

SHORT REPORT

FAIR VALUE ASSESSMENT AS OF 31-12-2021

OF A LAND PLOT UNDER DEVELOPMENT IN PIRAEUS

Prot. No.: PEF-988

To:

3V S.A.

Mr. Manolis Lemonakis
115 Neratziotissis str.
Maroussi, 15124

8th of April 2022



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We assume, for the purposes of this valuation report, that all information provided, are accurate and complete and thus we have not proceeded to any verification. In the case of submission of supplementary / additional information, we reserve the right to amend the derived values.

The resulting values are applicable for the critical date of the valuation report according to the agreed Basis of Valuation.

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Considering the current economic conditions in Greece, the valuation report follows VPGA 10 of the Red Book «RICS Valuation - Global Standards 2020» regarding Valuation Certainty.


The assumptions made in this valuation report in order to express our opinion of the Value of the subject properties, are considered appropriate in light of the circumstances and by no means is it possible to validate the accuracy and completeness of the assumptions, judgments and estimates undertaken thereof.

This report bears a specific critical date. There is no responsibility to validate and update the report prepared by Pepper Hellas without the proper instruction to do so from the Client.



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Executive Summary

Instructor:	3V S.A.
Valuer:	Pepper Hellas Asset Management SA
Subject of Valuation:	Land plot under development
Property' s Address:	Davaki Pindou and Katsoulakou streets, in the area of Neo Faliro, in the Municipality of Piraeus, Regional Unit of Piraeus, Region of Attica.
	<p><i>General photo of subject property:</i></p> 
Purpose of Valuation:	The Valuation is prepared for IFRS purposes.
Basis of Valuation:	<p>The basis of valuation is the Fair Value according to the European Valuation Standard (EVS 2) and the Valuation Practice Statement (VPS 4) par. 7 of the RICS Valuation – Global Standards 2020.</p> <p>The definitions of the bases of our valuation according to the current standards are stated in Appendix 1 of this report.</p>
Premise of Value:	The premise of value is the highest and best use according to IVS 104, par. 140
Currency:	EUR (€)
Critical Date of Valuation:	31/12/2021
Date of Report:	8/4/2022

Total Values:

Value	€
Fair Value (as is)	€ 17,445,000.00 (Seventeen million four hundred and forty-five thousand Euros)
Gross Development Value (GDV) *	€ 123,757,000.00 (One hundred twenty-three million seven hundred and fifty-seven thousand Euros)
Target IRR (%)	12,75%

* “The aggregate market value of the proposed development assessed on the special assumption that the development is complete on the date of valuation, in the market conditions prevailing on that date. Where an income capitalization approach is used to estimate the GDV, normal assumptions should be made within the market sector concerning the treatment of purchaser’s costs. The GDV should represent the expected contract price.” (Valuation of development property, 1st edition, October 2019, RICS professional standards and guidance, global, p.4)

1. Instruction

Further to your instruction with Prot. No. **SAO-1442** dated the **17/12/2021**, we have proceeded to the determination of the Fair Value of a land plot development, which is located at the corner of Davaki Pindou and N. Katsoulakou streets, Building Block 53, in the adjacent area of G. Karaiskakis Stadium, in the area of Neo Faliro, Municipality of Piraeus, Regional Unit of Piraeus, Region of Attica.

This report is held under the standards imposed by the Royal Institution of Chartered Surveyors (The Royal Institution of Chartered Surveyors – *RICS Valuation – Global Standards 2020*), the European Valuation Standards of TEGoVA (The European Group of Valuers' Associations – *EVS 2020, 9th Edition*) and the IVSC (International Valuation Standards Council, 2020). The above-mentioned valuation standards are also adopted for the application of the International Financial Reporting Standards (IFRS).

The report is carried out by the strict supervision of qualified professional valuers of adequate expertise and experience according to PS 1 and PS 2 of RICS Valuation – Global Standards 2020. The certifications of our valuers are either from The Royal Institution of Chartered Surveyors (MRICS, FRICS) (www.rics.org), or from The European Group of Valuers' Associations (REV scheme) (www.tegova.org) certification body in Greece PEOPLECERT (www.peoplecert.org).

Pepper Hellas Asset Management SA fulfills all legal requirements for offering valuation services and it is a company listed at the Certified Valuers Registry of the Greek Ministry of Finance, according to the provisions of paragraph C of Law 4152/2013 (ΦΕΚ/Α'107).

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, has and continues to impact many aspects of daily life and the global economy –with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel, movement and operational restrictions have been implemented by many countries. In some cases, "lockdowns" have been applied to varying degrees and to reflect further "waves" of COVID-19; although these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact. The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally.

According to the RICS Valuation Practice Alert–Coronavirus dated the 6th of November 2020, our valuation is therefore reported as being subject to 'material valuation uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation–Global Standards. Consequently, in respect of these valuations less certainty –and a higher degree of caution –should be attached to our valuation than would normally be the case. For the avoidance of doubt this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19, we highlight the importance of the valuation date. Considering the methodologies applied, where valuing using the income approach or otherwise with reference to income, the RICS global Valuation Practice Alert of 6 November states that: 'Where a valuation refers to rental or other income, a considered assessment of that income in light of COVID-19 and, where relevant, its aftermath may be required. Valuers are advised to make sure they are acting upon the latest and most accurate information in respect of rental and other income, where this is relevant. The valuer may need to reflect upon structural and behavioural effects on markets either caused or heightened by COVID-19.'

The basis of our valuation and the general assumptions are stated in **Appendix 1** of this report.

2. Introduction

The purpose of this report is the determination of the Fair Value of a land plot development, which is located at the corner of Davaki Pindou and N. Katsoulakou streets, Building Block 53, in the adjacent area of G. Karaiskakis Stadium, in the area of Neo Faliro, Municipality of Piraeus, Regional Unit of Piraeus, Region of Attica.

