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As filed with the Securities and Exchange Commission on October 9 , 2015

Registration No. 333- 205440

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 3

to

FORM S- 11

FOR REGISTRATION

UNDER THE SECURITIES ACT OF 1933

OF SECURITIES OF CERTAIN REAL ESTATE COMPANIES

NORTHSTAR REALTY EUROPE CORP.

(Exact Name of Registrant as Specified in Governing Instruments)

399 Park Avenue, 18th Floor

New York, New York 10022

(212) 547- 2600

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

---

c/o Trevor K. Ross, Esq.

General Counsel and Secretary

NorthStar Realty Europe Corp.

399 Park Avenue, 18th Floor

New York, New York 10022

(212) 547- 2600

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

Copies to:

Robert W. Downes

Sullivan & Cromwell LLP

125 Broad Street

New York, New York 10004

(212) 558- 4000

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post- effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post- effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non- accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b- 2 of the Exchange Act.

Large accelerated filer ❑ Accelerated filer ❑ Non- accelerated filer ➡ (Do not check if a smaller reporting company) Smaller reporting company ❑

CALCULATION OF REGISTRATION FEE

Title of Securities Being Registered	Proposed Maximum Aggregate Offering Price[(1)(2)]	Amount of Registration Fee[(3)]
Common Stock, $0.01 par value per share	$875,748,000	$88,187.82

(1) This Registration Statement relates to an indeterminate amount of shares of common stock, par value $0.01 per share, of NorthStar Realty Europe Corp., or NorthStar Europe, that will be distributed pursuant to a spin- off transaction to the holders of common stock, par value $0.01 per share, of NorthStar Realty Finance Corp.

(2) Estimated solely for the purposes of calculating the registration fee pursuant to Rule 457(f)(2) of the Securities Act of 1933, based on the estimated book value of the common stock of NorthStar Europe at the latest practicable date prior to the filing of the Registration Statement, which has been computed based on estimated balances for the European Real Estate Business (as defined herein) to be contributed to NorthStar Europe, in each case as of June 30, 2015.

(3) $133,354 was previously paid with the initial filing of our Registration Statement on Form S- 11 on July 2, 2015. Accordingly, no additional amount is being paid herewith upon filing of this Amendment.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date or dates as the Commission, acting pursuant to said Section 8(a), may determine.

Preliminary Prospectus Subject to Completion, Dated October 9 , 2015

The information set forth in this preliminary prospectus is not complete and may be changed. We may not distribute these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

NorthStar Realty Europe Corp.

This prospectus is being furnished in connection with the distribution by NorthStar Realty Finance Corp., a Maryland corporation, or NorthStar Realty, to holders of NorthStar Realty's common stock, par value $0.01 per share, of all the outstanding shares of common stock, par value $0.01 per share, or our Common Stock, of NorthStar Realty Europe Corp., or NorthStar Europe, the Company or we. We refer to this distribution in this prospectus as the separation, the Distribution or the European Spin- off. We will complete a series of transactions with NorthStar Realty pursuant to which we will own the European real estate business (excluding European healthcare properties) currently owned by NorthStar Realty, as described in this prospectus.

Shares of our Common Stock will be distributed to holders of shares of NorthStar Realty common stock of record as of the close of business, Eastern Time, on October 22 , 2015, which will be the record date. Each such holder will receive one share of our Common Stock for every six shares of NorthStar Realty common stock held on the record date. No fractional shares of the Company will be issued in connection with the distribution. Holders of NorthStar Realty common stock that would otherwise be entitled to fractional shares of the Company as a result of the Distribution will receive a check for the cash value thereof. In connection with, and immediately following, the Distribution, NorthStar Realty expects to effect a 1- for- 2 reverse stock split of NorthStar Realty common stock, or the NRF Reverse Stock Split. No fractional shares of NorthStar Realty common stock will be issued in the NRF Reverse Stock Split. Holders of NorthStar Realty common stock that would otherwise be entitled to fractional shares as a result of the NRF Reverse Stock Split will receive cash in lieu thereof, which will generally be taxable. The Distribution will be effective at 11:59 p.m. Eastern Time on October 31 , 2015 and the NRF Reverse Stock Split will be effective at 12:01 p.m. Eastern Time on November 1, 2015 .

We intend to elect to be taxed as a real estate investment trust, or REIT, for U.S. federal income tax purposes beginning with the year ending December 31, 2015. Refer to "The Distribution — Material U.S. Federal Income Tax Consequences of the Distribution" for a discussion of the federal income tax consequences of the distribution. To assist us in qualifying as a REIT, among other purposes, stockholders are generally restricted from owning more than 9.8% in value or in number of shares, whichever is more restrictive, of the aggregate of our outstanding shares of our Common Stock, or more than 9.8% in the value of the aggregate of the outstanding shares of our stock. See "Description of Capital Stock — Restrictions on Transfer and Ownership of our Common Stock."

No stockholder approval of the Distribution is required or sought. We are not asking you for a proxy and you are requested not to send us a proxy. NorthStar Realty stockholders will not be required to pay for the shares of our Common Stock to be received by them in the Distribution or to surrender or to exchange shares of NorthStar Realty common stock in order to receive our Common Stock or to take any other action in connection with the Distribution . There is currently no trading market for our Common Stock. We expect to list our Common Stock on the New York Stock Exchange, or NYSE, under the symbol "NRE."

IN REVIEWING THIS PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER THE MATTERS DESCRIBED UNDER THE CAPTION "RISK FACTORS" BEGINNING ON PAGE 18 .

WE ARE AN EMERGING GROWTH COMPANY AS DEFINED IN THE JUMPSTART OUR BUSINESS STARTUPS ACT OF 2012. REFER TO "RISK FACTORS — RISKS RELATED TO THE EUROPEAN SPIN- OFF— THE REDUCED DISCLOSURE REQUIREMENTS APPLICABLE TO US AS AN 'EMERGING GROWTH COMPANY' MAY MAKE OUR COMMON STOCK LESS ATTRACTIVE TO INVESTORS" AND "BUSINESS — EMERGING GROWTH COMPANY STATUS."

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Stockholders of NorthStar Realty with inquiries related to the distribution should contact NorthStar Realty's transfer agent, American Stock Transfer & Trust Company, LLC at 1- 800- 937- 5449.

The date of this prospectus is October , 2015.

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INTRODUCTION

This prospectus is being furnished solely to provide information to NorthStar Realty stockholders who will receive shares of our Common Stock in the Distribution . It is not to be construed as an inducement or encouragement to buy or sell any securities of NorthStar Realty or NorthStar Europe. This prospectus describes, among other things, NorthStar Europe's business, its relationship with NorthStar Realty and its manager, an affiliate of NorthStar Asset Management Group Inc., which together with its affiliates is referred to in this prospectus as NSAM, and how the European Spin- off affects NorthStar Realty and its stockholders and provides other information to assist you in evaluating the benefits and risks of holding or disposing of the shares of our Common Stock that you will receive in the European Spin- off .

