

MARKET VALUE APPRAISAL

Property exhibited to us by the
MREIT FUND MANAGERS, INC.

EASTWOOD MALL

Located in
**Eastwood City, Barangay Bagumbayan
Quezon City, Metro Manila**

23 July 2026

MREIT FUND MANAGERS, INC.

30th Floor, Alliance Global Tower

36th Street corner 11th Avenue

Uptown Bonifacio, Taguig City, Metro Manila

Attention : **MR. ROLANDO J. TIONGSON**
President and Chief Executive Officer

Thru : **MR. CHRISTIAN AIRO JARDIN**

We express our professional statement of opinion on the valuation of certain assets described in the attached Independent Valuation Report dated 23 July 2026. Our Independent Valuation Report was made based on certain information and internal data provided to us by the **MREIT FUND MANAGERS, INC.**, as well as on our inspections, research, and analyses of market data which we have deemed reasonable, appropriate, and applicable based on our experience as valuation professionals.

Management Responsibility of Client

The Client and its management are responsible for the preparation and fair presentation of information and internal data provided to us. Where the valuation requires actual property inspections, Client warrants that all properties inspected properly refer to the actual and only subjects of this valuation report. While we verify information and data in cases where such verification is required, our services do not cover certification on the accuracy and completeness of information provided to us by the Client and its management.

Responsibility of the Valuation Professional

Our responsibility as valuation professionals is to come up with an appropriate reasonable valuation for the subject assets and properties based on information, internal data and market data available to us, as well as on actual inspections, where such are required. Our valuation reports are made based on reasonable and adequate data that support our conclusions to establish the market value of the subject assets as of the stated date.

Our valuation procedures have been performed in accordance with the International Valuation Standards (2025 Edition) and Philippine Valuation Standards (3rd Edition, 2025), that represent accepted or best practice in the valuation profession, also known as Generally Accepted Valuation Principles (GAVP). The development of the International Valuation Standards serves as a professional benchmark, or beacon, for valuation professionals globally, thereby enabling them to respond to client requirements for reliable valuations.

Prohibitions

Neither the whole nor any part of this report, any reference thereto may be published, included in or with, attached to any document or used for any purpose other than that specifically stated in this report, without the written consent of Cuervo Appraisers, Inc. in accordance and exclusively for the purpose, form, and context in which it may appear.

Representations

Cuervo Appraisers, Inc., through its Manila, Cebu, Davao and Iloilo offices, has been in the business of providing asset valuation solutions for companies across all industries for 46 years in the Philippines and overseas. Cuervo Appraisers, Inc. has been involved in numerous valuation projects for various assets and enterprises, both tangible and intangible, and is well qualified to undertake the work required. Also, Cuervo Appraisers, Inc. is accredited by both Philippine Stock Exchange, Inc. (PSE) and Securities and Exchange Commission (SEC).

The final valuation report shall not be valid without the dry seal of Cuervo Appraisers, Inc. properly affixed thereto.

CUERVO APPRAISERS, INC.**By:****LIBERTY SANTIAGO-AÑO, IPA, MRICS***Vice President and General Manager*

Real Estate Appraiser

PRC Registration Number: 0000167

Valid until: 07/17/2029

IPREA Membership No. 849

PTR No. 3975856

TIN No. 108-289-697-000

05 January 2026

City of Pasig

23 July 2026

MREIT FUND MANAGERS, INC.

30th Floor, Alliance Global Tower

36th Street corner 11th Avenue

Uptown Bonifacio, Taguig City, Metro Manila

Attention : **MR. ROLANDO J. TIONGSON**
President and Chief Executive Officer

Thru : **MR. CHRISTIAN AIRO JARDIN**

Subject : **CAI File No. 04-2026-0309-005A**
Market Value Appraisal of Property

Gentlemen :

As requested, we appraised a certain real property exhibited to us by the **MREIT FUND MANAGERS, INC.**, for the purpose of expressing an opinion on the **market value** of the property intended for corporate use as of **27 February 2026**.

The appraised property is **building only (Eastwood Mall)**, located in **Eastwood City, Barangay Bagumbayan, Quezon City, Metro Manila**.

The term **Market Value**, as used herein, is defined as:

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

Market Value is understood as the value of an asset estimated without regard to costs of sale or purchase and without offset for any associated taxes.

We personally inspected the property, investigated local market conditions, and gave consideration to the –

Income Approach is a method in which the appraiser derives an indication of value for income-producing property by converting anticipated future benefits into current property value

Capitalization rate;

Extent, character, and utility of the property;

Lease / Rent rates for similar property; and

Highest and best use of the property.

