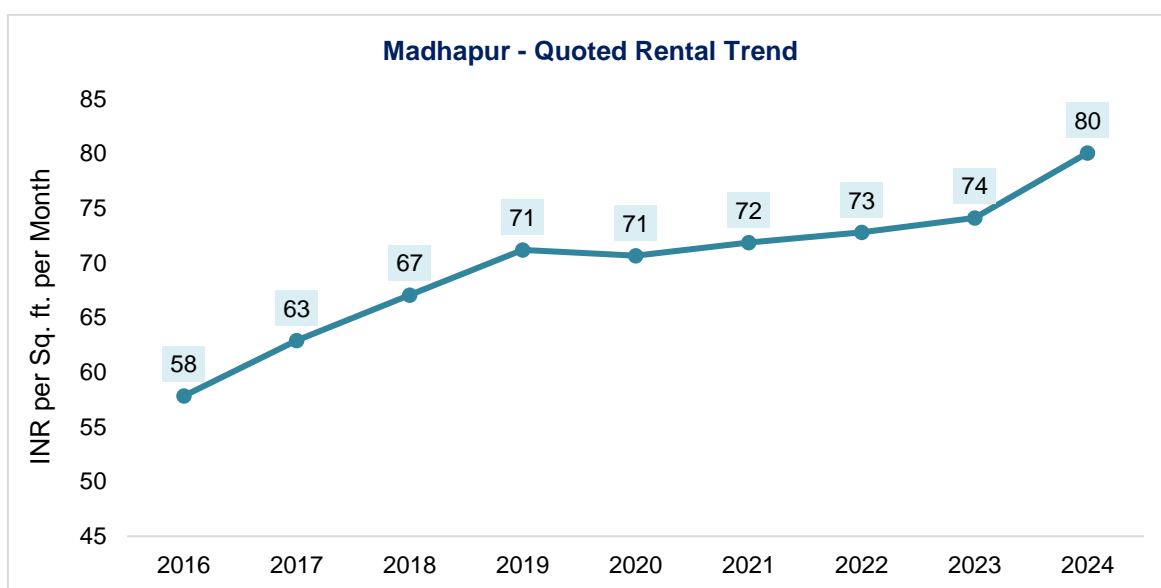
Particulars	Existing	Upcoming
Blue Line	Operational Since 2019 Raidurg – Nagole (27 Kms)	Raidurg – American Consulate (Financial District) (7.3 Kms)



2.4 Micro Market- Rental Trend Analysis

With positive commercial outlook and limited supply, continued expansion of existing tenants and entry of new tenants there has been a continued growth in the rentals in Madhapur in during 2016-2019. The current ongoing rentals are in the range of INR 75 psf / month to 85 psf / month. Due to robust fundamentals and superior infrastructure, Madhapur rentals outperformed the other micro markets in Hyderabad and grew at a CAGR of 4.1% during 2016 to 2024. Madhapur witnessed pre-Covid rental growth of 7.2 % from 2016 – 2019 and remained stable during the 2020 – 2022 (during Covid).

Madhapur office space dominated by IT/ ITeS tenants have shown growth in their business in last 2-3 years. Several Tier-1 IT/ITeS companies have increased their head count substantially in last 12-24 months which resulted in organic growth in space expansion of these tenants leading to moderate increase in rentals in last 2 years.



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 Madhapur are tabulated below-

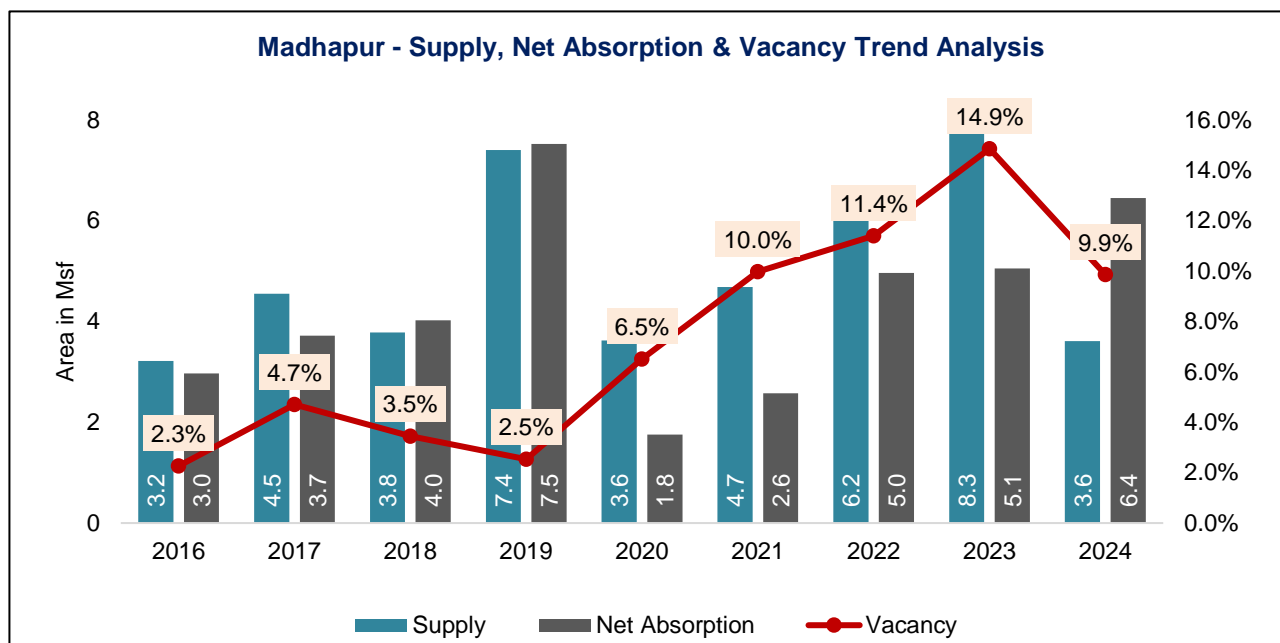
Tenant	Development	Location	Area Leased (Mn sq. ft.)	Date of Transaction	Rent (INR per sq. ft. per month)	Type of facility
Cigna Healthcare	Sattva Knowledge Park Tower 2	Madhapur	0.6	Q1 2024	76	Warm Shell
Amgen	The Spire Tower 110	Madhapur	0.3	Q3 2024	80	Warm Shell
Eli Lilly and Company	Phoenix Equinox Tower 1	Madhapur	0.3	Q4 2024	90	Warm Shell
24-7 Intouch	KRC Mindspace Building No. 16	Madhapur	0.2	Q3 2024	76	Warm Shell
Tablespace	KRC Mindspace Building No. 4	Madhapur	0.2	Q4 2024	80	Warm Shell
GE Vernova	Sattva Knowledge Park Tower 2	Madhapur	0.2	Q3 2024	79	Warm Shell
Zelis	RMZ Nexity Tower 20	Madhapur	0.1	Q4 2024	83	Warm Shell
WeWork	KRC Mindspace Building No. 9	Madhapur	0.1	Q3 2024	75	Warm Shell
Swiss Re	Sattva Knowledge Park Tower 2	Madhapur	0.1	Q2 2024	80	Warm Shell
BMS India - Bristol Myers Squibb	ITPH Block A	Madhapur	0.09	Q4 2024	80	Warm Shell
Alliant	The Skyview 10	Madhapur	0.09	Q3 2024	78	Warm Shell
Johnson & Johnson	RMZ Nexity Tower 20	Madhapur	0.08	Q4 2024	83	Warm Shell
ANSR	RMZ Nexity Tower 20	Madhapur	0.08	Q4 2024	84	Warm Shell
Redbrick	RMZ Nexity Tower 30	Madhapur	0.06	Q3 2024	80	Warm Shell
ViaPlus (By VINCI Highways)	KRC Mindspace Building No. 16	Madhapur	0.06	Q4 2024	85	Warm Shell
Vitafor	KRC Mindspace Building No. 16	Madhapur	0.05	Q4 2024	85	Warm Shell
Trimont	Phoenix Equinox Tower 1	Madhapur	0.05	Q4 2024	88	Warm Shell
Carrier Technologies	The Spire Tower 110	Madhapur	0.05	Q4 2024	84	Warm Shell
Concentrix	KRC Mindspace Building No. 4	Madhapur	0.04	Q4 2024	81	Warm Shell