Except as otherwise indicated or unless the context otherwise requires, "NorthStar Europe," "NRE," "we," "us," "our" and "the Company" refer to NorthStar Realty Europe Corp., a Maryland corporation, and its domestic and foreign subsidiaries, after giving effect to the European Spin- off . All references to "NorthStar Realty" are, as the context may require, to NorthStar Realty excluding NRE after giving effect to the European Spin- off . Amounts are presented in U.S. dollars using an exchange rate as of June 30, 2015, unless otherwise noted.

We describe in this prospectus the European real estate business to be contributed to NorthStar Europe by NorthStar Realty as if the European Spin-off has already occurred, such business consisting of: (i) a $100 million multi- tenant leasehold office complex located in Woking, United Kingdom, or the U.K. Complex, purchased by NorthStar Realty in September 2014 (which, together with expected cash and any other related assets, liabilities or activities related to the launch of the European real estate business to be included as part of the European Spin- off , we refer to as the NorthStar Europe Predecessor); (ii) a $1.3 billion portfolio primarily comprised of multi- tenant office properties located throughout Europe purchased by NorthStar Realty in April 2015, or the SEB Portfolio; (iii) 37 multi- tenant office properties located throughout Europe with an aggregate purchase price of $536 million acquired by NorthStar Realty in April 2015 across three portfolios comprised of the Internos Portfolio of $225 million, IVG Portfolio of $212 million and the Deka Portfolio of $99 million; and (iv) a $621 million office tower located in Frankfurt, Germany purchased by NorthStar Realty in July 2015, or the Trianon Tower. We collectively refer to the SEB Portfolio, Internos Portfolio, IVG Portfolio, Deka Portfolio and Trianon Tower as our New European Investments and together with the NorthStar Europe Predecessor, as our Current European Portfolio or our European Real Estate Business. The U.K. Complex, SEB Portfolio and Trianon Tower are currently owned through joint ventures (refer to "Summary — Unaudited Pro Forma Financial Information" for further detail). Our European Real Estate Business does not include any of NorthStar Realty's European healthcare properties.

N orthStar Europe is a newly- formed entity that will not have conducted any separate operations prior to the European Spin- off . The financial results of the NorthStar Europe Predecessor or of our New European Investments operated as part of NorthStar Realty may not be indicative of NorthStar Europe's financial results upon consummation of the European Spin- off or of the financial results of NorthStar Europe had it owned the U.K. Complex and our New European Investments as an independent public company for the periods presented.

This introduction may not contain all of the information that is important to you and should be read in conjunction with the combined financial statements of the NorthStar Europe Predecessor and the notes thereto included in "Financial Statements," the unaudited pro forma financial information beginning on page 71 and the risk factors included in "Risk Factors" beginning on page 18 of this prospectus.

FORWARD- LOOKING STATEMENTS

This prospectus contains certain forward- looking statements. Forward- looking statements are generally identifiable by use of forward- looking terminology such as “may,” “will,” “should,” “potential,” “intend,” “expect,” “seek,” “anticipate,” “estimate,” “believe,” “could,” “project,” “predict,” “continue,” “future” or other similar words or expressions. Forward- looking statements are not guarantees of performance and are based on certain assumptions, discuss future expectations, describe plans and strategies, contain projections of results of operations or of financial condition or state other forward- looking information. Such statements include, but are not limited to, those relating to the effects of the European Spin- off described in this prospectus, our ability to grow our business following the European Spin- off and entering into a long- term management contract with NSAM, the operating performance of our investments, our liquidity and financing needs, use of the proceeds from the sale of the Senior Notes (see “Recent Developments”), our management’s track record, the effects of our current strategies and investment activities, our pro forma combined financial statements and our ability to raise and effectively deploy capital. Our ability to predict results or the actual effect of plans or strategies is inherently uncertain, particularly given the economic environment. Although we believe that the expectations reflected in such forward- looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward- looking statements and you should not unduly rely on these statements. These forward- looking statements involve significant risks, uncertainties and other factors that may cause our actual results in future periods to differ materially from those forward- looking statements. These factors include, but are not limited to:

- risks inherent in a spin- off, including those related to the capital resources required to protect against business risks, legal risks and risks associated with the accounting treatment of a spin- off transaction;
- risks associated with operating as an independent public company and loss of certain benefits associated with being owned as part of a larger company;
- our rapid growth and relatively limited experience investing in Europe;
- the ability of NSAM to scale its operations in Europe to effectively manage our growth;
- our ability to realize the anticipated benefits of the European Spin- off ;
- our ability to qualify and remain qualified as a REIT;
- access to debt and equity capital and our liquidity;
- our use of leverage and our ability to comply with the terms of our borrowing arrangements;
- our ability to obtain mortgage financing on our real estate portfolio on favorable terms or at all;
- the effect of economic conditions, particularly in Europe, on the valuation of our investments and on the tenants of the real property that we own;
- the unknown impact of the potential default and/or exit of one or more countries within the European Union;
- our ability to acquire attractive investment opportunities and the impact of competition for attractive investment opportunities;
- our performance pursuant to a long- term management contract with NSAM as our manager, including our reliance on NSAM and its affiliates and sub- advisors/joint venture partners in providing management services to us, the payment of substantial base and potential incentive fees to our manager, the allocation of investments by our manager among us and our manager’s and its affiliates’ other managed companies and strategic vehicles and various conflicts of interest in our relationship with NSAM;
- the effectiveness of our portfolio management techniques and strategies, including our reliance on third parties and the potential loss and/or liability arising as a result of our relationships with such third parties;
- the impact of adverse conditions affecting a specific property type in which we have investments, such as office properties;
- tenant defaults or bankruptcy;
- illiquidity of properties in our portfolio;
- our ability to realize current and expected return over the life of our investments;
- any failure in our due diligence to identify all relevant facts in our underwriting process or otherwise;

- the impact of credit rating downgrades;
- our ability to manage our costs in line with our expectations and the impact on cash available for distribution, or CAD, and net operating income of our properties, or NOI;
- environmental and regulatory requirements, compliance costs and liabilities related to owning and operating properties in our portfolio and to our business in general;
- effect of regulatory actions, litigation and contractual claims against us and our affiliates, including the potential settlement and litigation of such claims;
- changes in European, international and domestic laws or regulations governing various aspects of our business;
- future changes in local tax law that may have an adverse impact on the cash flow and value of our investments;
- our ability to effectively structure our investments in a tax efficient manner, including for local tax purposes;
- the impact that a rise in future interest rates may have on our floating rate financing;
- potential devaluation of the Euro relative to the U.S. dollar due to quantitative easing and/or other factors which could cause the U.S. dollar value of our investments to decline;
- general foreign exchange risk associated with properties located in European countries located outside of the Eurozone, including the United Kingdom and Sweden;
- the loss of our exemption from the definition of an "investment company" under the Investment Company Act of 1940, as amended, or the Investment Company Act;
- competition for qualified personnel and NSAM's ability to retain key personnel to manage us effectively;
- the impact of damage to our brand and reputation resulting from internal or external causes;
- the lack of historical financial statements for properties we may acquire in compliance with U.S. Securities and Exchange Commission, or SEC, requirements and U.S. generally accepted accounting principles, or U.S. GAAP, as well as the lack of familiarity of our tenants and third party service providers with such requirements and principles;
- failure to maintain effective internal controls and disclosure controls and procedures;
- the historical combined financial information included in this prospectus not providing an accurate indication of our performance in the future or reflecting what our financial position, results of operations or cash flows would have been had we operated as an independent public company during the periods presented; and
- our status as an emerging growth company.

