

MEMO

Subject: OXYGEN² US Real Estate Investment Profile
Date: June 03

Timeline	Immediate demand.
Product Type	Class A and Class B Office buildings, and Class A retail locations.
Total Size	\$30 – \$150 Million.
Location in US	Metropolitan real estate markets in North America.
Market Location	CBD or strong suburban markets.
Financing	Guaranteed by European banks.
Financing Leverage	Typically 65 / 35.
Tenant Profile	National / international companies. In non-core, secondary US markets, long leases with good credit profile tenants are required.
Anchor Tenants	Several anchor tenants intended, ideally less than 10 tenants in total. Multi tenant assets are also accepted.
Vacancy	Below 12 %. Any higher vacancy only accepted in core, primary US markets.
Building Quality	In general the buildings should be of good quality. In non-core, secondary US markets, the assets should not be older than 10 years.
Lease Roll Over	Average > 5 years if possible.
Out-Criteria	Rehab space, lots of short-term leases, pending vacancy.
Key Investor Focus	Stability and quality of the asset. Return on Investment.
Cap Rate	Above 8 % at purchase in non core, secondary US markets, otherwise depending on market conditions.
US Partnership	Intended. German institutional investor would allow for a favorable re-capitalization of the asset, US partner overseeing the property management and leasing and receiving certain other rights.