Source: Cushman and Wakefield Research



2.5 Micro Market- Supply, Absorption & Vacancy

A snapshot of the supply, absorption and vacancy trend for Madhapur 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

Approximately 4.2 - 10.0 million sq. ft per annum of grade A office space that Hyderabad has absorbed historically from 2016 to 2024 (~ 6.45 million sq. ft. in 2024), Madhapur has accounted for approximately 3.0 - 7.5 million sq. ft of absorption per year for the same period accounting for 70.3% of the city’s absorption. Madhapur net absorption was ~ 6.45 million sq. ft. in 2024 compared to ~5.05 million sq. ft. in 2023 and vacancy levels stood at 9.9% as of 2024.



Some of the prominent operational commercial developments in Madhapur include:

Building Name	Developer/ Investor	Location	Year of Completion	Completed Gross Leasable area (Sq. Ft.)	Vacancy as on 2024 (Mn sq.ft)	Warm shell Quoted Rentals (INR per Sq. Ft. per month)	Main Occupiers
Mindspace Business Park REIT	K Raheja Corp	Madhapur	2004-2020	9.8	0.5	78-85	IBM, Wipro, AMD, LTIMindtree, HSBC, Qualcomm, Smart works, Table Space, High-Radius Corporation
Avance Business Hub	Ascendas Property Fund Trustee /Phoenix Group	Madhapur	2007-2023	5.0	1.3	70-80	Legato, Technip FMC, Mphasis, Open Text, Cognizant Technology Solutions, HCL, Cap Gemini, Value Labs, Amazon, IBM
DivyaSree Orion	DivyaSree Developers	Madhapur	2010-2021	6.0	0.9	70-80	IBM, Wells Fargo, Salesforce, Invesco, NTT Data, Kony, Mind Tree, Pulsus, Accenture
Salarpuria Sattva Knowledge City	Salarpuria Sattva	Madhapur	2015-2023	7.2	0.0	80-90	AT & T, Apple, Copart India Technology Center, Lloyds Bank ,HPP, CBRE,JP Morgan, Persistent Systems
The V IT Park	Ascendas Property Fund Trustee	Madhapur	2007-2022	2.6	0.04	70-80	UST Global , VXI Global solutions , Evoke Technologies , Cigniti, Ryan, Inside View, CtrlS
DivyaSree Omega	DivyaSree Developers	Madhapur	2009-2014	1.2	0.09	70-75	Google, Ivy Comptech, Synopsis
Cyber Gate Way	L&T Infocity	Madhapur	2003	0.8	0.2	60-70	iSpace, Inc., BSNL, Andhra Bank, L&T Construction, Algo leap, TEKsystems, Synergy
I-labs	Peepul Capital Advisors	Madhapur	2004-2010	0.6	0.1	70-75	E&Y, Wisemen, AMD, Paysafe, SIS, Nowfloats



Building Name	Developer/ Investor	Location	Year of Completion	Completed Gross Leasable area (Sq. Ft.)	Vacancy as on 2024 (Mn sq.ft)	Warm shell Quoted Rentals (INR per Sq. Ft. per month)	Main Occupiers
Cyber Pearl	Ascendas Property Fund Trustee	Madhapur	2004	0.5	0.1	70-75	UST Global , GE Haier ,Bank of Baroda, Nexilabs, Sitel, Meridium Services, Finisar, Clean Harbors, NTT Data,
Cyber Tech Park	Salarpuria Sattva	Madhapur	2013	0.5	0.0	70-75	Oracle
Cyber Tower	L&T Infocity	Madhapur	2000	0.5	0.1	50-60	Signant Health , BHEL-GE, Zenoti, Artech Info Systems