The foregoing list of factors is not exhaustive. All forward- looking statements included in this prospectus are based on information available to us on the date hereof and we are under no duty to update any of the forward- looking statements after the date of this prospectus to conform these statements to actual results. Factors that could have a material adverse effect on our operations and future prospects are set forth in this prospectus under the heading "Risk Factors."

SUMMARY

This summary highlights selected information contained elsewhere in this prospectus relating to the separation of NorthStar Europe from NorthStar Realty and the distribution of our Common Stock by NorthStar Realty to NorthStar Realty's common stockholders.

We describe in this prospectus our European Real Estate Business, which includes the NorthStar Europe Predecessor and our New European Investments, to be contributed to NorthStar Europe by NorthStar Realty as if the European Spin- off has already occurred. However, NorthStar Europe is a newly- formed entity that will not have conducted any separate operations prior to the European Spin- off . The financial results of the NorthStar Europe Predecessor or of our New European Investments operated as part of NorthStar Realty may not be indicative of NorthStar Europe's financial results upon consummation of the European Spin- off or of the financial results of NorthStar Europe had it owned the U.K. Complex and our New European Investments as an independent public company for the periods presented.

The following summary may not contain all of the information that is important to you and should be read in conjunction with the combined financial statements of the NorthStar Europe Predecessor and the notes thereto included in "Financial Statements," the unaudited pro forma financial information beginning on page 71 and the risk factors beginning on page 18 of this prospectus.

Our Business

We are a newly- formed European commercial real estate company with approximately $2.6 billion, at cost, of investments located throughout nine countries in Europe. We have the ability to invest in a broad spectrum of European commercial real estate. We are currently predominantly focused on office properties and may expand by acquiring other types of commercial real estate located throughout Europe. We expect to make equity investments, directly or indirectly through joint ventures, in a diversified portfolio of European commercial real estate that offers the opportunity to generate attractive risk- adjusted returns. We seek to generate stable cash flow for distribution to our stockholders and in turn build long- term franchise value.

We will be externally managed and advised by an affiliate of NorthStar Asset Management Group Inc. (NYSE: NSAM), which together with its affiliates is referred to in this prospectus as NSAM. We are a Maryland corporation and intend to conduct our operations so as to qualify as a REIT for U.S. federal income tax purposes beginning with the year ending December 31, 2015. Our principal executive offices are located at 399 Park Avenue, 18th Floor, New York, New York 10022 , our telephone number is (212) 547- 2600 and our website is www.nrecorp.com .

The European Spin- off

On February 26, 2015, NorthStar Realty announced that its board of directors, or the NorthStar Realty Board, unanimously approved a plan to spin-off its European real estate business (excluding European healthcare properties) into an independent publicly- traded company. In connection with the European Spin- off , we will enter into a management agreement with an initial term of 20 years on terms substantially consistent with the terms of the existing management agreement between NSAM and NorthStar Realty.

Refer to "The Distribution" section in this prospectus for further discussion regarding the Distribution and to "Corporate Governance and Management — Our Manager — Management Agreement" for further discussion regarding the management agreement.

Reasons for the European Spin- off

The NorthStar Realty Board believes that investors and analysts will regard NorthStar Europe's distinct focus on investing in European commercial real estate more favorably as a separate company than as part of the existing portfolio and strategy of NorthStar Realty and thus place a greater value on NorthStar Europe as a separate public company. In the event that the European Spin- off does not have this and other expected benefits, the costs associated with the transaction, including an expected increase in general and administrative expenses, could have a negative effect on the financial condition and ability to make distributions to the stockholders of each company.

The NorthStar Realty Board has determined that separation of our business from NorthStar Realty's other businesses is in the best interests of NorthStar Realty. The potential benefits considered by the NorthStar Realty Board in making the determination to consummate the Distribution included the following:

- attractive positioning as a European - focused equity REIT with access to a lower cost of capital and capability to execute complex, cross border European transactions;

- European - focused equity REIT with substantial growth prospects as financial and other institutions deleverage and wind- down their portfolios in Europe;
- ability to benefit from opportunities in the European markets; and
- opportunity to increase the aggregate value of NorthStar Europe and NorthStar Realty in order to allow each company to issue equity at a lower cost of capital in connection with acquisitions, joint ventures and partnerships on more favorable terms.

The NorthStar Realty Board believes that the aggregate value of NorthStar Realty and NorthStar Europe should increase relative to the value of NorthStar Realty prior to the announcement of the plan to spin- off its European real estate business because the Distribution will permit investors to invest separately in NorthStar Europe and in the remaining businesses of NorthStar Realty. This may make NorthStar Realty's common stock and our Common Stock more attractive to investors as compared to NorthStar Realty's common stock before the Distribution and therefore could improve access to the capital markets for both NorthStar Realty and NorthStar Europe. As a result of the Distribution, the common stock of each of NorthStar Realty and NorthStar Europe would become available to classes of investors who seek an investment that offers the growth, risk and sector exposure of either NorthStar Europe or NorthStar Realty, but not that of the combined company. There can be no assurance, however, as to the future market price of the common stock of NorthStar Realty or our Common Stock. Refer to "Risk Factors — Risks Related to the European Spin- off — The aggregate post- Distribution value of NorthStar Realty and NorthStar Europe shares may not equal or exceed the pre- spin- off value of NorthStar Realty shares."

The NorthStar Realty Board considered several factors that might have a negative effect on NorthStar Realty as a result of the Distribution. For example, certain factors such as a lack of historical financial and performance data for our European Real Estate Business, including investments that were just recently acquired, or for NorthStar Europe as an independent public company may limit investors' ability to appropriately value our Common Stock. Furthermore, because the Company will be separated from NorthStar Realty, the Distribution may also limit the ability of the Company to pursue cross- company business transactions and initiatives with other businesses of NorthStar Realty. Finally, following the Distribution, NorthStar Europe will be responsible for certain general and administrative costs previously incurred by NorthStar Realty. Refer to "The Distribution — Reasons for the Distribution" for a further discussion of the factors considered in consummating the Distribution.

