MARKET VALUE APPRAISAL

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

<u>One Paseo</u>

Located in
Arcovia City, Barangay Ugong
Pasig 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 on the basis of 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.

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. 04-2026-0309-007A** 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 the ***One Paseo (building and its facilities),*** located **along Eulogio Rodriguez Jr. Avenue (C5 Road) corner Paseo de Arco, within Arcovia City, Barangay Ugong, Pasig 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.

In market value appraisal of any fixed land improvements, the land where the said improvements stand should be included to satisfy its definition. Being an appraisal of buildings only, this report pertaining to the said item therefore, partakes the nature of a fractional appraisal and is rendered as such

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;
>
> Discounting and capitalization rates;

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 using income approach appraised as of ***27 February 2026*** is reasonably represented in the amount of ***ONE BILLION NINE HUNDRED SIXTY-SIX MILLION SEVEN HUNDRED NINETY-FOUR THOUSAND (Php1,966,794,000) PESOS.***

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

WE CERTIFY that we have neither present nor prospective interest on 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. 423282
05 January 2026
City of Dasmariñas

JVP:jpc

CAI File No. 04-2026-0309-007A

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. 04-2026-0309-007A

NARRATIVE REPORT

I. GENERAL

This report covers an appraisal of certain real property located within Arcovia City, Barangay Ugong, Pasig 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 a liability should exchange on 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 on 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 the property rights in fee simple, free and clear. ***Fee Simple*** is defined as the absolute fee without limitation to any particular class of heirs or restrictions, but subject to the limitations of eminent domain, escheat, police power, and taxation.

II. PROPERTY LOCATION AND IDENTIFICATION

Based on the documents provided to us by the client, the appraised property is the ***One Paseo (building and its facilities),*** located **along Eulogio Rodriguez Jr. Avenue (C5 Road), corner Paseo de Arco, within Arcovia City, Barangay Ugong, Pasig City, Metro Manila.**

One Paseo is located on the northeast corner of Eulogio Rodriguez Jr. Avenue (C5 Road) and Paseo de Arco; approximately 180 meters northeast from the corner of Eulogio Rodriguez Jr. Avenue (C5 Road) and Lanuza Avenue; 500 meters southwest from the corner of Eulogio Rodriguez Jr. Avenue (C5 Road) and Doña Julia Vargas Avenue; and about 1.40-kilometers southwest from the intersection of Eulogio Rodriguez Jr. Avenue (C5 Road) and Ortigas Avenue.

Eulogio Rodriguez, Jr. Avenue (C5 Road) and Paseo de Arco are 40 and 36 meters wide. Both are provided with concrete curbs and gutters, concrete sidewalks and underground drainage and center island. Eulogio Rodriguez Jr. Avenue (C5 Road) is concreted with asphalt overlay.

III. NEIGHBORHOOD DATA

One Paseo is located within Arcovia City, a mixed-use development complex located within Barangay Ugong, Pasig City, Metro Manila.

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 40 meters, and lighted with streetlamps.

Some of the important improvements in the vicinity are:

McDonald's
The Vibe Arcovia
Arco de Emperador
Toyota Pasig
The Valeron Tower Showroom

Landers Superstore serves as the commercial, marketing and shopping needs of the residents in the area. This is located within Arcovia City, where the office building is located. Other community centers like the post office, public market, churches/chapels, hospitals/clinics, and private and public schools are likewise accessible from E. Rodriguez Jr. Avenue.

IV. COMMUNITY FACILITIES AND UTILITIES

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

Public transportation connecting to various sections of Pasig City, as well as to the other parts of Metro Manila is available along E. Rodriguez Jr. Avenue where the subject condominium building fronts. 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. LAND DATA

No copy of the title or any land ownership document was given to us.

No title verification was conducted to confirm the existence of the owner's original copy of the title, supposedly on file with the Registry of Deeds, since it is not included in the assignment.

VI. DESCRIPTION OF THE BUILDING

The land is improved with a building described as follows:

ONE PASEO

This is a seventeen (17)-storeys reinforced concrete framed building with three (3) level basement and four (4) podium level parking, constructed of reinforced concrete slab roofing with waterproofing membrane; drop panel and gypsum board ceilings; cement plastered concrete hollow block, ceramic, and marble tile walls; cement plastered concrete hollow block, glass on powder coated aluminum frame and fiber cement board partitions; tempered glass on aluminum frame and frameless tempered glass windows; glass, sliding glass, wood panel, and metal with louver doors; and marble tile, ceramic tile, carpet and cement finish concrete with epoxy paint floors.

This is painted and provided with fire-fighting equipment, lighting, plumbing, and telecommunication facilities. Also equipped with a stand-by genset, passenger's and service elevators, and CCTV camera security system, having gross floor area 52,055.43 and gross leasable area is 23,688.21-square meters, allocated below:

Floor Level	**Gross Floor Area (sq.m.)**	**Gross Leasable Area (sq.m.)**	**Occupancy**
Ground	2,404.53	1,094.21	**Chinabank, Texas Roadhouse, Daily Beer**
Second	-	-	**-**
Third	-	-	**-**
Fourth	-	-	**-**
Fifth	-	-	**-**
Sixth	-	-	**-**
Seventh	4,965.09	2,259.40	**Myriad ICT Services, Inc.**
Eight	4,965.09	2,259.40	**Universal Access and Systems Solutions**
Ninth	4,965.09	2,259.40	**-**
Tenth	4,965.09	2,259.40	**Timezone**
Eleventh	4,965.09	2,259.40	**-**
Twelfth	4,965.09	2,259.40	**Megaworld Resort Estates, Inc.**
Thirteenth	-	-	**-**
Fourteenth	4,965.09	2,259.40	**Knauf Gypsum Philippines, Inc.**
Fifteenth	4,965.09	2,259.40	**LG Electronics Philippines, Inc.**
Sixteenth	4,965.09	2,259.40	**LG Electronics Philippines, Inc.**
Seventeenth	4,965.09	2,259.40	**Cybalink Solutions**
Total -	**52,055.43**	**23,688.21**	

. The estimated remaining economic life is 40 years.