Source: Cushman and Wakefield Research



Some of the prominent under construction commercial developments in Madhapur are:

Building Name	Developer	Location	Year of Completion	Leasable Area (Million sq. ft.)	Construction Status
Aparna Technopolis-Block A	Aparna	Madhapur	2025	0.82	Under Construction
Phoenix Equinox T2	Phoenix Group	Raidurg	2025	1.32	Under Construction
Phoenix Equinox T2	Phoenix Group	Raidurg	2025	0.18	Under Construction
Phoenix H10 - Tower 3	Phoenix Avance Business Hub	Madhapur	2025	0.85	Under Construction
Phoenix H10 - Tower 2	Phoenix Avance Business Hub	Madhapur	2025	1.14	Under Construction
Aparna Technopolis-Block B	Aparna	Madhapur	2026	0.82	Under Construction
Phoenix 14 - Tower 1	Phoenix Group	Madhapur	2026	0.94	Under Construction
The Image Towers	Salarpuria	Madhapur	2027	2.30	Under Construction
Phoenix 14 - Tower 1A	Phoenix Group	Madhapur	2027	1.43	Under Construction

Source: Cushman and Wakefield Research



2.6 Key Statistics for Madhapur:

Particulars	Details
Total completed stock (2024)	Approximately 67.51 Million sq. ft.
Current occupied stock (2024)	Approximately 60.85 Million sq. ft.
Current Vacancy (2024)	Approximately 9.9%
Future Supply (2025 – 2027)	Approximately 9.79 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 Madhapur as of 2024 is approximately 67.51 million sq. ft. (approx. 60.3% of the city's total stock of commercial office stock). Current quoted market rentals in Madhapur are in the range of INR 75 - 85 per sq. ft./ month. Due to locational advantages, the developments in Madhapur tend to command higher rental rates. Further, over 2016 – 2024 the rentals in the micro market witness growth resulting in a CAGR of approximately 4.1% (better than city average). Madhapur has seen a new high in net absorption in 2019 since 2016. Madhapur has seen average annual net absorption of approximately 4.34 million sq. ft. between 2016 to 2024. Vacancy in this micro market has seen decrease from 14.9% in 2023 to 9.9% in 2024. Basis the lease rates and the capitalization rates prevailing in the micro market, the capital value of Grade - A office spaces is in the range of INR 10,000 to 13,000 per sq. ft. on leasable area.

The Subject Property is Commerzone Raidurg admeasuring ~1.82 msf of leasable area and the achievable rent in this park is in the range of INR 75 - 85 per sq. ft. per month. Looking ahead to the future, Madhapur is anticipated to experience an influx of new supply of approximately 9.79 million sq. ft. between 2025 to 2027. The annual net absorption projected in the upcoming 2 – 3 years is in the range of 3.5 msf to 4.0 msf. With the limited upcoming supply and higher net absorption, the vacancy level is expected to reduce in the upcoming 2 – 3 years. 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.



A PROPERTY REPORT



1. Address, ownership and title details of Subject property

Address:	Plot No: 16/A/1 and 16/A/2 in survey no:83/1 of Raidurg village, Serilingampally Mandal, Rangareddy District, Telangana
Related Party Transaction:	Proposed transaction is a related party transaction.
Current Ownership & title details:	Subject Property is a freehold property and 65.5% of the ownership in Commerzone Raidurg is owned by Sustain Properties Pvt Ltd as per the Joint Development Agreement.
Proposed Holding:	The unit under consideration is proposed to be held completely by MREIT Group (MREIT and its Asset SPVs) (subject to necessary approvals including but not limited to board approvals, due diligence and commercial negotiations)

Source: Client Information

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 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 Pre-Emption Rights

In case REIT acquires the entity under the ROFO arrangement and intends to sell the property in the future or if the REIT ROFO rights fall off, the Lessee, Qualcomm, has a onetime right of first refusal in case the lessor or REIT intends to sell or transfer the ownership.

1.3 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.

1.4 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.

1.5 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 as it is a new building.