Market Opportunity

We believe that the economic environment in Europe has stabilized and the foundations are in place for a gradual and sustained recovery. According to recent European Commission estimates, all of the countries in the European Union, with the exception of Cyprus, are expected to achieve Gross Domestic Product, or GDP, growth in 2015. We believe that the positive outlook for Europe is driven by a number of factors including the following:

- historically low interest rates;
- historically wide spreads between capitalization yields and interest rates;
- the European Central Bank's quantitative easing program;
- depreciation of foreign currencies, primarily the Euro;
- declining unemployment rates;
- relatively low oil prices;
- increased investor and consumer confidence in a sustained European recovery; and
- the apparent stabilization of European sovereign debt and reversal of the recent upward trend in debt/GDP across the Eurozone.

There can be no assurance, however, that European econom ies will continue to recover at the current rate or at all. For a discussion of risks relating to adverse conditions in the European and global economy, refer to "Risk Factors — Risks Related to Our Business." For further discussion regarding our market opportunity, refer to "Business — Market Opportunity" in this prospectus.

Our Strategy

We have the ability to invest in a broad spectrum of European commercial real estate. We are currently predominantly focused on office properties and may expand by acquiring other types of commercial real estate located throughout Europe. We expect to make equity investments, directly or indirectly through joint ventures, in a diversified portfolio of European commercial

real estate that offers the opportunity to generate attractive risk- adjusted returns. We seek to generate stable cash flow for distribution to our stockholders and in turn build long- term franchise value.

For further discussion regarding our investment strategy, refer to "Business — Our Strategy" in this prospectus.

Our Competitive Strengths

We believe that we operate with significant competitive strengths, including creating a new opportunity for investors as the only European - focused real estate company listed in the United States, our anticipated access to lower cost of capital, our diversified investment strategy, our high- quality portfolio, our experienced management team and our real estate investment and asset management experience, which will allow us to continue to grow our investments, generate attractive risk- adjusted returns for our stockholders and be well- positioned to benefit from the ongoing recovery in the European commercial real estate market. For additional information regarding our competitive strengths, refer to "Business — NorthStar Europe Competitive Strengths."

Our Properties

Our current portfolio of $2.6 billion, at cost, is comprised of 52 high- quality properties located in many key European markets, including Berlin, Frankfurt, Hamburg, London, Paris, Amsterdam, Milan, Brussels and Madrid. $2.0 billion of our portfolio was acquired or committed to be acquired in 2014, and given improved market conditions in Europe since such time, we believe has appreciated in value. Our current portfolio is primarily comprised of office properties, with 94% of our in- place rental income generated from office properties as of June 30, 2015, adjusted for an acquisition through October 8, 2015 . We hold prime office properties in Germany, the United Kingdom and France that account for approximately 71% of our in- place rental income as of June 30, 2015, adjusted for an acquisition through October 8, 2015 . As of June 30, 2015, adjusted for an acquisition through October 8, 2015 , our portfolio was 93% occupied, had a weighted average remaining lease term of 6.0 years and included high-quality tenants.

The following presents a summary, as of June 30, 2015, adjusted for an acquisition through October 8, 2015 , of our portfolio and diversity across geographic location based on cost:

Portfolio by Geographic Location

Total portfolio, at cost	$2.6 billion
Number of properties	52
Number of countries	9
Total square meters	520,323
Weighted average occupancy	93%
Weighted average remaining lease term	6.0 years
In- place rental income related to:[1]	
Office properties	94%
Other	6%

(1)In- place rental income represents gross rent contractually due from the properties .

Risk Factors

Our business is subject to numerous risks and uncertainties, including those highlighted in the section titled "Risk Factors." Some of these risks and uncertainties include:

- the effect of adverse economic conditions in European, U.S. and global financial markets on the commercial real estate industry;
- our dependence on NSAM as our manager, including our reliance on NSAM's affiliates, sub- advisors, joint venture partners and third parties, to achieve our investment objectives, grow our business and make distributions to our stockholders;
- NSAM failing to effectively perform its obligations under various agreements with us, including our management agreement;
- our agreements with NSAM and NorthStar Realty not reflecting terms that would have resulted from arm's- length negotiations among unaffiliated third parties;

- the payment of substantial base and potential incentive fees to NSAM may cause NSAM to make decisions that are not in our best interests;
- the allocation of investments by NSAM among us and NSAM's other managed companies and strategic vehicles and certain other activities of NSAM may create various conflicts of interest in our relationship with NSAM;
- the concentration of our investments in a specific property, property type or region;
- the impact of adverse conditions effecting a specific property type in which we have investments, such as office properties;
- political, economic, market, reputational, operational, legal, regulatory and other risks inherent in conducting business internationally;
- the relative illiquidity of real estate investments;
- the ability of our tenants to successfully operate their businesses;
- regulatory compliance costs and liabilities related to owning and operating properties in our portfolio;
- our access to financing sources on attractive terms, if at all;
- our potential use of leverage;
- the impact that a rise in future interest rates may have on our floating rate financing;
- our use of short- term borrowings;
- the effect of our hedging strategy against interest rate and currency exposure and our ability to align our hedging instruments and the investments being hedged;
- the loss of key personnel if they terminate their employment with NSAM;
- our dependence on information systems and failures of such systems and our ability to implement effective information and cyber security policies, procedures and capabilities;
- unknown impact of the potential default and/or exit of one or more countries within the European Union;
- costs associated with future growth through acquisitions of properties or other companies and our ability to integrate the properties or companies we acquire into our business and operations;
- our ability to change our investment strategy and distribution policy;
- our use of non- GAAP financial measures as indicators of our operating performance;
- provisions of our organizational documents and Maryland law limiting certain business combinations or changes in control;
- substantial European, U.S. and global regulation, numerous contractual obligations and extensive internal policies and our failure to comply with these matters;
- our ability to qualify and remain qualified as a REIT for federal income tax purposes;
- if NorthStar Realty fails to qualify as a REIT in its 2015 taxable year, we would be prevented from electing to qualify as a REIT and if so, would be required to pay income taxes at corporate rates and penalty taxes;
- REIT distribution requirements could adversely affect our liquidity and may force us to borrow funds or sell properties during unfavorable market conditions;
- the European Spin- off not having the benefits we anticipate or not enjoying all the benefits that we have prior to the European Spin- off ;
- the aggregate post- Distribution value of our Common Stock and NorthStar Realty's common stock not equaling or exceeding the pre- Distribution value of NorthStar Realty's common stock;
- our ability to implement our business strategy;

- the absence of a non- volatile, active trading market for our Common Stock;
- satisfaction of the requirements of the Sarbanes- Oxley Act and the effectiveness of our internal control over financial reporting;
- the risk that we might fail to maintain our exclusion from the definition of an "investment company" under the Investment Company Act of 1940, as amended, or the Investment Company Act; and
- our status as an emerging growth company.