Premised on the foregoing and as supported by the accompanying narrative report, it is our opinion that the **market value** of the property appraised as of **27 February 2026** is reasonably represented in the amount of **TWO BILLION FIVE HUNDRED NINETY-FIVE MILLION EIGHTY-NINE THOUSAND (Php2,595,089,000) PESOS**.

We made no investigation of and assume no responsibility for titles to or liabilities against the appraised property.

WE CERTIFY that we have neither present nor prospective interest in the appraised property or in the reported value.

Respectfully submitted,

CUERVO APPRAISERS, INC.

By:


ENGR. EMMANUEL P. LEGASPI
Department Manager - Real Estate

PRC Registration Number: 0000087

Valid Until: 12/06/2028

IPREA Membership No. 847

PTR No. 4232820

05 January 2026

City of Dasmariñas

JVP:jpc

CAI File No. 04-2026-0309-005A

LIMITING CONDITIONS

1. All existing liens and encumbrances, if any, have been disregarded and the property is appraised as though free and clear under responsible ownership.
2. ***Cuervo Appraisers, Inc.***, by reason of this appraisal, is not required to give testimony or attendance in court or to any government agency with reference to the subject property unless arrangements have been previously made.
3. Any erasure on appraisal date and/or value invalidates this valuation report.
4. Neither the whole nor any part of this report and valuation, nor any reference thereto, may be included in any document, circular or statement without our written approval.
5. The valuation fee is not contingent upon a predetermined value conclusion or a percentage of the valuation.
6. This appraisal report is invalid unless it bears the service seal of ***Cuervo Appraisers, Inc.***

CAI File No. 04-2026-0309-005A

NARRATIVE REPORT

I. GENERAL

This report covers an appraisal of a certain real property located in Eastwood City, Barangay Bagumbayan, Quezon City, Metro Manila. The appraisal was made for the purpose of expressing an opinion on the **market value** of the property as of **27 February 2026**.

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

In this definition, it is assumed that any transaction shall be based on cash or its equivalent consideration. The price which the property would fetch if offered for sale in the open market, would undoubtedly be affected, should the sale be on terms, whether favorable or unfavorable.

It is further assumed that the title to the property is good, marketable, and free from liens and encumbrances; and that fee simple ownership is transferable.

The rights appraised in this report are property rights in fee simple, free, and clear. **Fee Simple** is defined as the absolute fee without limitation to any class of heirs or restrictions but subject to the limitations of eminent domain, escheat, police power and taxation.

II. PROPERTY LOCATION AND IDENTIFICATION

The appraised property is identified as the site of **Eastwood Mall**, located in **Eastwood City, Barangay Bagumbayan, Quezon City, Metro Manila**.

Eastwood Mall is bounded on the northwest, northeast, and southeast by Orchard Road; approximately 100 meters north from the intersection of Eastwood Avenue and Orchard Road; 300 meters northeast from the intersection of E. Rodriguez Avenue and Orchard Road; 400 meters northeast from the intersection of E. Rodriguez Avenue and Eastwood Avenue; 1.0 kilometer southeast from the intersection of E. Rodriguez Avenue and FVR Road; and about 1.5 kilometers from the intersection of Katipunan and Col. Bonny Serrano Avenues.

Orchard Road is 12 meters wide, asphalt paved, and provided with concrete curbs and gutters, concrete sidewalks and underground drainage

III. NEIGHBORHOOD DATA

Eastwood Mall is located within Eastwood City, a mixed-use development complex located in Barangay Bagumbayan, Quezon City.

Generally, the roads in the neighborhood are designed to accommodate light to heavy vehicular and pedestrian traffic loads. Major thoroughfares are concreted, with widths ranging from 10 to 35 meters, and lighted with streetlamps.

Some of the important improvements in the vicinity are:

Pope John Paul II Parish Church
Olympic Heights Tower
One Orchard Road Condominium
Grand Eastwood Palazzo
Techno Plaza
Eastwood City Walk
The Eastwood Lafayette
The Eastwood Excelsior

Eastwood City serves as the shopping and commercial center of the residents in the area. This is a short distance from the subject commercial building/mall. Other community centers like the post office, public market, churches/chapels, hospitals/clinics, and private and public schools are accessible from E. Rodriguez Jr. Avenue.

IV. COMMUNITY FACILITIES AND UTILITIES

Electric power, water supply, and telecommunication facilities are available at the subject building.

Public transportation connecting to various sections of Quezon City, as well as to the other parts of Metro Manila is available along E. Rodriguez Jr. Avenue which is approximately 300 meters from the subject building. Streetlights, garbage collection, foot and mobile patrols of the Philippine National Police, and other community facilities and utilities are maintained by the city government and the Metropolitan Manila Development Authority (MMDA).