2 Location

2.1 General

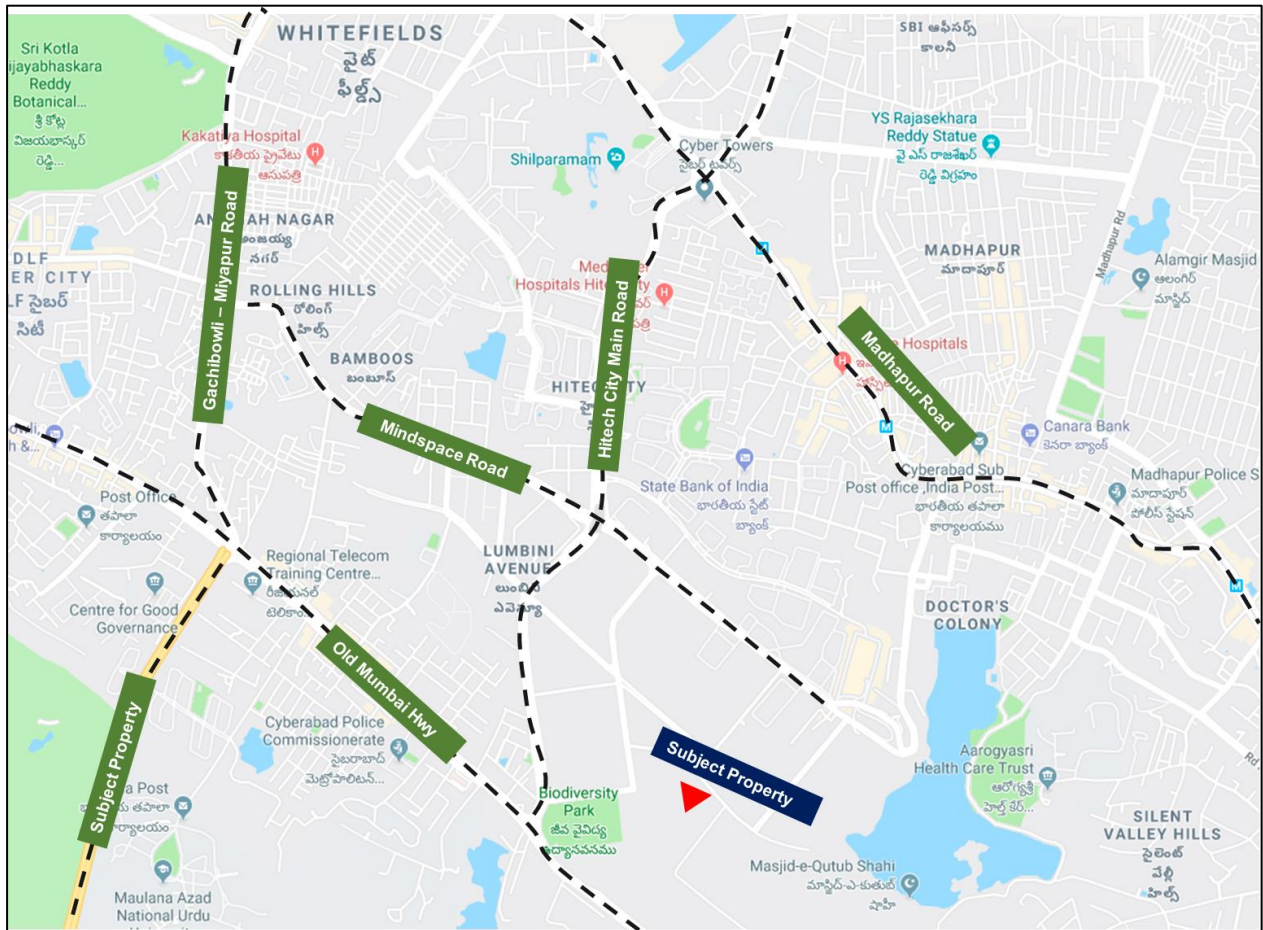
The subject property is an IT SEZ building known as Commerzone Raidurg located in Knowledge City, Madhapur, Hyderabad. Hyderabad Knowledge city spread over approximately 440 acres of land is known for existing and upcoming commercial, IT/ITeS, residential and retail developments. It enjoys good accessibility and connectivity with other parts of the city. The subject property is accessible by 80 ft. wide Kohenur road and 100 ft. wide Commerzone road.

Commercial IT/ITeS developments: Ascendas V Park, Salarpuria Knowledge City (P1), Raheja Mindspace, TCS Deccan Park, Cyber Pearl, Cyber Gateway, Cyber Towers, Meenakshi Tech Park, Phoenix aVance Hub, Aurobindo Galaxy, RMZ Skyview, My Home Twitza and Dallas Centre

Residential developments: My Home Abhra, NCC Urban Gardenia and My Home Bhooja

Retail, Hospitality & other developments: Inorbit mall, ITC Kohenur, The Westin, Lemon Tree, Trident, Shilparamam and Shilpa kala vedika.

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



▲ Subject Property

Map Not to Scale



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 0.5-1 kms from Raidurg Metro Station
- Approximately 5-6 kms from Hitech City MMTS Railway Station
- Approximately 20-21 kms from Secunderabad Railway Station
- Approximately 34-35 kms from Rajiv Gandhi International Airport

The Subject Property is well accessible from all locations of Hyderabad and Hyderabad Metro Rail. 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. Hyderabad where the Subject Property is located falls in Seismic Zone II with moderate 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. The subject property is a LEED certified building.

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

Commerzone Raidurg is constructed on land measuring 9.07 acres situated at Plot No.: 16/A/1 and 16/A/2 in Survey No.:83/1 of Raidurg village, Serilingampally Mandal, Rangareddy district, Telangana.

Commerzone Raidurg is a completed IT/ITeS office space development spread over total land extent of 9.07 acres. It is developed under Joint Development Agreement between the client (Sustain Properties Pvt Ltd) and Landlord.

The total leasable area of developer's share is 1,822,433 sq.ft. and is 100% occupied. Commerzone Raidurg building configuration include 2 basements + 2 Stilt floors + Ground Floor + 20 office floors. During the site visit we have noticed that the subject property of the developer share (Client) is leased to Qualcomm from 1st to 20th floor and the floors 1- 17 are in operational use. Qualcomm has committed floors 18-20 and rent for these floors shall commence from 1st March 2025.

The area details of the subject property are as follows:

Particulars	Unit	
Joint Development Ratio (Landlord: Developer)	%	34.5% : 65.5% of Built-up Area
Landlord's Share	Sq.ft.	982,428
Developer's Share	Sq.ft.	1,822,433
Configuration		2B + 2 Stilt + GF + 20 Office Floors

3.1 Key Asset Information

Particulars	Details
Grade A Tech Park:	Commerzone Raidurg, Madhapur, Hyderabad
Entity:	Sustain Properties Private Limited
Interest owned by the entity (%):	Subject property is a freehold property and 65.5% of the ownership in Commerzone Raidurg is with Sustain Properties Pvt. Ltd.
Construction completion date:	2023 & OC is received as on date of valuation.
Asset type:	IT/ITeS SEZ
Approved Usage:	Commercial Office-SEZ
Leasable Area:	1.82 million sq. ft. (Developer Share)
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 is a commercial space known as Commerzone Raidurg located at Madhapur, Hyderabad admeasuring a total leasable area of approximately 1,822,433 sq. ft. The Subject Property is 100% committed as on the date of inspection.

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 report prepared by Cushman and Wakefield who were appointed by the Client to undertake market research and portfolio analysis of the properties proposed to be part of the Mindspace REIT.

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

- a. Title certificates prepared by the legal counsel of the Client covering the type of ownership interest enjoyed and information on ongoing litigation with respect to the Subject property.
- b. Architect's certificates mentioning site areas and property areas.