Date of inspection:

3/12/2021

Data provided:

- Topographic plan of land plot of total area 7,303sqm
- Topographic plan of land plot of total area 18,673,79sqm signed by the Political Engineer Michail Athanasopoulos, dated 23/10/2021, scaled at 1:500
- Floor plans of office building to be developed at land plot 7,303sqm
Building areas drafted by the Client
- Business plan updated 15/07/2021
- Presentation of the development including blueprints and floor areas by Stylianidis Architects

3. Location

Address:

The property in question occupies part of building block 53 and is located at Davaki Pindou and Katsoulakou streets, in the area of Neo Faliro, in the Municipality of Piraeus, Regional Unit of Piraeus, Region of Attica. The subject land plot is adjacent to G. Karaiskakis Stadium.

GIS Coordinates:

Latitude: 37.953018,

Longitude: 23.645582 (*according to Google maps*)

Location:

Municipality of Piraeus: The city of Piraeus is located about 9 km southwest of Athens. The Municipality of Piraeus covers an area of 10.9km² and is the fifth most populous municipality in the country with 163,688 residents according to the most recent census of 2011. The administrative center is located on Korai Square, bounded by Vas. Georgiou and Polytechniou Avenues, as well as the pedestrian segment of Karaiskou Dragatsi road.

Piraeus is a major centre for Greek and international shipping, and bi-annually acts as the focus for a major shipping convention, known as Posidonia, which attracts maritime industry professionals from all over the world. Today, it is one of the largest ports in Europe, and the annual number of 19 million passengers make it the third largest worldwide in terms of passenger transportation. It is currently the third busiest port of Mediterranean Sea, in terms of tons of transported goods. The main port serves ferry routes to almost every island in the eastern part of Greece, the island of Crete, the Cyclades, the Dodecanese, and much of the northern and the eastern Aegean Sea. The western part of the port is used for cargo services. The commercial uses are mainly determined by the proximity to the Central Port of Piraeus e.g. retail shop with ships' spare parts, engineering workshops, shipping agencies and offices

Property in a good location

Immediate accessibility to all town's facilities

Close to close to the coast line

View to the sea

Adjacent to G. Karaiskakis Stadium

etc. Other type of uses at Kondyli Coast include old multi-storey residential buildings, cc. 30 years and over.

The areas located to the east and south of the city center (Passalimani, Kallipoli, Evagelistria etc.) have a residential character with some commercial uses as well.

Subject area:

The property is in the neighborhood of G. Karaiskaki Stadium, in the area of Neo Faliro, a district of the Municipality of Piraeus, at the beginning of Faliriko Bay. Neo Faliro is located to the southwest of the centre of Athens and borders with the neighborhoods of Tzavella, Evagelistria, Kaminia and Moschato. The surrounding area is mainly residential in close proximity to the coastline. Neo Faliro is well known for hosting large sports facilities of the city of Athens and two large stadiums, SEF and G. Karaiskakis. Major thoroughfares of southern Athens cross the district, like E75 Kifissou Avenue, Athinon-Piraeus Avenue, Mikras Asias street and Poseidonos Avenue, which runs along the coastline and connects all southern suburbs. The building stock is over 30 years old.

The property under valuation lies at building block 53, which is surrounded by Davaki Pindou, Karaoli Dimitriou, Sofianopoulou and Katsoulakou streets. The immediate area has a mixed-use character with office buildings, sports facilities, restaurants, hospitals, supermarkets, local shops and residential uses at secondary streets.

Katsoulakou street: The street begins from Davaki Pindou str. and ends at Athinon-Piraeus Avenue. It is a two-way street with industrial uses along its way.

Davaki Pindou street: The street begins from Kanellopoulou street and ends at Katsoulakou str. It runs parallel to the train line 2 of the Metro station and hosts the main entrance to G. Karaiskakis Stadium and the Metro Station “Neo Faliro”.

Accessibility:

By car: The subject property is accessed by Davaki Pindou and Katsoulakou streets.

By sea: The port of Piraeus is located at approximately 2.5km from the subject property. Port of Piraeus serves ferry routes to almost every island in Greece.

Public means of transport:

- Metro: The property is served by the metro station (Line 2) “Neo Faliro”, at approximately 15m.
- Public Buses: The area is served by the bus lines 040, 130, 217, 218, 229, A1, B1, E90. The nearest bus stop is situated very close to the subject property.
- Tram: The area is served by tram line T7.

Surrounding Area:

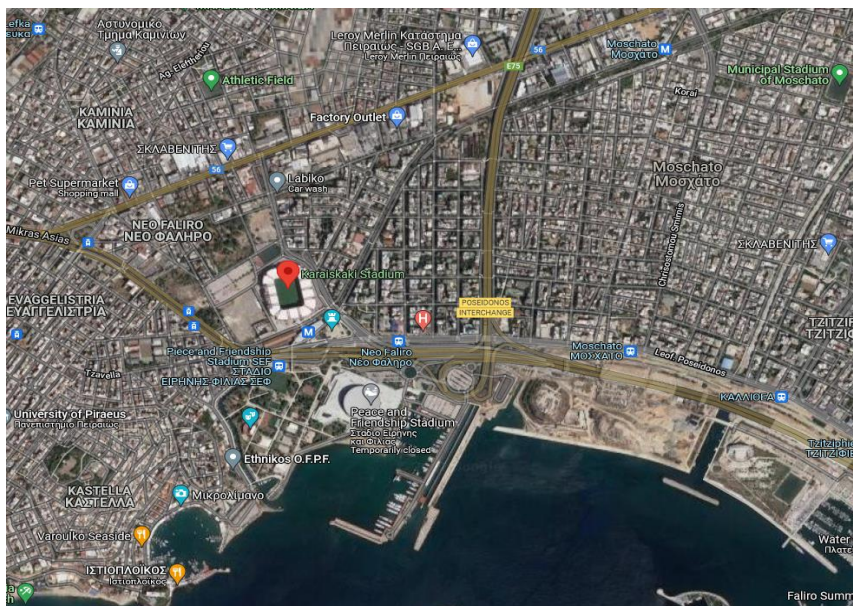
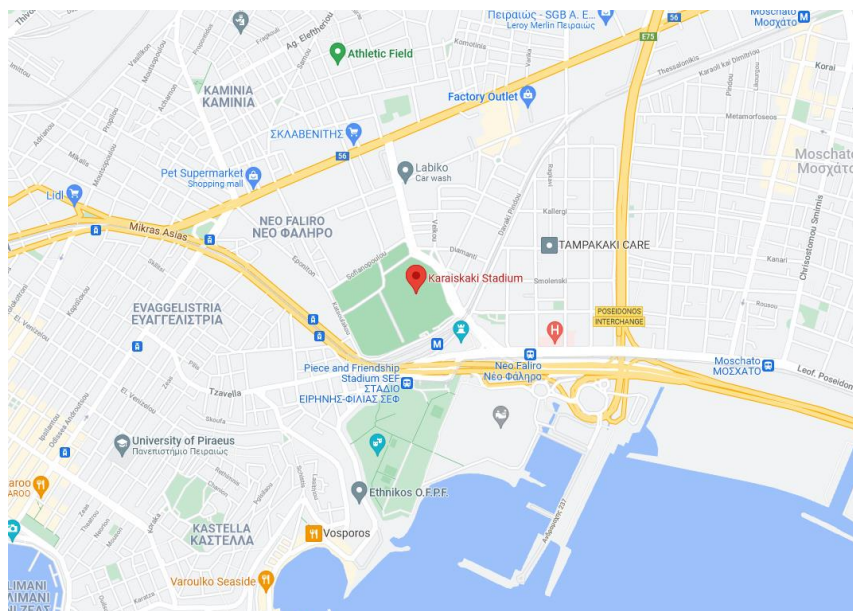
In the surrounding area, the majority of office space is mainly concentrated to the west along the coastline of the Municipality of Piraeus and to the east at Poseidonos Avenue. In the immediate area of the subject property warehouses and workshops can be found. Residential uses are concentrated along secondary streets and Poseidonos Avenue.

Indicative occupiers in the area:

- G. Karaiskakis Stadium
- Peace and Friendship Stadium

- University of Piraeus
- Factory Outlet
- Mikrolimano gulf
- Kastella area

Indicative maps of the subject area:



4. Property Description

1) Land Description

Area (m²) of land plot:

- **18,673.79m²** according to the Topographic Plan signed by the Political Engineer Michail Athanasopoulos, dated 23/10/2021, scaled at 1:500
- **18,730.00m²** according to the provided Business Plan

Land plot of large size
Irregular shape
Excellent view
Two frontages

Shape & Dimensions:

- Irregular shape
- It borders according to our inspection and the Topographic plan provided:
North: border 134.32m with parking area of G. Karaiskaki Stadium
East: border 104.82m with G. Karaiskaki Stadium facilities
South & Southwest: frontage 77.81m to Davaki Pindou street
West: frontage 131.75m to Katsoulakou street

Orientation:

- Southern towards Davaki Pindou street
- Western towards Katsoulakou street
-

Gradient:

- Almost horizontal

Fencing:

Mettalic railing

Infrastructure:

- All necessary infrastructure is applied for the erection of the buildings.

View/ Position/ Commerciality:

- Excellent view
- Good position and visibility
- High commerciality

Public Utilities:

All public utility networks are available (Electricity, telecommunication, water supply, sewage disposal).

Indicative photos of the property are attached in [Appendix 2](#).

2) Planning Status

According to the data provided, the land plot lies at Building Block 53 within the planning zone of the Municipality of Piraeus, and is subject to the below building regulations:

Land plot intact, buildable and integral

Inside the town plan

Area under approval of the Special Urban Plan

Presidential Decree

Presidential Decree 30-01-1931 Government Gazette 31A/10-2-1931

Presidential Decree 11-08-1964 Government Gazette 131/D/2-9-1964

Presidential Decree 19-08-2010 Government Gazette 398/D/28-9-2010

Land plot requirements

General Rule according to General Building Code 1985:

Min Size of Plot = 200,00m², Min Façade = 10,00m

Exception to General Rule (prior 9-6-1973): Min Size of Plot = 110,00m², Min Façade = 6,00m

Exception to General Rule (prior 8-11-1971) Min Size of Plot = 100,00m², Min Façade = 6,00m

Building Coefficient:	3.60 (Katsoulakou str.) 3.00 (Davaki Pindou str.)
Coverage Ratio:	Government Gazette 140/A/2000 (70%)
Max Height:	21m (Government Gazette 425/D/1992)
Archaeology:	Yes

Comments:

- The property is in an old city plan before 1923 (Government Gazette 98A/1893) which was subsequently amended in accordance with the provisions of the Law of 1923 (GG 55A/1924) which is in force today. Currently, Building Block 204/T.25 is under the process of entering Sector I.
- It is noted that the urban planning of the property has not been completed so far. Furthermore, we were not informed of any decision of the Regional Authority according to which the General Urban Plan has binding uses. In the area a Special Spatial Plan is underway (article 8 Law 4447/2016) which will give the property its binding uses.
- The area is under the process of approving the Special Urban Plan (article 8 Law 4447/2016), which is going to provide binding uses to the subject property.
- For the purposes of this report, as informed by the Client, we accept that residential uses and offices will be permitted in Building Block 53, when the Special Urban Plan will be completed.