V. DESCRIPTION OF THE BUILDING

Eastwood Mall

This is a four (4)-storey, reinforced concrete and steel-framed structure having concrete slab, rib-type metal sheet on a steel frame, and glass panel roof; soffit slab fiber cement board and gypsum board ceilings; cement plastered concrete hollow block walls; cement plastered concrete hollow block, fiber cement board, and glass panel partitions; fixed glass and glass on aluminum frame windows; frameless glass, glass on powder-coated aluminum frame, steel, steel louver, and wood panel doors; ceramic tile, granite tile, Lechuga tile, carpet tile, wood plank, red cement, and plain cement finish on concrete floors; and ceramic and granite tile wall to floor finish on comfort rooms. The rooms that house the equipment typically have exposed concrete slab ceilings; cement-plastered concrete hollow block walls and partitions; steel louver ventilators; and plain cement-finished concrete floors.

The building is painted and provided with electrical, plumbing, and telecommunication facilities, firefighting equipment, generator sets, and centralized air conditioning. It is also serviced by twenty-one (21) escalators, three (3) service elevators, and three (3) passenger elevators. The total gross floor area is approximately 36,616.05 square meters, and total leasable area is approximately 22,216.28

VI. HIGHEST AND BEST USE

Based upon an analysis of the property itself and the prevailing land usage in the neighborhood, we are of the opinion that a **commercial utility** would represent the highest and best use of the property.

Highest and Best Use is defined as the most probable use of a property which is physically possible, appropriately justified, legally permissible, financially feasible, and which results in the highest value of the property being valued.

VII. VALUATION

The **Income Approach** is a method in which the appraiser derives an indication of value for income-producing property by converting anticipated future benefits into current property value. The different techniques that can be utilized to accomplish this include direct capitalization, mortgage-equity capitalization, and discounted cash flow analysis. All three methods are based on an analysis of a property's operating income.

The first step in the Income Approach is estimating the Potential Gross Income (PGI) of the property. The PGI includes income from all possible sources, at 100% occupancy and before any deductions for expenses. These projections are generally calculated on an annual basis and are based on the analysis of data from the subject and comparable rental properties. With a potential gross income figure, a suggested value can be applied against the subject. After projecting the Potential Gross Income, an allowance is made for vacancy and credit loss, resulting in the Effective Gross Income (EGI). The EGI estimates the anticipated annual gross receipts from the property. The property may experience vacancies (even in a strong rental market) due to the time lag between successive tenants (e.g., remodeling). Collection losses can result from a tenant's inability or refusal to pay rent. After projecting the Effective Gross Income, the appraiser deducts the estimated operating expenses for the property. These operating expenses include all costs required to maintain the earning potential of the property.

The operating expenses are generally classified into two categories: fixed expenses and variable expenses.

Variable expenses are directly related to the occupancy, and therefore to the Effective Gross Income, of the property. Examples include Gross Receipt Taxes and management fees paid on a percentage of gross bases.

Fixed expenses are those which remain constant for the property regardless of occupancy. Examples include real property taxes and hazard insurance. The total operating expenses are deducted from the Effective Gross Income resulting in the Net Operating Income (NOI). The NOI is the annual estimated income generated by the property, before interest expense, depreciation, and taxes. The Net Operating Income can be analyzed in three ways, as introduced above: direct capitalization, mortgage-equity analysis, and discounted cash flow.

For the purposes of this report, we have adopted the Discounted Cash Flow Analysis, details of which are shown on the succeeding pages of this report.

Discounted Cash Flow Analysis

This form of analysis allows an investor or owner to make an assessment of the long-term return that is likely to be derived from a property with a combination of rental and capital growth over an assumed investment horizon. In undertaking this analysis, a wide range of assumptions are made including base rental, rental growth, statutory and operating expenses, and sale price and disposal of the property at the end of the investment period.

Having regard to these factors, we have carried out a discounted cash flow analysis over a 10-year investment horizon in which we have assumed that the property is sold at the start of the eleventh year of the cash flow. The cash flow analyses, which comprise annual income streams, are based upon the following assumptions/estimates:

1. Cash Flow is projected over a 10-year period;
2. Gross Floor Area is 36,616.05 square meters;
3. Effective gross revenues, operating expenses, and capitalization expenses were based on the 10-year cash flow given to us by the client, taking into consideration the historical data and the existing lease contracts of the tenants;
4. Estimation of the present worth of the projected net income. Given that annual earnings and benefits are brought back to present worth, the formula for the Net Present Value may now be expressed as:

$$NPV = \left[\frac{FV_t}{(1 + i)^t} \right] - I_0$$

The last equation states that the Net Present Value, PV, is just the sum of the present worth of the expected economic benefits to be received;