- c. Relevant approval documents from competent authorities regarding occupancy, operations and fire safety with respect to specific buildings in the subject property
- d. Management representation regarding the following:
 - i. Statement of Assets
 - ii. Capex Details (There is a balance payments of 221 million related to capital expenditure)

3.4 Tenant Profile

As of 31st December 2024, the tenant profile of the subject property is:

Building	Floor	Tenant	Leasable Area (in Sq.ft.)
Commerzone Raidurg	1 st Floor to 20 th Floor	Qualcomm	1,815,635
	Stilt Floor	Total Environment Hospitality Private Limited (Windmills)	6,798
	Total		1,822,433

3.5 Lease Expiry Profile

The lease expiry profile for the subject property is as following:

Building	Floor	Tenant	Lease Tenure	Balance Lease Tenure
Commerzone Raidurg	1 st Floor to 8 th Floor	Qualcomm	15 Years	12 Years
	9 th Floor to 14 th Floor	Qualcomm	15 Years	12 Years
	15 th Floor to 17 th Floor	Qualcomm	14 Years	12 Years
	18 th Floor to 20 th Floor	Qualcomm	12 Years	12 Years
	Stilt Floor	Total Environment Hospitality Private Limited (Windmills)	5 Years	4.4 Years



C 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 capitalization) 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 2024.

Cashflow Period	Unit	Details
Valuation Date		31-Dec-24
Cashflow period	Years	10
Cashflow exit period	End date	31-Dec-34

2.1 Valuation

Property details

Property Details	Unit	Details
Land Area	acres	9.07
Undivided share of Land	%	65.50%
Total Property Leasable Area-developer	sq.ft.	1,822,433
Area Leased-Developer	sq.ft.	1,822,433
Leased	%	100.00%
Vacant Area	Sft	-
Vacancy	%	0.0%
Stabilized Vacancy	%	2.0%
Further leasing	Sft	-
Existing Lease rollovers	%	98.0%
Rent Free Period-Existing Lease Roll Overs	Months	2.0
Rent Free Period- New Lease	Months	3.0
Total 4W parking slots	Number	3,180
Estimated leasing period for vacant space	No. of quarter	6.0

- The property was a major anchor deal transacted during Covid and was under rented at INR 60 /sq.ft./month and has strong rental reversion on expiry of lease as market rentals are higher than in-place rents.
- **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.
- **Future Absorption:** Since the subject property is 100% leased and the vacancy is below the stabilized vacancy of 2%, there is no available space for further absorption.

Revenue Assumptions

Revenue Assumptions	Unit	Details
Market Rent - Office	Per sq.ft./month	INR 80.00
Market 4 W Parking Rent	Per slot/month	INR 2,000
Market Rent growth rate	% p.a.	5.00%
Parking Parking income growth rate	% p.a.	5.00%
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%
CAM/O&M Income prevailing in the market	Per sq.ft./month	INR 13.98
Income Support	Million	INR 156

- **Market Office:** Over last 6 months, the average rentals in Madhapur have been in the range of INR 75 - 85 per sq. ft. per month. Considering the location, accessibility, quality, size of the building, and keeping in view of the future supply expected in Madhapur, we have considered the achievable market rental of INR 80 per sq. ft. per month for the subject property.

Following is the list of major commercial lease transactions in the last 9 months:

Tenant	Development	Location	Area Leased (Mn sq. ft.)	Date of Transaction	Rent (INR per sq. ft. per month)	Type of facility
Cigna Healthcare	Sattva Knowledge Park Tower 2	Madhapur	0.6	Q1 2024	76	Warm Shell
Amgen	The Spire Tower 110	Madhapur	0.3	Q3 2024	80	Warm Shell
24-7 Intouch	KRC Mindspace Building No. 16	Madhapur	0.2	Q3 2024	76	Warmshell
Tablespace	KRC Mindspace Building No. 4	Madhapur	0.2	Q4 2024	80	Warm Shell
GE Vernova	Sattva Knowledge Park Tower 2	Madhapur	0.2	Q3 2024	79	Warm Shell
WeWork	KRC Mindspace Building No. 9	Madhapur	0.1	Q3 2024	75	Warm Shell
Zelis	RMZ Nexity Tower 20	Madhapur	0.1	Q4 2024	83	Warm Shell
Swiss Re	Sattva Knowledge Park Tower 2	Madhapur	0.1	Q2 2024	80	Warm Shell
BMS India - Bristol Myers Squibb	ITPH Block A	Madhapur	0.09	Q4 2024	80	Warm Shell
Johnson & Johnson	RMZ Nexity Tower 20	Madhapur	0.08	Q4 2024	83	Warm Shell
ANSR	RMZ Nexity Tower 20	Madhapur	0.08	Q4 2024	84	Warm Shell
Redbrick	RMZ Nexity Tower 30	Madhapur	0.06	Q3 2024	80	Warm Shell
Carrier Technologies	The Spire Tower 110	Madhapur	0.05	Q4 2024	84	Warm Shell
Concentrix	KRC Mindspace Building No. 4	Madhapur	0.04	Q4 2024	81	Warm Shell

- Market rent growth rate:** Considering the historical rental growth rate, current vacancy in the micro market, larger upcoming supply, and current return to office trends, we have considered annual rental growth rate of 5%.
- Income Support:** As per the information provided by the client and based on the review of the draft rental support agreement, the selling shareholders of Sustain Properties Pvt. Ltd. will provide rental support of INR 9 /sq.ft./month till the next escalation date of 1st January 2026 when the rental as per contract becomes INR 69 per sq.ft. per month. This is the difference between current rent of INR 60/sq.ft./month and escalated rent of Rs. 69/sq.ft./month. Further, the selling shareholders will provide rental support in case of any delay in rent commencement of floors 18 – 20 from 1st March 2025. The income support for this period is INR 156 Million.

