

[Company Name]

Attn.: [>]

[Insert address]

Amsterdam, [insert date]

Head of Terms Letter of Commitment

by and between [Company Name] and INREV
as regards to

the participation in and contribution to the Asset Level Index

Dear [>],

The purpose of this Head of Terms Letter of Commitment (the '**LoC**') is to describe the parties' obligations with regards to the development of a real estate asset level index ('Asset Level Index') and the participation in and contribution to the **Asset Level Index** project.

Introduction

There is a strong demand from the industry to partner with a member-driven organisation to produce a suite of indices that measure the performance of real estate assets across Europe. INREV has been chosen by the industry to meet this demand due to its independence, non-commercial agenda and experience in index construction, which enables INREV to achieve this goal. In addition, INREV's strong working relationships with NCREIF and ANREV create the potential to achieve this goal on a global scale in the future.

Development of the Asset Level Index

INREV and its members will work together on the development of the Asset Level Index consisting of a snapshot report, full report and an online asset level index analysis tool, and the infrastructure, products and services surrounding them. As a starting point INREV will focus on key performance measures and key real estate asset characteristics. At the same time a template will be developed to accommodate an expansion of data fields and the potential for global expansion, by being able to combine NCREIF, INREV and ANREV asset level indices at some point in the future.

Commitment

The development of the Asset Level Index and corresponding online analysis tool requires a financial investment and data contribution from INREV members. [Company Name] commits to co-operate in the development of the Asset Level Index by contributing financially, as a founding member, and by contributing real estate asset level data as set out in the attached data delivery template (Annex 1).

Subject to INREV's management board approval of the next steps of the Asset Level Index project in June 2017, and securing commitment from at least 25 companies, INREV commits to the following:

1. INREV will use its best efforts to follow the planning as described in Annex 2 and accomplish the following main deliverables:
 - a. develop an online data input tool that will enable asset level data collection and automated validation;
 - b. collect historical data from contributing members using the online data input tool;
 - c. develop an online index analysis tool that will allow for the construction of custom made asset level indices;
 - d. publish a quarterly asset level index snapshot and full report;
 - e. present the consultation INREV Asset Level Index and online analysis tool in the second quarter of 2018.
2. **[Company Name]** commits to provide INREV with quarterly data for real estate assets that are under direct management for a minimum period of three (3) years from consultation launch (2018-2020) going forward and historical data for a period starting from 31 December 2013 according to the following priorities:
 - a. For following vehicles 100% of real estate assets under management will be provided by November 1, 2017;

Vehicle name	AUM as at 31 Dec 2016	Number of assets as at 31 Dec 2016

- b. For the following vehicles 100% of real estate assets under management will be provided by April 1, 2018.

Vehicle name	AUM as at 31 Dec 2016	Number of assets as at 31 Dec 2016

Furthermore [Company Name] commits to use its best efforts both now and in the future to provide data for the remaining real estate assets under management, and to increase the number of assets in the Asset Level Database, assuming that permission from the end investor to provide data is needed and has been obtained.

- As soon as the asset enters the database, data should be updated on a quarterly basis no later than 8 weeks after quarter end until the asset is disposed of to another fund manager or investor.
- Data should be provided using the attached data delivery template (Annex 1).
- [Company Name] will retain all ownership rights over all data it provides for the index and [Company Name] retains the right to access its data from INREV at any time.
- Once data provided by [Company Name] for any asset is used in index calculations, however, it cannot be withdrawn.
- INREV will not disclose or share any asset level data provided by [Company Name], without the explicit approval of [Company Name]. INREV will only use data provided by [Company Name] in a composite where the asset, the vehicle, the manager and any investor are not identifiable.
- Data will be stored and secured in accordance with AIFMD Level 2 implementing regulations.
- [Company Name] commits to pay a non-refundable one-off investment amount of EUR 10,000 as a founding member that will be principally used to fund development costs such as IT infrastructure, legal costs, member training. In case of costs overrun INREV will not ask founding members to provide additional financing. Additional costs will be covered from INREV's budget and/or from additional participants.
- As a compensation for joining the project as a founding member in year one and providing the initial investment amount mentioned in article 7, founding members will be entitled to pay a reduced annual fee of €1250 during the 2018-2022 period. Companies that join this project as a

data contributor in 2018 or later will pay an annual fee of €5000. The detailed fee structure that will apply to all participants is described in Annex 3.