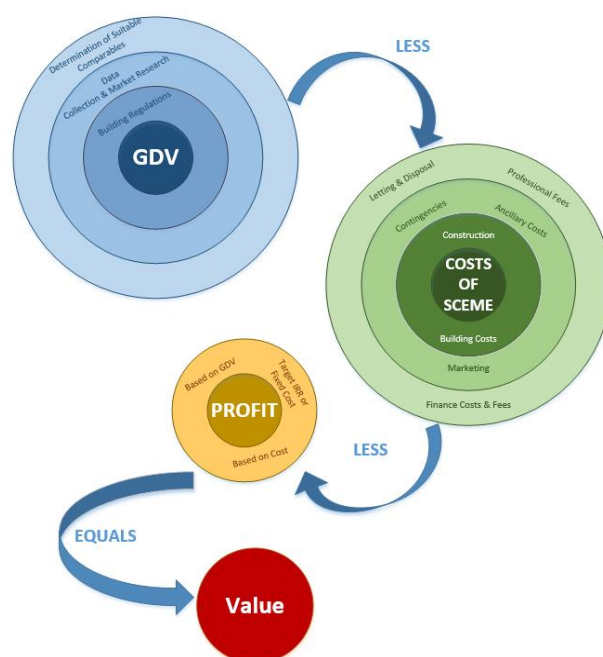
5. Legal & Ownership Status

For the purposes of the valuation report, we assume that the subject property is owned by THREE V “3V” SA and that it is clear and free of any encumbrances or charges that may affect its value.

6. Valuation Methodology

In order to determine the Fair Value of the subject property, we apply the Residual Method, which is a hybrid of the market approach, the income approach and the cost approach. It is based on the completed “gross development value” and the deduction of development costs and the developer’s return to arrive at the residual value of the development property (IVS 2020, p.106, par.40). The Residual Method is applied by using ARGUS Developer ® software.

In detail, the Residual Method is used to arrive at a value for a vacant site or a building for redevelopment. It entails estimating the Gross Development Value based on the best-case scenario for development or redevelopment. From the Gross Development Value all construction and finance costs, as well as the developer’s profit, are deducted in order to arrive to the present value of the property under question (EVS 2016, EVIP 5, par 6.5). The process of this methodology is presented to the following diagram:



Reasons for choosing Residual Method:

- The subject property will be developed; therefore, the Residual Method can be applied.
- The property in question can generate net benefits and be considered as an investment asset.
- We were able to identify asking prices and rents for the potential uses according to the best-case scenario.
- All Risks Yield can be identified.

Special Assumptions:

- For the purposes of this report and taking into account the declaration by the instructor that a change in the planning status of the property is expected in the foreseeable future, we adopt the special assumption that the land uses are going to change. Therefore, we examine the proposed development scenario assuming that the land plot will be developed after having received all relevant permits in accordance to the applicable planning regulations.
- For the calculation of the Fair Value, according to Residual Method, we accept the best-case scenario based on the Special Urban Plan’s building regulations.

- Our report is based at the best case scenario, which was provided by the Instructor, and aligns with the planning regulations of the Special Urban Plan.

7. SWOT Analysis

Strengths:

- Good accessibility via private and public transportation means.
- The building complex will be of high technical specifications, thus ensuring its energy and environmental efficiency.
- Frontages along two streets.
- Good location in close proximity to the coast line and the main thoroughfares of the southern suburbs.

Weaknesses:

- High capital investment needed for redevelopment.
- The subject project is adjacent to G. Karaiskaki Stadium, which may be a drawback for potential buyers.
- Large gross area of the property.

Opportunities:

- Occupational demand and rental levels are growing after a 10-year falling period.
- Lack of Grade A residential buildings in the area.
- Metro line (1) serves the area with immediate access.
- The Regional Council of Attica approved the regeneration of several areas of the Municipality of Piraeus.

Threats:

- High taxation of real estate assets.
- A trend towards shorter occupational leases may increase the risk of vacancy in the mid and long term.
- Uncertainty regarding the time needed for the change of use of the building block which is currently characterized as green and athletic space.
- The unknown impact of Covid 19 on real estate market.
- Increasing construction costs are pushing market rents and values to rise and yields to compress.

8. Proposed Development

According to the data provided and the planning regulations, we examine the erection of a Residential Complex and an Office Building, as presented in the following table:

Property	Level	Use	GBA (m ²)	GLA (m ²)	Common Areas (m ²)
Land plot			7.303,00		
Building 1	0	Studio	2.700,00	2565,00	135,00
		Offices	505,00	479,75	25,25
		Restaurant/Super Market	340,00	323,00	17,00
	1	offices	1.880,00	1786,00	94,00

		Studio	475,00	451,25	23,75
	2	offices	1.840,00	1748,00	92,00
		Studio	475,00	451,25	23,75
	3	offices	1.310,00	1244,50	65,50
		Studio	475,00	451,25	23,75
	4	offices	1.730,00	1643,50	86,50
		Studio	2.495,00	2370,25	124,75
	5	offices	1.710,00	1624,50	85,50
		Studio	475,00	451,25	23,75
	Total Above Ground Area			16.410,00	15.589,50
Total Building A			16.410,00	15.589,50	820,50

Comparative Method					
Property	Level	Use	GBA (m²)	GLA (m²)	Common Areas (m²)
Land plot			11.427,00		
Building 3	0				
	1				
	2	Residential	1.375,00	1187,00	188,00
	3	Residential	1.375,00	1187,00	188,00
	4	Residential	1.433,00	1247,00	186,00
	5	Residential	1.433,00	1247,00	186,00
	6	Residential	1.433,00	1247,00	186,00
	7	Residential	1.433,00	1247,00	186,00
	8	Residential	1.433,00	1247,00	186,00
	Total Above Ground Area		9.915,00	8.609,00	1.306,00
Total Building 3			9.915,00	8.609,00	1.306,00

Property	Level	Use	GBA (m²)	GLA (m²)	Common Areas (m²)
Building 4	0				
	1				
	2	Residential	1.270,00	1118,00	152,00
	3	Residential	1.270,00	1118,00	152,00
	4	Residential	1.270,00	1118,00	152,00
	5	Residential	1.270,00	1118,00	152,00
	6	Residential	1.270,00	1118,00	152,00
	7	Residential	1.270,00	1118,00	152,00
	8	Residential	1.270,00	1118,00	152,00
	Total Above Ground Area		8.890,00	7.826,00	1.064,00
Total Building 4			8.890,00	7.826,00	1.064,00