Operating Cost Assumptions

Cost Assumptions	Unit	Details
Brokerage cost (New Lease)		2 Month Rent
Brokerage cost (Renewal/Release)		1 Month Rent
Current CAM/ O&M cost	Per sq.ft./month	INR 9.55
Property Tax	Per sq.ft./month	INR 1.70
Insurance	Per sq.ft./month	INR 0.30
CAM Escalation	% p.a.	5%
Cost escalation	% p.a.	3%
Transaction cost on sale	% of Terminal Value	1%
Property Management Fees	% of Operating Income	3.5%
Overheads	INR Million/Year	3.00

- **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
- **CAM Margin:** As per the information provided by client, we have considered the CAM margin of INR 4.42/Sft/Month for developer and landlord portion and thereafter escalated at the assumed inflation rate. The CAM margin provided by the Client is as per the market benchmarks. The escalation is effective from April 1st of every year.
- **Property Tax and Insurance** have been considered based on the receipts provided by the Client and projected to increase at 3% per annum.
- Based on information provided by the client, **Property Management fees** have been assumed at 3.5% of lease rentals, parking income, and other operating income.
- Based on information received from the Client, Overheads are considered as INR 3 million for FY 2023 - 24 with annual escalation of 5% thereafter
- **Transaction cost** has been assumed at 1% of the terminal value and is expected to be incurred towards brokerage, transaction fees, etc.
- **Capex** As per the information provided by the client, we have considered the balance cost to be incurred estimated at INR 221 Million.

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.

Subject property is a built to suit kind of a building and is leased to a single tenant for significantly long period of 15 years. The subject property is leased during Covid and hence, under rented at INR 60/sq.ft./month. Tenant is investing capital on tenant improvements keeping the longer lease term in view. Further the expiry of the current lease is beyond the generally assumed holding period 10 years, and the in-place rents at the end of 10 years is significantly lower (approximately 27%) than the expected market rent at that point of time. Hence keeping all the above factors in consideration, 11th year rentals are marked to market and the cap rate of 8% is applied on NOI based on expected achievable market rent on 11th year. The terminal value is adjusted for difference in effective rent and achievable rent of the property.

Name of Seller	Name of Buyer	City	Name of Building	Type of Building	Year of Transaction	Area (Sq.ft)	Deal Size (INR Mn)	Cap Rate
Shapoorji Pallongji-Allianz	Govt of Singapore Investment Corporation	Hyderabad	Waverock	Commercial	2024	23,00,000	2,200	~8%
Aurean	Microchip	Hyderabad	One Golden Mile	Commercial	2022	170,000	1,445	~8%
Prestige Estates	CPPIB*	Bangalore	Prestige RMZ Star Tech	Commercial	2022	13,70,000	18,800	7.6%-7.8%
Brookfield	Brookfield India REIT	Pan India	Brookfield Buildings	Commercial	2021	1,40,00,000	Public Listing	~8%
K Raheja Corp	MindSpace REIT	Pan India	MindSpace	Commercial	2020	3,10,00,000	Public Listing	~8%
Embassy Sponsor Group	Embassy Office Parks REIT	Bangalore	Embassy Tech Village	Commercial	2020	91,00,000	97,984	~8%
Hines	DCCDL-GIC	Gurugram	One Horizon Centre	Commercial	2020	4,21,134	10,101	~8%
Radius Developers	Blackstone	Mumbai	One BKC	Commercial	2019	7,00,000	25,000	~8-8.25%
Essar Group	Brookfield Asset Management	Mumbai	Equinox Business Park	Commercial	2018	12,50,000	24,500	~8.25%
India Bulls Real Estate	Blackstone	Chennai	One India Bulls	Commercial	2018	18,80,000	9,000	8.33%
JV of Shapoorji and CPPIB	Mapletree	Chennai	SP Infocity	Commercial	2018	27,00,000	24,000	~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 MREIT Group (MREIT and its Asset SPVs) 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.

We understand from the Client, that Sustain Properties Pvt. Ltd. has the right to manage the facility maintenance of both its own leased area and landlord area in the project totaling to 2.8 million sq.ft. and this shall be done through the facility management division housed in one of the SPVs of the REIT post the proposed acquisition. Hence, the facility management business revenues and expenses are considered for both subject property of 1.82 million sq.ft. and the landlord share of 0.98 million sq.ft.

For the purpose of arriving at terminal year income multiple, Indian and International comparable companies listed on various stock exchanges were studied. It was observed that International companies with primary business of facility/property management trade at 10 - 13 times EV/EBITDA multiple. However, there are very limited comparable facility management listed companies. SIS India which is recently listed in Indian stock exchange in India offers facility management services in India including security services, cash logistic etc. Given the fact that facility/property management business is limited to the Subject Properties only with ownership interest of MindSpace REIT, we have considered the EV/EBITDA multiple of 13x to compute the exit value at stabilized year ending September 203

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 31st December 2024 is as follows:

MARKET VALUE OF THE SUBJECT PROPERTY			
Particulars	Leasable Area (sq.ft.)	Market Value (INR Million)	Total Market Value (INR Million)
Commerzone Raidurg	1,822,433	21,192	22,104
¹ Facilities Management Services to the Subject Property	2,804,861	912	

¹Includes value of Facility Management Business for both Developer and landlord share.

The Market Value is inclusive of the rental support considered based on the information provided by the client.