VII. 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 the **existing office/commercial utility** would represent the highest and best use of the property.

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

VIII. 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 that 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 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 Leasable Area is 23,688.21 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 = [¦FVt / (1 + i)t] - I0

   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 9.60%, using a built-up method; the computation is shown below:

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		=	3.828%	Peso Deposit November 20-26 2025 BSP
	Average	=	4.280%	
Less: 20% withholding tax		=	0.856%	
		=	3.424%	
Plus: The recapture rate of the building				
1/28 yrs x 100		=	3.57%	
	Cap Rate	=	6.994%	
Plus: *Inflation Rate*		=	2.62%	Inflation rate for December 2025 (PSA)
	Discount Rate	=	**9.614%**	
	Say	=	**9.60%**	

Note*: REL – Remaining Economic Life*
The average number of MREIT buildings is 28 years.

6. Growth rate is estimated at 4% based on the average escalation rate.
7. Capitalization rate adopted to arrive at the terminal value is 5.60% (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 the 10th year.

Discounted Cash Flow Analysis (in PhP)
ONE PASEO

STATISTICS															
Land Area		-	sq.m.												
Gross Floor Area		52,055.43.	sq.m.												
Gross Leasable Area		23,688.21	sq.m.												
Vacancy Rate (incl. bad debts)		-	(ave.)												
Terminal Capitalization Rate		5.60%													
Discount Rate		9.60%													
Present Worth Factor				0.95520	0.87153	0.79519	0.72554	0.66199	0.60401	0.55110	0.50283	0.45879	0.41860		0.38193
				2026	2027	2028	2029	2030	2031	2032	2033	2034	2035		2036
			Year	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**Totals**	**11**
GROSS REVENUES			Escalation		1%	1%	1%	4%	-24%	5%	5%	5%	5%		4%
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		208,043,322	211,044,254	214,012,301	215,886,120	223,444,955	169,240,256	177,625,899	186,430,825	195,675,997	205,383,428		213,598,765
Effective Gross Revenues				**208,043,322**	**211,044,254**	**214,012,301**	**215,886,120**	**223,444,955**	**169,240,256**	**177,625,899**	**186,430,825**	**195,675,997**	**205,383,428**	**2,006,787,358**	**213,598,765**
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															
Miscellanaous															
Total of Cost of Services -				68,223,008	71,097,386	74,099,930	77,146,974	80,821,929	14,385,422	15,098,201	15,846,620	16,632,460	17,457,591		18,155,895
Other Operating Expenses				10,402,166	10,552,213	10,700,615	10,794,306	11,172,248	8,462,013	8,881,295	9,321,541	9,783,800	10,269,171		10,679,938
Capex Reserve				12,941,815	12,939,466	12,921,176	12,794,484	13,145,078	14,639,282	15,364,640	16,126,266	16,925,974	17,765,667		18,476,293
Total -				91,566,989	94,589,064	97,721,721	100,735,764	105,139,254	37,486,717	39,344,137	41,294,428	43,342,233	45,492,429		47,312,127
Total -				**91,566,989**	**94,589,064**	**97,721,721**	**100,735,764**	**105,139,254**	**37,486,717**	**39,344,137**	**41,294,428**	**43,342,233**	**45,492,429**	**696,712,736**	**47,312,127**
NET OPERATING INCOME				**116,476,333**	**116,455,190**	**116,290,580**	**115,150,356**	**118,305,700**	**131,753,539**	**138,281,763**	**145,136,398**	**152,333,764**	**159,890,999**	**1,310,074,622**	**166,286,639**
ADD: Reversion Value (Resale Value)															2,969,404,264.21
LESS: Marketing Cost	0.0%	of Resale Value													-
Net Reversion Value															**2,969,404,264**
Present Worth Factor @	9.60%	discount rate		0.95520	0.87153	0.79519	0.72554	0.66199	0.60401	0.55110	0.50283	0.45879	0.41860		0.38193
Present Worth of Net Income				**111,258,299**	**101,494,619**	**92,473,682**	**83,546,516**	**78,317,385**	**79,580,056**	**76,207,253**	**72,978,878**	**69,888,620**	**66,930,451**	**832,675,758**	
Present Worth of Net Reversion Value															**1,134,118,695**

Total Present Value of Net Income	**832,675,758**
Present Worth of Net Reversion Value	**1,134,118,695**
Total	**1,966,794,453**

Market Value of Property (Building and its facilities)	**PhP**	**1,966,794,453**
Rounded to	**PhP**	**1,966,794,000**

On the basis of the foregoing, the market value of the property (building and its facilities) using the Discounted Cash Flow Analysis, is represented in the amount of **Php1,966,794,000.**