Unaudited Pro Forma Financial Information

The following tables present unaudited pro forma combined financial statements of our European Real Estate Business consisting of pro forma combined results of operations for the six months ended June 30, 2015 and year ended December 31, 2014 and a pro forma combined balance sheet as of June 30, 2015, comprised of the following (dollars in millions):

	Acquisition Date	Primary Location(s)	Primary Description	Cost	Properties	Ownership Interest	
NorthStar Europe Predecessor[1]							
U.K. Complex	Sept- 14	Woking, U.K.	Multi- tenant office	$ 100	1	93%	
New European Investments							
SEB Portfolio	April- 15	U.K., France, Germany	Multi- tenant office	1,325	11	95%	(2)
Internos Portfolio	April- 15	Germany, France, Portugal	Office/Hotel/Industrial/Retail	225	12	100%	(3)
IVG Portfolio	April- 15	U.K., France, Germany	Multi- tenant office	212	15	100%	(3)
Deka Portfolio	April- 15	Germany	Multi- tenant office	99	10	100%	(3)
Trianon Tower	July- 15	Frankfurt, Germany	Multi- tenant office	621	3	95%	(2)
Total				$ 2,582	52		

(1) The financial statements for NorthStar Predecessor include an allocation of certain costs and expenses from activities related to the launch of our European Real Estate Business.

(2) We are entitled to 100% of net income (loss) based on the allocation formula, as set forth in the governing documents.

(3) In the near term, we expect to enter into a joint venture arrangement with a third party for an approximate 5% ownership interest in all of the Deka Portfolio, $97 million of the Internos Portfolio and $24 million of the IVG Portfolio.

The unaudited pro forma combined statements of operations represent our European Real Estate Business for the six months ended June 30, 2015 and year ended December 31, 2014 and gives effect to the spin- off of our European Real Estate Business from NorthStar Realty as if it occurred on January 1, 2014. The pro forma combined balance sheet assumes the spin- off of our European Real Estate Business from NorthStar Realty occurred as of June 30, 2015.

The year ended December 31, 2014 is comprised of: (i) the period of our ownership of the U.K. Complex from September 16, 2014 to December 31, 2014, or the NorthStar Owner Period; and (ii) the period from January 1, 2014 to September 15, 2014 represents a period prior to our ownership, or the Prior Owner Period. Therefore, the amounts presented for the year ended December 31, 2014 may not be comparable to future periods.

The unaudited pro forma combined financial statements of our European Real Estate Business are not necessarily indicative of what our financial condition or results of operations would have been for the periods presented, nor are they representative of the future financial condition or results of operations of NorthStar Europe. The unaudited pro forma combined financial statements of our European Real Estate Business should be read in conjunction with the audited combined financial statements and the notes thereto of the NorthStar Europe Predecessor and "Management's Discussion and Analysis of Financial Condition and Results of Operations," both of which are included elsewhere in this prospectus.

The following table presents the unaudited pro forma combined statements of operations of our European Real Estate Business for the six months ended June 30, 2015 and year ended December 31, 2014 (dollars in thousands, except share and per share data):

	Six Months Ended June 30, 2015			
	NorthStar Europe Predecessor[1]	Pro Forma Adjustments[2]	Other	Pro Forma[3]
Revenues				
Rental and escalation income	$ 4,753	$ 73,816	$ —	$ 78,569
Other revenues	1	1,965	—	1,966
Total revenues	4,754	75,781	—	80,535
Expenses				
Management fee, related party	—	—	7,000 [4]	7,000
Operating expenses	1,770	14,927	—	16,697
Interest expense	1,523	16,674	10,907 [5]	29,104
Equity- based compensation expense	—	—	3,707 [8]	3,707
Other general and administrative expenses	1,358	—	—	1,358
Depreciation and amortization	1,814	37,030	—	38,844
Other expenses	—	3,756	—	3,756
Total expenses	6,465	72,387	21,614	100,466
Other income (loss)				
Unrealized gain (loss) on investments and other	41	—	—	41
Realized gain (loss) on investments and other	(14)	—	—	(14)
Income (loss) before income tax benefit (expense)	(1,684)	3,394	(21,614)	(19,904)
Income tax benefit (expense)[2][vii]	107	(287)	1,864	1,684
Net income (loss)	(1,577)	3,107	(19,750)	(18,220)
Net (income) loss attributable to non- controlling interests	21	—	118 [9]	139
Net income (loss) attributable to NorthStar Europe	$ (1,556)	$ 3,107	$ (19,632)	$ (18,081)
Earnings (loss) per share:				
Basic				$ (0.33)
Diluted				$ (0.33)
Weighted average number of shares:[6]				
Basic				55,147,328
Diluted				55,507,470

	Year ended December 31, 2014			
	NorthStar Europe Predecessor[1]	Pro Forma Adjustments[2]	Other	Pro Forma[3]
Revenues				
Rental and escalation income	$ 9,884	$ 163,822	$ —	$ 173,706
Other revenues	1,329	6,806	—	8,135
Total revenues	11,213	170,628	—	181,841
Expenses				
Management fee, related party	—	—	14,000 [4]	14,000
Operating expenses	4,294	31,488	—	35,782
Transaction costs	4,198	—	(4,198) [7]	—
Interest expense	3,651	31,724	21,446 [5]	56,821
Equity- based compensation expense	—	—	4,977 [8]	4,977
Other general and administrative expenses	5,883	—	—	5,883
Depreciation and amortization	3,382	83,312	394	87,088
Other expenses	—	7,717	—	7,717
Total expenses	21,408	154,241	36,619	212,268
Other income (loss)				
Unrealized gain (loss) on investments and other	1,900	—	—	1,900
Income (loss) before income tax benefit (expense)	(8,295)	16,387	(36,619)	(28,527)
Income tax benefit (expense)[2][vii]	—	(1,386)	3,800	2,414
Net income (loss)	(8,295)	15,001	(32,819)	(26,113)
Net (income) loss attributable to non- controlling interests	276	—	455 [9]	731
Net income (loss) attributable to NorthStar Europe	$ (8,019)	$ 15,001	$ (32,364)	$ (25,382)
Earnings (loss) per share:				
Basic				$ (0.78)
Diluted				$ (0.78)
Weighted average number of shares:[6]				
Basic				32,678,628
Diluted				32,998,409

The following table presents our unaudited pro forma combined balance sheet of our European Real Estate Business as of June 30, 2015 (dollars in thousands):