5. Discount rate is estimated at 10.74%, using a built-up method, the computation is shown on the next page:

Derivation of Discount Rate using Built-up Method

91-day treasury bill rate	=	4.731%	auction date: 15 December 2025
Below one year time deposit	=	<u>3.828%</u>	Peso Deposit November 20-26
Average	=	4.280%	2025 BSP
Less: 20% withholding tax	=	<u>0.856%</u>	
	=	3.424%	
Plus: Recapture rate of the building	=	<u>3.57%</u>	
	Cap Rate	=	6.994%
Plus: Inflation Rate	=	<u>3.750%</u>	Inflation rate for February 2026
	Discount Rate	=	<u>10.744%</u>
	Say	=	10.74%

6. Growth rate is estimate at 2% based on the average escalation rate;
7. Capitalization rate adopted to arrive at the terminal value is 8.74% (discount rate less growth rate);
8. Marketing Cost is pegged at 0% of resale value, MREIT has no intention of selling this property at the end of 10th year.

Discounted Cash Flow Analysis (in Php) EASTWOOD MALL														
STATISTICS														
Gross Leasable Area		22,216.28	sq.m.											
Gross Floor Area		36,616.05	sq.m.											
Vacancy Rate (incl. bad debts)		-	(ave.)											
Terminal Capitalization Rate		8.74%												
Discount Rate		10.74%												
Present Worth Factor				0.95027	0.85811	0.77489	0.69974	0.63187	0.57059	0.51525	0.46528	0.42016	0.37941	0.34261
				2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
		Year		1	2	3	4	5	6	7	8	9	10	Totals
GROSS REVENUES		Escalation			12%	5%	5%	6%	2%	2%	2%	2%	2%	2%
Rental Income														
Rental Income - PAS Adjustment														
Rental Income - deferred credits amortization														
Rental Income - penalties														
Income from dues - net														
Total Annual Gross Rental														
Total Annual Revenues				-	-	-	-	-	-	-	-	-	-	-
LESS:														
Vacancy Rate (incl. bad debts)		of gross revenues		465,349,216	520,333,989	547,581,703	576,995,311	609,294,073	621,068,582	633,431,817	646,413,214	660,043,681	674,355,671	687,842,784
Effective Gross Revenues				465,349,216	520,333,989	547,581,703	576,995,311	609,294,073	621,068,582	633,431,817	646,413,214	660,043,681	674,355,671	687,842,784
LESS EXPENSES:														
Cost of Services														
Outside Services														
Management Fees - FM														
Management Fees - PM														
Land Lease														
Utilities														
Taxes, Licences and Fees - RPT														
Taxes, Licences and Fees - Others														
Repairs and Maintenance														
Supplies and Materials														
Miscellaneous														
Total of Cost of Services -				220,514,080	233,130,259	248,030,482	264,057,922	281,352,262	293,831,208	306,934,102	320,692,141	335,138,081	350,306,319	357,312,445
Other Operating Expenses				23,267,461	26,016,699	27,379,085	28,849,766	30,464,704	31,053,429	31,671,591	32,320,661	33,002,184	33,717,784	34,392,139
Capex Reserve				22,156,767	26,118,703	27,217,214	28,408,762	29,747,711	29,618,394	29,482,612	29,340,041	29,190,342	29,033,157	29,613,820
Total -				265,938,308	285,265,662	302,626,781	321,316,450	341,564,676	354,503,032	368,088,305	382,352,843	397,330,607	413,057,259	421,318,404
Total -				265,938,308	285,265,662	302,626,781	321,316,450	341,564,676	354,503,032	368,088,305	382,352,843	397,330,607	413,057,259	421,318,404
NET OPERATING INCOME				199,410,907	235,068,327	244,954,922	255,678,861	267,729,397	266,565,550	265,343,512	264,060,371	262,713,074	261,298,411	2,522,823,334
ADD: Reversion Value (Resale Value)														3,049,478,027.87
LESS: Marketing Cost		0.0%	of Resale Value											-
Net Reversion Value														3,049,478,028
Present Worth Factor @	10.74%	discount rate		0.95027	0.85811	0.77489	0.69974	0.63187	0.57059	0.51525	0.46528	0.42016	0.37941	0.34261
Present Worth of Net Income				189,494,518	201,714,602	189,812,528	178,907,689	169,170,925	152,099,984	136,719,071	122,862,497	110,380,733	99,138,841	1,550,301,386
Present Worth of Net Reversion Value														1,044,787,715
Total Present Value of Net Income				1,550,301,386										
Present Worth of Net Reversion Value				1,044,787,715										
Total				2,595,089,101										
Market Value of Property (Building and its facilities)				Php	2,595,089,101									
Rounded to				Php	2,595,089,000									

On the basis of the foregoing, the market value of the property using the **Discounted Cash Flow Analysis**, is represented in the amount of **Php2,595,089,000**.