Property	Level	Use	GBA (m²)	GLA (m²)	Common Areas (m²)
Building 5	0				
	1				
	2	Commercial	1.270,00	400,00	100,00
	2	Residential		620,00	150,00
	3	Residential	1.270,00	1118,00	152,00
	4	Residential	1.346,00	1193,00	153,00
	5	Residential	1.346,00	1193,00	153,00
	6	Residential	1.346,00	1193,00	153,00
	7	Residential	1.346,00	1193,00	153,00
	8	Residential	1.346,00	1193,00	153,00
	Total Above Ground Area			9.270,00	8.103,00
Total Building 5			9.270,00	8.103,00	1.167,00
			78.88%	21.12%	

78,88% 21,12%

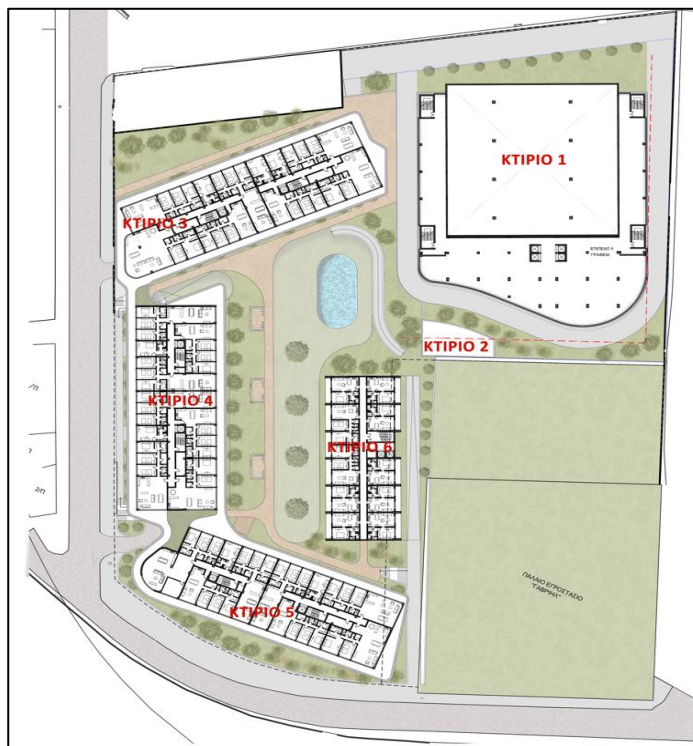
Property	Level	Use	GBA (m²)	GLA (m²)	Common Areas (m²)
Building 6	0				
	1				
	2	Residential	805,00	635,00	170,00
	3	Residential	805,00	635,00	170,00
	4	Residential	805,00	635,00	170,00
	Total Above Ground Area		2.415,00	1.905,00	510,00
Total Building 6			2.415,00		

Property	Level	Use	GBA (m²)	No. of Parking Spaces	
Parking Spaces	-1	Parking Space	9.625,00	275	
	0	Parking Space	11.025,00	315	
	Total Parking Area		20.650,00	590	0,00
Total Above Ground Area			57.925,00		
Total Basement Area			9.625,00		
Grand Total			67.550,00		

We believe that the proposed scenario is the highest and best use for the subject property considering the applied planning regulations, the property's location, its frontage, its special characteristics and size. The buildings will be a sustainable complex of contemporary design and specification.

- Frame:**
- Reinforced concrete frame
- Roof:**
- Flat concrete roof
- Walls & Partitions:**
- External walls: Concrete and masonry
 - Internal walls: Masonry
- General:**
- Construction materials planned to be used in all phases of construction will be certified in accordance to the specifications of LEED certification.
 - The subject complex at completion will be of excellent quality of construction, Grade A and LEED certified.
 - The surrounding area of the complex will be planted and open to the tenants/owners of the complex.

A general plan of the buildings layout at the land plot is presented below:



9. Market Analysis

1) Comparable Evidence

From our market research into the local property market, we identified the following comparable evidence:

Offices for rent:

Comparable Data - Offices for Rent														Source
Comparable Data														
No.	Area (m²)	Level	Specification (Grade A, B, C)	Municipality	Area	Street	Year of Construction	Refurbishment	Parking Spaces	Additional Information	For Sale/ Rent	Asking Price €	Asking Price per €/m²	
1	550,00	2	B	Piraeus	Port	N/A	2000	Yes	Yes	Great location, structured wiring, double glazed window, autonomous heating, wc, sea view.	Rent	8.250,00 €	15,00 €	Terra Real Estate, tel. 2108322007
2	480,00	3	B	Piraeus	XatzikyriakioPort	Akti Miaouli 89	1995	Yes	Yes	office space for rent, autonomous heating, structured wiring, view to the sea	Rent	7.200,00 €	15,00 €	HOMELAND tel: 2104225005
3	540,00	6	B	Piraeus	Port- Akti Miaouli	Akti Miaouli	1992	Yes (2008)	No	office space for rent, corner property, a/v, structured wiring, 4 wc	Rent	8.000,00 €	14,81 €	METROLAND REAL ESTATE MANAGEMENT, tel. 2104121110
4	762,00	1	A	Moschato-Tavros	Moschato	N/A	2000	No	Yes	office pace for rent, autonomous heating, a/c, tiled flooring, aluminum ceilings, double glazed windows, near Poseidonos Ave,	Rent	9.000,00 €	11,81 €	Le Courtier, tel. 2103243418
5	897,00	1	A	Moschato-Tavros	Moschato	N/A	2000	No	Yes (17)	office pace for rent, autonomous heating, a/c, laminate & marble flooring, aluminum ceilings, double glazed windows, structured wiring, fire alarm, 170sqm storage space near Poseidonos Ave,	Rent	10.000,00 €	11,15 €	Praxis Real Estate, tel. 2106775900
6	650,00	4	B	Moschato-Tavros	Moschato	Poseidonos Ave.	1994	No	No	Office space for rent, marble flooring, double glazed windows, aluminum frames, sea view.	Rent	6.900,00 €	10,62 €	METROPOLITAN REAL ESTATE AGENCY, tel. 2107221031