	NorthStar Europe Predecessor	Pro Forma Adjustments[10]	Other	Pro Forma[3]
Assets				
Cash	$ 3,265	$ 14,662	$ 250,000 (12)	$ 267,927
Restricted cash	6,106	—	—	6,106
Operating real estate, net	54,985	2,156,907	—	2,211,892
Receivables	1,031	—	—	1,031
Unbilled rent receivable, net	694	—	—	694
Derivative assets, at fair value	1,134	30,315	—	31,449
Deferred costs and intangible assets, net	35,232	225,112	9,014 (11)	269,358
Other assets	2,245	572	—	2,817
Total assets	$ 104,692	$ 2,427,568	$ 259,014	$ 2,791,274
Liabilities				
Mortgage and other notes payable	$ 78,585	$ 1,439,869	$ —	$ 1,518,454
Senior notes	—	—	340,000 (11)	340,000
Accounts payable and accrued expenses	824	—	—	824
Other liabilities	2,706	42,150	—	44,856
Total liabilities	82,115	1,482,019	340,000	1,904,134
Equity				
Equity	21,439	943,972	(80,986) (11)(12)(13)	884,425
Allocation to non- controlling interests	—	—	(8,677) (9)	(8,677)
NorthStar Europe equity	21,439	943,972	(89,663)	875,748
Non- controlling interests	1,138	1,577	8,677 (9)	11,392
Total equity	22,577	945,549	(80,986)	887,140
Total liabilities and equity	$ 104,692	$ 2,427,568	$ 259,014	$ 2,791,274

(1) The year ended December 31, 2014 includes the Prior Owner Period from January 1, 2014 through September 15, 2014 and NorthStar Owner Period from September 16, 2014 through December 31, 2014. The six months ended June 30, 2015 represents the NorthStar Owner Period. NorthStar Predecessor includes allocation of general and administrative expenses, including operating expenses such as corporate overhead, based on the expectation that NorthStar Europe and NorthStar Realty's general and administrative expenses would represent approximately 20% of the aggregate general and administrative expenses of NorthStar Europe, NorthStar Realty and NSAM after the Distribution, as described herein in "Corporate Governance and Management — Management Agreement."

(2) The following summarizes adjustments related to our New European Investments for the six months ended June 30, 2015 and year ended December 31, 2014 (dollars in thousands):

	Six Months Ended June 30, 2015					
	SEB Portfolio		Internos Portfolio		IVG Portfolio	
	Historical[i]	Pro Forma Adjustments	Historical[i]	Pro Forma Adjustments	Historical[i]	Pro Forma Adjustments
Revenues						
Rental and escalation income	$ 39,906	$ 260 (ii)	$ 9,118	$ (304) (ii)	$ 4,970	$ 127 (ii)
Other revenue	—	—	828	—	726	
Total revenues	39,906	260	9,946	(304)	5,696	127
Expenses						
Operating expenses[iv][v]	5,564	719	1,811	(210)	2,127	(169)
Interest expense[iii]	—	9,506	—	1,752	—	1,728
Depreciation and amortization[vi]	—	18,990	—	4,021	—	2,698
Other expenses[v]	—	2,132	—	478	—	274
Total expenses	5,564	31,347	1,811	6,041	2,127	4,531
Income (loss) before income tax benefit (expense)	34,342	(31,087)	8,135	(6,345)	3,569	(4,404)
Income tax benefit (expense)[vii]	—	(275)	—	(151)		71
Net income (loss)	34,342	(31,362)	8,135	(6,496)	3,569	(4,333)
Net (income) loss attributable to non-controlling interests[viii]	—	—	—	—	—	—
Net income (loss) attributable to NorthStar Europe	$ 34,342	$ (31,362)	$ 8,135	$ (6,496)	$ 3,569	$ (4,333)

	Six Months Ended June 30, 2015 (continued)			
	Trianon Tower			
	Historical[i]	Pro Forma Adjustments	Other Pro Forma Adjustments[ix]	Total
Revenues				
Rental and escalation income	$ 18,486	$ (1,221) [ii]	$ 2,473	$ 73,815
Other revenue	—	—	411	1,965
Total revenues	18,486	(1,221)	2,884	75,780
Expenses				
Operating expenses[v]	5,173	(759)	670	14,926
Interest expense[iii]	—	2,826	862	16,674
Depreciation and amortization[vi]	—	9,981	1,341	37,031
Other expenses[v]	—	724	148	3,756
Total expenses	5,173	12,772	3,021	72,387
Income (loss) before income tax benefit (expense)	13,313	(13,993)	(137)	3,393
Income tax benefit (expense)[vii]	—	58	12	(285)
Net income (loss)	13,313	(13,935)	(125)	3,108
Net (income) loss attributable to non- controlling interests[viii]	—	—	—	—
Net income (loss) attributable to NorthStar Europe	$ 13,313	$ (13,935)	$ (125)	$ 3,108

	Year Ended December 31, 2014					
	SEB Portfolio		Internos Portfolio		IVG Portfolio	
	Historical[i]	Pro Forma Adjustments	Historical[i]	Pro Forma Adjustments	Historical[i]	Pro Forma Adjustments
Revenues						
Rental and escalation income	$ 86,117	$ 520 [ii]	$ 21,894	$ (607) [ii]	$ 12,889	$ 254 [ii]
Other revenue	—	—	3,065	—	2,685	
Total revenues	86,117	520	24,959	(607)	15,574	254
Expenses						
Operating expenses[iv][v]	8,400	597	3,114	(290)	5,536	—
Interest expense[iii]	—	17,388	—	3,504	—	3,456
Depreciation and amortization[vi]	—	45,600	—	8,041	—	5,395
Other expenses[v]	—	4,264	—	958	—	598
Total expenses	8,400	67,849	3,114	12,213	5,536	9,449
Income (loss) before income tax benefit (expense)	77,717	(67,329)	21,845	(12,820)	10,038	(9,195)
Income tax benefit (expense)[vii]	—	(879)	—	(764)	—	(71)
Net income (loss)	77,717	(68,208)	21,845	(13,584)	10,038	(9,266)
Net (income) loss attributable to non-controlling interests[viii]	—	—	—	—	—	—
Net income (loss) attributable to NorthStar Europe	$ 77,717	$ (68,208)	$ 21,845	$ (13,584)	$ 10,038	$ (9,266)

	Year Ended December 31, 2014 (continued)			
	Trianon Tower			
	Historical[i]	Pro Forma Adjustments	Other Pro Forma Adjustments[ix]	Total
Revenues				
Rental and escalation income	$ 40,741	$ (2,906) [ii]	$ 4,920	$ 163,822
Other revenue	—	—	1,056	6,806
Total revenues	40,741	(2,906)	5,976	170,628
Expenses				
Operating expenses[v]	13,981	(1,721)	1,871	31,488
Interest expense[iii]	—	5,652	1,724	31,724
Depreciation and amortization[vi]	—	21,594	2,682	83,312
Other expenses[v]	—	1,653	244	7,717
Total expenses	13,981	27,178	6,521	154,241
Income (loss) before income tax benefit (expense)	26,760	(30,084)	(545)	16,387
Income tax benefit (expense)[vii]	—	281	46	(1,387)
Net income (loss)	26,760	(29,803)	(499)	15,000
Net (income) loss attributable to non-controlling interests[viii]	—	—	—	—
Net income (loss) attributable to NorthStar Europe	$ 26,760	$ (29,803)	$ (499)	$ 15,000

(i) Represents audited financial statements of revenues and certain expenses for the year ended December 31, 2014 and unaudited financial statements of revenues and certain expenses for the six months ended June 30, 2015. The SEB Portfolio, the Internos Portfolio and the IVG Portfolio were acquired in April 2015 and the Trianon Tower was acquired in July 2015.