11. Following final approval by INREV's management board, the parties' will negotiate a comprehensive Co-operation Agreement, building on this Heads of Terms Letter of Commitment.
12. Except as required by law, INREV and [Company Name] agree not to make any public disclosures about the existence or contents of this LoC without prior notice to, and written approval of, the other party.
13. This LoC shall be governed by and construed in accordance with the laws of the Netherlands. Any action or proceeding brought by either party to enforce its rights under this LoC shall be first taken to arbitration. If arbitration does not resolve the dispute between the parties, any action or proceeding will be brought exclusively in the court of Amsterdam.

[Company Name] agrees to the above arrangement, which agreement is indicated by its countersigning of two copies in the space indicated below, and sending them to INREV. INREV will sign both and return one copy for [Company Name]'s records.

On behalf of The European Association for Investors in Non-Listed Real Estate Vehicles (INREV):

By:

Title:

Accepted and agreed to:

Insert name addressee

By:

Title:

Annex 1: Data Delivery Template and Data Fields

Reporting date	Vehicle/Fund reporting currency	Total rental income
Year	Predecessor name	Net operating income
Quarter	Initial acquisition date	Capital expenditure
Is this asset provided for the first time?	Net initial acquisition price	Other income that is not part of NOI
Has this asset been completely sold during this quarter?	Successor name	Other costs that are not part of NOI
Asset name	Final disposition date	Have any partial acquisitions took place this quarter?
Manager/Direct Investor asset ID	Final Net disposition price	1st Net Partial acquisition price (Ex. costs)
Street name	Type of disposition	1st Partial acquisition date
Building number	Asset life cycle	2nd Partial acquisition price (Ex. costs)
Postal code	Ownership share (%)	2nd Partial acquisition date
City name	Gross leasable area	3rd Partial acquisition price (Ex. costs)
Country	Net leasable area	3rd Partial acquisition date
GEO Code	Number of residential Units	Have any partial disposals took place this quarter?
Asset type	Weighted average unexpired lease term (years)	1st Partial disposal price (Ex. costs)
Asset sub-type	Occupancy rate (%)	1st Partial disposal date
Year of original building completion	Ownership type	2nd Partial disposal price (Ex. costs)
Year of last major refurbishment	Owner occupied	2nd Partial disposal date
Area unit of measurement	Asset reporting currency	3rd Partial disposal price (Ex. costs)
Manager / Direct investor company name	Accounting standard	3rd Partial disposal date
Is the asset part of a vehicle?	Accounting basis	External debt valuation basis
Vehicle name	Appraisal type	Opening external debt at first day of the quarter
Manager internal vehicle ID	Valuation standard	Outstanding external debt at end of the quarter
Vehicle type	Valuation basis	Debt drawn (external)
Fund style	Market value at the beginning of the quarter	Debt amortisation (external)
Fund structure	Market value at the end of the quarter	Debt repayment (external)
		Debt servicing costs (external)

Annex 2: Asset Level Index project planning

	2017												2018									
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	
Key MB meetings																						
Implementation of MB's final recommendations																						
Further commitment gathering																						
Data input tool implementation and testing																						
Historical data collection, validation and verification																						
Index Online Analysis Tool implementation and testing																						
Member training and data input tool																						
Finalise accompanying documents																						
Launch of Consultation Index and Online Analysis Tool																						

Annex 3: Asset Level data fee structure

	Initial investment in 2017	Annual fee for 2018-2022 period	Annual fee starting from 2023
Founding, data contributing member	EUR 10.000	EUR 1.250	EUR 5.000
Non-founding, data contributing member		EUR 5.000	EUR 5.000
Non-member		Membership + other conditions above	Membership + other conditions above

Annex 4: Access to Asset Level Index publications and tool

	Snapshot	Full report	Online Index Analysis Tool
Founding, data contributing member	Yes	Yes	Yes
Non-founding, data contributing member	Yes	Yes	Yes
Non-founding, non-data contributing member	Yes	Yes	No
Non-member	Yes	No	No