Apartments ~65sqm for sale:

Comparable Data - Apartments ~65sqm for Sale													Source
Comparable Data													
No.	Area (m²)	Level	Specification (Grade A, B, C)	Municipality	Area	Street	Year of Construction	Parking Spaces	Storage Area	Additional Information	Asking Price €	Asking Price per €/m²	
1	70,00	2	A+	Piraeus	Piraiiki-Chatzikiriakio	N/A	2015	No	Yes	2nd floor apartment, renovated 2020, sea view, wooden flooring, aluminum ceilings, double glazed windows, security door, alarm, good condition.	300.000,00 €	4.285,71 €	Dovas Real Estate, tel. 2111986012
2	70,00	7	A	Piraeus	Kallipoli-Freattyda	N/A	2020	Yes	Yes	1 bedroom, gas autonomous heating, security door, fireplace, aluminum ceilings, double glazed windows, sea view.	250.000,00 €	3.571,43 €	Best Plus, tel. 2111980150
3	60,00	5	A	Piraeus	Kallipoli-Freattyda	N/A	2018	Yes	Yes	2 bedrooms, aluminum ceilings, double glazed windows, tiled flooring, security door.	200.000,00 €	3.333,33 €	Μεσιτικό γραφείο ΤΕΧΝΟΚΡΑΤΙΚΗ ΑΚΙΝΗΤΩΝ, tel. 2111995486
4	67,00	4	A	Kallithea	Tzitzifies	N/A	2019	Yes	Yes	2 bedrooms, gas autonomous heating, security door, tiled flooring, aluminum ceilings, double glazed windows,	260.000,00 €	3.880,60 €	RE/MAX Design, tel.2104914908
5	71,00	5	A	Palaio Faliro	Palaio Faliro	Amfitheas Ave.	2020	Yes	Yes	2 bedrooms, gas autonomous heating, fireplace, security door, aluminum ceilings, double glazed windows.	245.000,00 €	3.450,70 €	IMMOCONSULT, tel/ 2108072957

Apartments ~150sqm for sale:

Comparable Data – Apartments~150sqm for Sale													Source
Comparable Data													
No.	Area (m²)	Level	Specification (Grade A, B, C)	Municipality	Area	Street	Year of Construction	Parking Spaces	Storage Area	Additional Information	Asking Price €	Asking Price per €/m²	
1	151,00	5	A Leed	Piraeus	Piraiiki-Chatzikiriakio	N/A	2021	Yes	Yes	3 bedrooms, autonomous gas heating, aluminum ceilings, double glazed windows, security door, fireplace, tiled flooring.	750.000,00 €	4.966,89 €	PIRAIKO REAL ESTATE, tel. 2111994770
2	195,00	3	A	Piraeus	Kastella/Pasalimani	N/A	2016	Yes	Yes	3 bedrooms, 2 bathrooms, autonomous heating, wc, garden, pool, double glazed windows, aluminum ceilings, fireplace, jacuzzi, sea view, tiled & wooden flooring.	1.150.000,00 €	5.897,44 €	Revithis real estate, tel. 2103211459
3	153,00	3	A	Kallithea	Chrysaki	N/A	2020	Yes	Yes	4 bedrooms, bathroom, wc, autonomous heating, fireplace, security door, near Niarchos Foundation, tiled & wooden flooring.	600.000,00 €	3.921,57 €	PLANET HOMES, tel. 2108040505
4	140,00	8	A	Palaio Faliro	Palaio Faliro	Amfitheas Ave.	2021	Yes	Yes	4 bedrooms, wc, autonomous gas heating, fireplace, security door, tiled flooring, BBQ, near Niarchos Foundation.	560.000,00 €	4.000,00 €	TZANIS ESTATE, tel. 2114069096
5	169,00	1	A	Kallithea	Tzitzifies	Poseidonos Ave.	2019	Yes	Yes	3 bedrooms, 3 bathrooms, garden, pool, fireplace, laundry room, autonomous heating, double glazed windows, aluminum frames, tiled & wooden flooring, sea view.	900.000,00 €	5.325,44 €	BEST & GLAMOROUS REAL ESTATE SOLUTIONS, tel. 2107486005

Based on the above comparative market data, we summarize our finding as follows:

- Office buildings in the greater area of the subject property, in the Municipality of Piraeus, are available for let between €10.00/m²/month and €15.50/m²/month, depending on the location, the size, the level, the age, the visibility, the view, the shape, commerciality, accessibility, technical condition, the extent of renovation, the availability of parking spaces, the distance from major thoroughfares and other key features.
- Apartments ~65sqm in the greater area of the subject property, in the Municipality of Piraeus, are available for sale between €3,000.00/m² and €5,000.00/m², depending on the location, the size, the level, the age, the visibility, the view, the shape, commerciality, accessibility, technical condition, the extent of renovation, the availability of parking spaces and ancillary areas, the distance from major thoroughfares and other key features.
- Apartments ~150sqm in the greater area of the subject property, in the Municipality of Piraeus, are available for sale between €3,500.00/m² and €6,000.00/m², depending on the location, the size, the level, the age, the visibility, the view, the shape, commerciality, accessibility, technical condition, the extent of renovation, the availability of parking spaces and ancillary areas, the distance from major thoroughfares and other key features.
- In some cases, and according to the special features of the property, the asking prices may be higher or lower than the indicative ranges.