(ii) Represents an adjustment to reflect amortization of above and below market leases.

(iii) Represents interest expense for new borrowings at the contractual rate and includes amortization of deferred financing costs. The estimated amortization period of deferred financing costs ranges from seven to 45 years. In addition, certain of the borrowings related to our Current European Portfolio are subject to interest rate caps. Refer to "Business — Our Properties" for further discussion of the terms of the borrowings and interest rate caps associated with our Current European Portfolio.

(iv) Represents an adjustment for third - party property management and other fees for the SEB Portfolio.

(v) Represents an adjustment and reclassification of third- party asset management and other fees to other expense based on amounts expected to be incurred.

(vi) Represents depreciation and amortization expense based on a preliminary purchase price allocation for our New European Investments. The purchase price allocation is a preliminary estimate and may be adjusted within one year of the acquisition in accordance with U.S. GAAP. The depreciation and amortization periods range from one to 40 years.

(vii) Our Current European Portfolio is owned in various foreign jurisdictions which have different tax laws and rates. We estimate our effective tax rate to be approximately 8.5% on a blended basis . This effective tax rate may not represent our effective tax rate subsequent to the European Spin- off.

(viii) We are entitled to 100% of net income (loss) based on the allocation formula, as set forth in the governing documents. In addition, in the near term, we expect to enter into a joint venture arrangement with a third party for an approximate 5% ownership interest in all of the Deka Portfolio, $97 million of the Internos Portfolio and $24 million of the IVG Portfolio.

(ix) Represents adjustments related to the Deka Portfolio acquired in April 2015.

(3) The functional currency of NorthStar Europe is U.S. dollars and the functional currency of the properties comprising our European Real Estate Business is the local currency where the property is located, predominately the Euro. As such, the operations are translated to U.S. dollar using the average exchange rate during the respective period. Additionally, assets and liabilities of properties denominated in a foreign currency are translated to the U.S. dollar using the currency exchange rate at the end of the period presented. Our New European Investments presented in the unaudited pro forma combined balance sheet are translated using the currency exchange rate as of June 30, 2015. The pro forma adjustments do not include foreign currency forward contracts with a notional amount of $119.3 million and maturities ranging from August 2015 to May 2017 expected to be assumed as part of the Distribution.

(4) Represents an adjustment to reflect the base asset management fee to NSAM in accordance with the management agreemen t, the terms of which are described in "Corporate Governance and Management—Our Manager—Management Agreement" of this prospectus. The current base management fee of $14 million annually is based on our Current European Portfolio and does not include any adjustment related to the NSAM incentive fee.

(5) Represents an adjustment to reflect interest expense (including amortization of related deferred financing costs) related to NorthStar Europe's issuance of $340 million of 4.625% Senior Notes due December 2016, or the Senior Notes, in July 2015 of $ 10.9 million and $21.8 million for the six months ended June 30, 2015 and the year ended December 31, 2014, respectively. The year ended December 31, 2014 also includes an adjustment to reflect interest expense (including amortization of related deferred financing costs) related to NorthStar Europe Predecessor of $(0.4) million during the Prior Owner Period.

(6) Weighted average shares used to compute basic and diluted earnings per share , or EPS, represents the number of weighted average shares of our Common Stock and holders of limited partnership interests, or LTIP Units, as applicable, assumed to be outstanding based on a distribution ratio of one share of our Common Stock and LTIP Units for every six shares of NorthStar Realty common stock and LTIP Units . The actual number of our basic and diluted shares outstanding will not be known until the Distribution. Excludes the effect of exchangeable senior notes, shares under a forward sale agreement, restricted shares and RSUs outstanding that were not dilutive for the periods presented. These instruments could potentially impact diluted EPS in future periods.

(7) Represents an adjustment to remove transaction costs related to the acquisition of the U.K. Complex. In addition, the pro forma statements of operations do not include transaction costs related to the acquisition of our Current European Portfolio of $97.4 million for the six months ended June 30, 2015 and $9.5 million for the year ended December 31, 2014. Transaction costs include legal, accounting, tax and other professional services t hat are non- recurring in nature and therefore are not included as part of the pro forma combined statements of operations.

(8) Represents adjustments for equity- based compensation expense related to various equity- based awards granted by NorthStar Realty that will be entitled to one award of NorthStar Europe for every six awards of NorthStar Realty (refer to "Executive Compensation—Outstanding NorthStar Realty Awards").

(9) Represents an adjustment on the pro forma combined balance sheet to establish non- controlling interests related to the holders of LTIP Units in the operating partnership of NorthStar Realty, or NorthStar Realty OP, structured as profits interests, that will be entitled to one common unit in our operating partnership, NorthStar Realty Europe Limited Partnership, or our Operating Partnership, for every six LTIP Units in NorthStar Realty OP. Additionally, the combined statements of operations includes an allocation for net income (loss) attributable to such non- controlling interests. The LTIP Unit holders' interest in NorthStar OP was approximately 1% for the periods presented. In addition, the year ended December 31, 2014 includes a pro forma adjustment related to the non- controlling interest holder in NorthStar Europe Predecessor during the Prior Owner Period.

(10) The following summarizes adjustments related to our New European Investments for the unaudited pro forma combined balance sheet as of June 30, 2015 (dollars in thousands):

	As of June 30, 2015[i][ii]					
	SEB Portfolio	Internos Portfolio	IVG Portfolio	Deka Portfolio	Trianon Tower	Total
Assets						
Cash	$ 3,831	$ —	$ 10,831	$ —	$ —	$ 14,662
Operating real estate, net[iii]	1,131,061	190,327	185,315	84,623	565,581	2,156,907
Derivative assets, at fair value	8,015	—	—	—	22,300	30,315
Deferred costs and intangible assets, net	135,522	18,534	13,371	7,246	50,439	225,112
Other assets	—	—	—	—	572	572
Total assets	$ 1,278,429	$ 208,861	$ 209,517	$ 91,869	$ 638,892	$ 2,427,568
Liabilities						
Mortgage and other notes payable	$ 826,459	$ 101,315	$ 94,066	$ 51,914	$ 366,115	$ 1,439,869
Other liabilities	24,063	525	3,384	—	14,178	42,150
Total liabilities	850,522	101,840	97,450	51,914	380,293	1,482,019
Equity						
NorthStar Europe equity	427,794	107,021	112,067	39,955	257,135	943,972
Non- controlling interests[iv]	113	—	—	—	1,464	1,577
Total equity	427,907	107,021	112,067	39,955	258,599	945,549
Total liabilities and equity	$ 1,278,429	$ 208,861	$ 209,517	$ 91,869	$ 638,892	$ 2,427,568

(i) Represents the preliminary purchase price allocation for each of the properties that comprise our New European Investments. The purchase price allocation is a preliminary estimate and may be adjusted within one year of the acquisition in accordance with U.S. GAAP. The purchase price of each portfolio represents the fair value of the assets acquired and liabilities assumed. The pro forma balance sheet includes an adjustment for transaction costs.