Ready Reckoner Value of the Subject Property:

PARTICULARS	
Ready Reckoner Rate (INR/sq.ft.)	INR 4,500 /sq.ft.
Ready Reckoner Value (INR Million)	INR 12,426 Million

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



D ANNEXURES



Annexure 1: Cash Flows

Annual		1	2	3	4	5	6	7	8	9	10	11
Particulars	Unit	1-Jan-25 30-Jun-25	1-Jul-25 30-Jun-26	1-Jul-26 30-Jun-27	1-Jul-27 30-Jun-28	1-Jul-28 30-Jun-29	1-Jul-29 30-Jun-30	1-Jul-30 30-Jun-31	1-Jul-31 30-Jun-32	1-Jul-32 30-Jun-33	1-Jul-33 30-Jun-34	1-Jul-34 31-Dec-34
OPERATING INCOME												
Lease Rentals	INR Million	627.7	1,412.9	1,510.9	1,511.4	1,623.2	1,736.7	1,737.1	1,867.1	1,997.2	1,997.6	998.9
Parking Income	INR Million	-	-	-	-	-	-	-	-	-	-	-
O&M income	INR Million	227.1	485.2	506.0	525.5	547.8	575.0	597.6	623.4	654.8	681.0	350.6
Other Income (Kiosk and Conference)	INR Million	-	-	-	-	-	-	-	-	-	-	-
Cafeteria Income	INR Million	-	-	-	-	-	-	-	-	-	-	-
Total Income	INR Million	854.8	1,898.1	2,016.9	2,036.9	2,171.0	2,311.7	2,334.7	2,490.6	2,652.0	2,678.6	1,349.6
Total Income from occupancy	INR Million	854.8	1,898.1	2,016.9	2,036.9	2,171.0	2,311.7	2,334.7	2,490.6	2,652.0	2,678.6	1,349.6
OPERATING COSTS												
O&M cost	INR Million	(166.1)	(345.4)	(358.9)	(376.8)	(395.6)	(415.4)	(436.2)	(458.0)	(480.9)	(505.0)	(261.8)
Insurance Cost	INR Million	(3.4)	(7.0)	(7.2)	(7.4)	(7.7)	(7.9)	(8.1)	(8.4)	(8.6)	(8.9)	(4.5)
Property Taxes	INR Million	(19.4)	(39.7)	(40.9)	(42.2)	(43.4)	(44.7)	(46.1)	(47.4)	(48.9)	(50.3)	(25.7)
Total Operating Costs	INR Million	(188.9)	(392.2)	(407.0)	(426.4)	(446.7)	(468.0)	(490.4)	(513.8)	(538.4)	(564.2)	(292.1)
Net operating Income	INR Million	665.9	1,506.0	1,609.9	1,610.5	1,724.3	1,843.7	1,844.3	1,976.7	2,113.6	2,114.4	1,057.5
Terminal Value	INR Million	-	-	-	-	-	-	-	-	-	-	37,184.1
Transaction Cost	INR Million	-	-	-	-	-	-	-	-	-	-	(348.3)
Fit Out Income	INR Million	-	-	-	-	-	-	-	-	-	-	-
Total Net income	INR Million	665.9	1,506.0	1,609.9	1,610.5	1,724.3	1,843.7	1,844.3	1,976.7	2,113.6	2,114.4	37,893.3
Property Mangement Fees	INR Million	(22.0)	(49.5)	(52.9)	(52.9)	(56.8)	(60.8)	(60.8)	(65.3)	(69.9)	(69.9)	(35.0)
Other Operating Expenses (R&M, Legal, Professional, Bad Debts and Rates and Taxes)	INR Million	-	-	-	-	-	-	-	-	-	-	-
Brokerage Expenses	INR Million	(43.8)	-	-	-	(0.6)	-	-	-	-	-	-
Overheads	INR Million	(1.5)	(3.1)	(3.2)	(3.3)	(3.4)	(3.5)	(3.6)	(3.7)	(3.8)	(3.9)	(2.0)
Net Cashflows- Before Construction	INR Million	598.6	1,453.4	1,553.8	1,554.3	1,663.4	1,779.4	1,779.9	1,907.7	2,039.9	2,040.5	37,856.3
Construction Cost	INR Million	(160.0)	(61.1)	-	-	-	-	-	-	-	-	-
Income Support	INR Million	57.5	98.0	-	-	-	-	-	-	-	-	-
Net Cashflows	INR Million	496	1,490	1,554	1,554	1,663	1,779	1,780	1,908	2,040	2,041	37,856
Property Value												
NPV INR Million		21,192										
INR/ sq.ft. of Saleable Area		11,628										

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

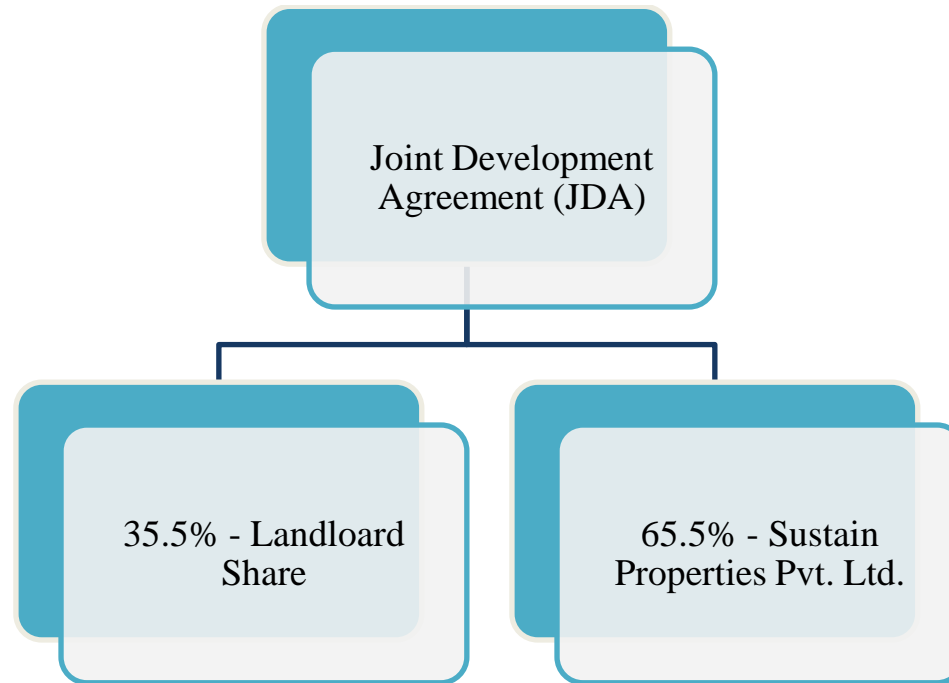
Note: The estimated NOI post stabilization including facility management business & income support for FY26 is INR 1,669 Million.