2) Real Estate Market

Description of the Local Market

<i>Commercial & residential development:</i>	The surrounding area is in close proximity to the coastline, which recently is under a regeneration process by both public and private investment initiatives.
<i>Commerciality:</i>	The commerciality of the area is concentrated along Poseidonos Avenue, Kifissou Avenue and Athinon-Piraeus Avenue.
<i>Average age of building stock:</i>	Most buildings in the area are over 30 years old.
<i>Construction activity:</i>	Construction activity is observed in the area.
<i>Development rate:</i>	Area with development potentiality.
<i>Landmark:</i>	G. Karaiskaki Stadium and Peace and Friendship Stadium
<i>Supply:</i>	Supply of commercial properties (offices and retail) in the wider area is good. Supply of residential uses is low and at high levels because of the upcoming development project of Ellinikon, which is going to affect the area.
<i>Demand:</i>	Increasing demand for office spaces or retail spaces in the wider area. Increased demand for apartments and residential uses.

10. Fair Value

According to the above assumptions, and the detailed calculations, the Fair Value of the subject land plot development, which is located at the corner of Davaki Pindou and N. Katsoulakou streets, Building Block 53, in the adjacent area of G. Karaiskakis Stadium, in the area of Neo Faliro, Municipality of Piraeus, Regional Unit of Piraeus, Region of Attica, as of 31/12/2021, is **€17,445,000.00 (Seventeen million four hundred and forty-five thousand Euros).**

The subject report is a short version of the Full Report with prot. no. PEF-973/4-2022.

Publication

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For Pepper Hellas Asset Management S.A.



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Appendix 1

Bases of Valuation

General Terms of Valuation Reports

Pepper Hellas Asset Management S.A., in order to provide valuation/ consultancy services, is governed by the following assumptions, limitative requirements and specifications:

Our report has been prepared in accordance with the standards of the Royal Institution of Chartered Surveyors (*RICS Valuation – Global Standards, 2020*), the European Valuation Standards of TEGoVA (*The European Group of Valuers' Associations - EVS 2020, 9th edition*) and the International Valuation Standards of the IVSC (*International Valuation Standards Council – IVS 2020*). These standards also comply with the International Financial and Reporting Standards (IFRS).

Valuation Bases

Market Value is *“the estimated amount for which the property 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 being under compulsion” (EVS 1, European Valuation Standards 2020, 9th Edition, p. 15).*

Market Value is to be the estimated value of a property and so excludes the additional costs that may be associated with sale or purchase as well as any taxation on the transaction (EVS 1, European Valuation Standards 2020, 9th Edition, p. 34).

Market Rent is *“the estimated amount of rent at which the property should be leased on the date of valuation between a willing lessor and a willing lessee on the terms of the actual or assumed tenancy agreement in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without being under compulsion” (EVS 1, European Valuation Standards 2020, 9th Edition, p.15).*

Fair Value according to EVS and Equitable Value according to IVS (General Definition) is defined as *“the price that would be received to sell a property or paid to transfer a liability in an orderly transaction between identified willing market participants possessing full knowledge of all relevant facts, making their decision in accordance with their respective objectives” (EVS 2, European Valuation Standards 2020, 9th Edition, p. 39)*

Equitable Value requires the assessment of the price that is fair between two specific, identified parties considering the respective advantages or disadvantages that each will gain from the transaction. In contrast, Market Value requires any advantages or disadvantages that would not be available to, or incurred by, market participants generally to be disregarded (IVS 2020, p. 21).

Fair Value (for Accounting Purposes) is *“the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date” (International Accounting Standards Board (IASB), International Financial Reporting Standards (IFRS) 13, Par.1).*

Investment Value or Worth is *“the value of an asset to the owner or a prospective owner for individual investment or operational objectives (May also be known as worth)” (RICS Valuation – Global Standards 2020, p.57).*

Special Value is defined as “an opinion of value that incorporates consideration of characteristics that have a particular value to a Special Purchaser” (EVS 2, European Valuation Standards 2020, 9th Edition, p.41).

A **Special Purchaser** is a “purchaser who can optimize the usefulness of a property compared to other market participants and whose opinion of price equates to a Special Value” (EVS 2, European Valuation Standards 2020, 9th Edition, p.41).

Synergistic Value or Marriage Value is defined as “the result of a combination of two or more assets or interests where the combined value is more than the sum of the separate values” (IVS 2020, p. 22).

Liquidation Value is “the amount that would be realised when an asset or group of assets are sold on a piecemeal basis” (IVS 2020, p. 22).

Liquidation Value should take into account the costs of getting the assets into saleable condition as well as those of the disposal activity. Liquidation Value can be determined under two different premises of value:

- (a) an orderly transaction with a typical marketing period, or
- (b) a forced transaction with a shortened marketing period

Mortgage Lending Value is “the value of immovable property as determined by a prudent assessment of the future marketability of the property taking into account long-term sustainable aspects of the property, the normal and local market conditions, the current use and alternative appropriate uses of the property” (EVS 2, European Valuation Standards 2020, 9th Edition, p.42).

Mortgage Lending Value should not take into account any speculative elements (EVS 2, European Valuation Standards 2020, 9th Edition, p.43).

Insurable Value means “the sum stated in the insurance contract applying to that property as the liability of the insurer should damage and financial loss be caused to the insured by a risk specified in the insurance contract occurring to that property”. When instructed to provide an insurable value, the valuer is to determine the figure that will provide appropriate insurance cover for the property (EVS 2, European Valuation Standards 2020, 9th Edition, p.43).

Where reinstatement is the basis of the assessment, the principle is to replace what might be damaged or destroyed as it was before the event. **Replacement cost** is defined as the cost to replace the damaged property with materials of like kind and quality, without any deduction for depreciation. If the valuer is instructed to use **Depreciated Replacement Cost** or if it is appropriate to do so, then the valuer should assess the new replacement cost and then deduct an allowance for ageing and wear and tear of the structure. This cover equates to the replacement of the building as it is, not to its replacement with a new building (EVGN 4, European Valuation Standards 2020, 9th Edition, p. 117).

Plant and Equipment connected to a building

According to IVS 300 Plant & Equipment, plant and equipment connected with the supply or provision of services to a building are often integrated within the building and, once installed, are not separable from it (IVS 2020, p. 92).

Assumptions and Special Assumptions

In addition to stating the basis of value, it is often necessary to make an assumption or multiple assumptions to clarify either the state of the asset in the hypothetical exchange or the circumstances under which the asset is assumed to be exchanged. Such assumptions can have a significant impact on value (IVS 2020, p. 27).

An **assumption** is made where it is reasonable for the valuer to accept that something is true without the need for specific investigation or verification. Any such assumption must be reasonable and relevant having regard to the purpose for which the valuation is required (RICS Valuation – Global Standards 2020, p.58).

A **special assumption** is made by the valuer where an assumption either assumes facts that differ from those existing at the valuation date or that would not be made by a typical market participant in a transaction on that valuation date.

Where special assumptions are necessary in order to provide the client with the valuation required, these must be expressly agreed and confirmed in writing to the client before the report is issued.

Special assumptions may only be made if they can reasonably be regarded as realistic, relevant and valid for the particular circumstances of the valuation (RICS Valuation – Global Standards 2020, p.58-59).

Premise of Value/ Assumed Use

A **Premise of Value** or **Assumed Use** describes the circumstances of how an asset or liability is used. Different bases of value may require a particular Premise of Value or allow the consideration of multiple Premises of Value (IVS 2020, p. 24).

Some common Premises of Value are:

- (a) highest and best use,
- (b) current use/existing use,
- (c) orderly liquidation, and
- (d) forced sale.

Highest and best use is the use, from a participant perspective, that would produce the highest value for an asset.

The highest and best use must be physically possible (where applicable), financially feasible, legally allowed and result in the highest value.

The highest and best use for an asset may be its current or existing use when it is being used optimally. However, highest and best use may differ from current use or even be an orderly liquidation (IVS 2020, p. 24).

Current use/ existing use is the current way an asset, liability, or group of assets and/or liabilities is used. The current use may be, but is not necessarily, also the highest and best use (IVS 2020, p. 25).

An **orderly liquidation** describes the value of a group of assets that could be realised in a liquidation sale, given a reasonable period of time to find a purchaser (or purchasers), with the seller being compelled to sell on an as-is, where-is basis (IVS 2020, p. 25).

The term “**forced sale**” is often used in circumstances where a seller is under compulsion to sell and that, as a consequence, a proper marketing period is not possible, and buyers may not be able to undertake adequate due diligence. The price that could be obtained in these circumstances will depend upon the nature of the pressure on the seller and the reasons why proper marketing cannot be

undertaken. It may also reflect the consequences for the seller of failing to sell within the period available.

The price that a seller will accept in a forced sale will reflect its particular circumstances, rather than those of the hypothetical willing seller in the Market Value definition. A “forced sale” is a description of the situation under which the exchange takes place, not a distinct basis of value (IVS 2020, p. 25).

References

- TEGoVA (2020), *European Valuation Standards – EVS 2020, 9th Edition*, available at: www.tegova.org
- RICS (2020), *RICS Valuation – Global Standards 2020*, available at: www.rics.org/standards
- IVSC (2020), *International Valuation Standards – IVS 2020*, available at: www.ivsc.org

Properties' Condition

It is noted that during the inspection we did not notice any indication that the subject property or the nearby properties are affected or have been affected by any causes, such as pollution, natural or chemical (such as asbestos, insulating formaldehyde foam, other chemical or toxic wastes, or any other known or unknown dangerous materials) which could affect its/their value. In addition, and regarding green fields, we did not notice any landfill with unknown materials that may positively or negatively affect their value.

If it is concluded, ex post facto, that there is some kind of pollution on the subject property or on any nearby land, or that the buildings have been used or are used with means that could cause pollution problems, we reserve the right to change the values accordingly.

It is also noted that we did not inspect the hidden, covered, invisible or inaccessible areas of the subject property. Therefore, we are unable to give an opinion regarding their condition and, for the purposes of the valuation report, it is considered that they are in good condition and that no repairs need to be made. This report must not be construed as confirmation of the integrity of the architectural and static construction or the building's legality, taking into account the building's compliance to government regulations, fire regulations, safety and anti-seismic protection regulations, environmental protection or energy efficiency regulations etc., unless otherwise stated in the report.

It is also recommended that the client consults a respective specialist engineer and/or environmentalist, for the assessment of potential construction or environmental problems regarding the property, the existence of which could substantially affect the subject property's value.

Furthermore, it is mentioned that we were not asked and we neither carried out any ground analysis or geological report, nor investigated the subsoil for possible existence of water, oil, gas, precious metal, or any other mineral as well as rights of extraction or usage, the existence of which could affect the property's value.

Data Used

In order to carry out the valuation report, the data mentioned in the relevant paragraph was taken into account. Pepper Hellas Asset Management S.A. did not apply audit procedures on any of the information provided, due to the fact that this would be out of its range of work and therefore, in order for the report to be compiled (unless otherwise specified), we consider the submitted data to be precise and correct.

Regarding the legal status of the properties, we did not check the title deeds. It is assumed that the owners' declarations are accurate, the rights on the fixed assets are strong and tradable, and that there are no legal difficulties of any nature that cannot be overcome by means of normal legal procedures within a fair period of time, unless otherwise stated in the report.

The properties' measurement data (surface, dimensions, etc.) that are quoted in the report have not been verified, unless otherwise stated, and for this reason, they should not be considered as precise property measurements.

For the purposes of the report, it is assumed that the fixed assets under consideration comply with the applicable town planning regulations, as well as the use of land, and that there is no issue of encroachment unless specifically mentioned in the report.

Appendix 2

Photos

Land plot under development located at Davaki Pindou and N. Katsoulakou streets, Building Block 53, in the adjacent area of G. Karaiskakis Stadium, in the area of Neo Faliro, Municipality of Piraeus, Regional Unit of Piraeus, Region of Attica