Annexure 2: Cashflows of Facilities Management Services to the Subject Property

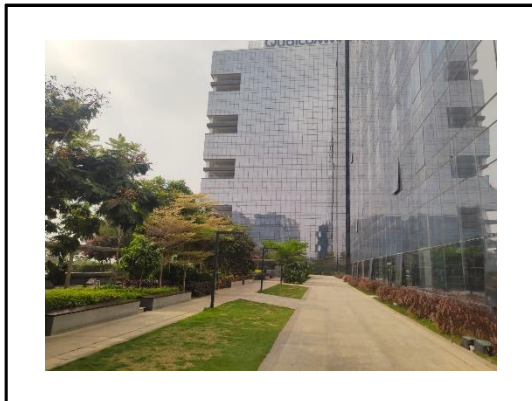
Annual	Units	1	2	3	4	5	6	7	8	9	10	11
Particulars		1-Jan-25	1-Jan-26	1-Jan-27	1-Jan-28	1-Jan-29	1-Jan-30	1-Jan-31	1-Jan-32	1-Jan-33	1-Jan-34	1-Jan-35
		31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29	31-Dec-30	31-Dec-31	31-Dec-32	31-Dec-33	31-Dec-34	31-Dec-35
CAM Income	INR Million	172.0	179.4	188.0	197.4	207.3	217.7	228.6	240.0	252.0	264.6	277.8
CAM Cost	INR Million	105.7	110.2	115.4	121.2	127.2	133.6	140.3	147.3	154.6	162.4	170.5
CAM Margin (EBITDA)	INR Million	66.27	69.28	72.64	76.27	80.09	84.09	88.30	92.71	97.35	102.22	107.33
EBITDA Multiple	13											
Terminal Value	INR Million										1,395.24	
Total Cashflow	INR Million	66.3	69.3	72.6	76.3	80.1	84.1	88.3	92.7	97.3	1,497.5	
Total Value	INR Million	912										



Annexure 3: Ownership Structure



Annexure 4: Property Photographs



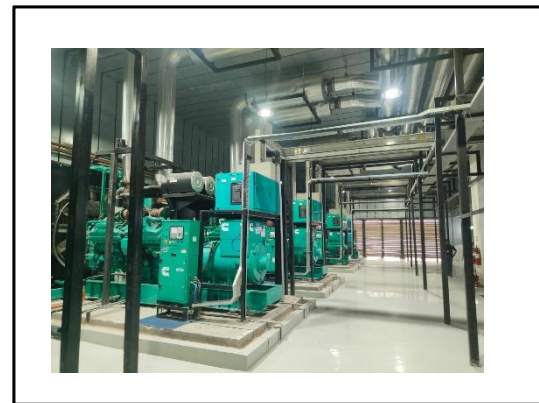
View of Subject Property



View of Subject Property



View of Subject Property



View of the Utilities of Subject Property



View of the Utilities of Subject Property



View of Subject Property

Annexure 5: Statement of assets used for operations

Asset Name	Make	Model	Capacity
Transformer	SGB	Dry Type	5 X 2000 KVA 5 X 3150 KVA
Diesel Generator	Cummins	QSK-60-G8	Internal: 10 X 2250 KVA External: 3 X 2250 KVA
Solar	Growatt	Max 100-125KTL3-XLV	180 KW
Water Curtain Pump	LHP	TEFC	1 X 45 KW
Hydrant Main pump	LHP	TEFC	1 X 110 KW
Sprinkler Main pump	LHP	TEFC	1 X 110 KW
Sprinkler Jockey Pump	KSB PUMPS	TEFC	1 X 5.5 KW 1 X 7.5 KW
Hydrant Jockey Pump	KSB PUMPS	TEFC	1 X 5.5 KW 1 X 7.5 KW
Jump Elevator	Mitsubishi Elevator		4 X 1350 KG
Passenger Elevator	Mitsubishi Elevator		24 X 1600 KG
Service Elevator	Mitsubishi Elevator		2 X 1350 KG
Service Elevator	Toshiba		1 X 1564 KG
Water Cooled Chiller	TRANE	CVHG780	5 X 750 TR
Air Cooled Chiller	TRANE	RTAG440H	4 X 375 TR
Cooling Tower	Bell & Gosset	BCTI-180XE	5 X 750 TR
AHU	Zeco Aircon	ZDS-160	1 X 40 TR
AHU	Edgetech Air Systems Pvt.Ltd	ETU-260HNTB25	2 X 62.5 TR
AHU	STULZ	E2450	97 X 44 TR
WTP	Grundfoss	CR-45-6-2-AFAE-HQQE	3 X 22 KW
STP	Grundfoss	B96342183P21930	2 X 30 KW



Annexure 6: List of sanctions and approvals

Approvals Received (includes onetime approvals and periodic approvals)

1. Commencement Certificate
2. Occupancy Certificate
3. Consent to Operate
4. CFO Certificate
5. Fire NOC
6. Environmental Clearance

Approvals Pending: None



Annexure 7: Guideline Value

Toll Free No for Enquiries : 1800 599 4788

REGISTRATION & STAMPS DEPARTMENT
Government of Telangana

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S.No.	Ward-Block	Locality	Ground Floor (Rs. per Sq.Ft)	First Floor (Rs. per Sq.Ft)	Other Floors (Rs. per Sq.Ft)	Classification	Effective Date (dd/mm/yyyy)	Door No. Wise Details - Rates
5.	0 - 5	COMMERCIAL PROPERTIES IN RAIDURG PANMAKTHA RE	4,500	4,500	4,500	02(Commercial)	01/02/2022	Get
6.	0 - 6	COMMERCIAL PROPERTIES IN RAIDURG PANMAKTHA RE	4,500	4,500	4,500	02(Commercial)	01/02/2022	Get



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 **Mindspace Business Parks REIT (acting through its Manager, K Raheja Corp Investment Managers Private Limited)** (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.