(ii) Our New European Investments are predominantly denominated in Euro and GBP. The initial purchase price allocation is translated based on the exchange rate to the U.S. dollar as of June 30, 2015.

(iii) Includes four properties of $ 18 million classified as held- for- sal e.

(iv) In the near term, we expect to enter into a joint venture arrangement with a third party for an approximate 5% ownership interest in all of the Deka Portfolio, $97 million of the Internos Portfolio and $24 million of the IVG Portfolio.

(11) Represents an adjustment to reflect NorthStar Europe's issuance of the Senior Notes, including related deferred financing costs. We loaned the net proceeds from the issuance of the Senior Notes to subsidiaries of NorthStar Realty, which used such amounts for general corporate purposes, including, among other things, the funding of acquisitions, including the Trianon Tower and the repayment of NorthStar Realty's borrowings. The terms of the loan are materially the same as those of the Senior Notes and are deemed to be repaid upon NorthStar Realty's contribution to us of our European Real Estate Business. We may elect, upon satisfaction of certain conditions, to settle all or part of the principal amount of the Senior Notes in our Common Stock in lieu of cash. Refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations — Recent Developments" for further discussion.

(12) Represents the estimated initial capitalization of NorthStar Europe upon completion of the Distribution and excludes cash held in our Current European Portfolio. The initial capitalization is described in the contribution agreement, discussed in "Certain Relationships and Related Party Transactions—Relationship Between NorthStar Realty and Us After the Distribution—Contribution Agreement."

(13) Includes a capital contribution for transaction costs related to the European Spin- off paid by NorthStar Realty on our behalf of approximately $2 million incurred through June 30, 2015. Transaction costs include legal, accounting, tax and other professional services and start- up costs and are factually supportable because such amounts are based on reliable, documented evidence such as invoices for costs incurred to date. We expect total transaction costs to be approximately $10 million based on estimates from third parties for additional costs expected to be incurred until the European Spin- off. Transaction costs are non- recurring in nature and are therefore not included in the unaudited pro forma combined statement of operations. Rather, transaction costs represent a capital contribution and reduction of equity as a result of the expense with a net effect to equity of zero.

QUESTIONS AND ANSWERS ABOUT THE DISTRIBUTION

The following is a brief summary of the terms of the Distribution. Please refer to "The Distribution" for a more detailed description of the matters described below.

Q: What is the Distribution?

A: The Distribution is the method by which NorthStar Realty will separate the business of the Company from NorthStar Realty's other businesses, creating two separate publicly- traded companies. In the Distribution, NorthStar Realty will distribute to its common stockholders all of the shares of our Common Stock that it owns. Following the Distribution, we will be a separate company from NorthStar Realty and NorthStar Realty will not retain any ownership interest in us. The number of shares of NorthStar Realty common stock you own will not change as a result of the Distribution , although, in connection with, and immediately following, the Distribution, NorthStar Realty expects to effect the NRF Reverse Stock Split. This means that, after giving effect to the NRF Reverse Stock Split and the Distribution, holders of NorthStar Realty common stock will own one share of NorthStar Realty common stock for every two shares of NorthStar Realty common stock owned prior to the NRF Reverse Stock Split and Distribution.

Q: What is being distributed in the Distribution?

A: We estimate approximately 63.0 million shares of our Common Stock will be distributed in the Distribution, based upon the 377.9 million shares of NorthStar Realty common stock expected to be outstanding on the record date (based on the total shares outstanding on September 30, 2015 plus additional shares expected to be issued pursuant to NorthStar Realty's forward sale agreement prior to the record date) . The shares of our Common Stock to be distributed by NorthStar Realty will constitute all of the issued and outstanding shares of our Common Stock immediately after the Distribution. The actual number of shares of our Common Stock to be issued in the Distribution will be determined as of the record date. For more information on the shares being distributed in the Distribution, refer to "Shares Eligible for Future Sale" and "Description of Capital Stock — Common Stock."

Q: What will I receive in the Distribution?

A: Holders of NorthStar Realty common stock will receive a distribution of one share of our Common Stock for every six shares of NorthStar Realty common stock held by them on the record date. In connection with, and immediately following, the Distribution, NorthStar Realty expects to effect the NRF Reverse Stock Split. As a result of the Distribution, your proportionate interest in NorthStar Realty will not change and, on a fully diluted basis, you will own the same percentage of common stock and voting power in NorthStar Europe as you did in NorthStar Realty on the record date, except as a result of the receipt of cash in lieu of fractional shares. For a more detailed description, refer to "The Distribution."

Q: What is the record date for the Distribution?

A: Record ownership will be determined as of the close of business, Eastern Time, on October 22 , 2015, which we refer to as the record date. The person in whose name shares of NorthStar Realty common stock are registered at the close of business on the record date is the person to whom shares of our Common Stock will be issued in the Distribution. Refer to "The Distribution — Listing and Trading of Our Common Stock" for additional information.

Q: When will the Distribution occur?

A: We expect that shares of our Common Stock will be distributed by our transfer agent in its capacity as the distribution agent, on behalf of NorthStar Realty, effective at 11:59 p.m. Eastern Time on October 31 , 2015, which we refer to as the Distribution date.

Q: What will the relationship between NorthStar Realty and us be following the Distribution?

A: Following the Distribution, we will be a separate public company and NorthStar Realty will have no continuing ownership interest in us. In connection with the Distribution, we and NorthStar Realty will enter into a separation agreement and will enter into several other agreements for the purpose of accomplishing the distribution of shares of our Common Stock to NorthStar Realty's common stockholders. These agreements will govern our relationship with NorthStar Realty subsequent to the Distribution and will also provide that all liabilities and obligations attributable to periods prior to the Distribution will remain with NorthStar Realty except for the liabilities for which NorthStar Realty agrees to contribute cash to the Company to enable the Company to pay such liabilities. The separation agreement provides that we and NorthStar Realty agree to provide each other with appropriate indemnities with respect to liabilities arising out of the businesses being transferred to us by NorthStar Realty.

In connection with the Distribution, we will enter into a management agreement with NSAM pursuant to which NSAM will manage the Company for an initial term of 20 years. The management agreement provides for: (i) an annual base management fee equal to the sum of: (a) $14 million; and (b) an additional annual base management fee equal to 1.5% per annum of the sum of: (1) any equity we issue in exchange or conversion of exchangeable or stock- settleable notes; (2) any other issuances of common equity, preferred equity or other forms of equity, including but not limited to LTIP Units in our Operating Partnership (excluding units issued to us and equity- based compensation, but including issuances related to an acquisition, investment, joint venture or partnership); and (3) cumulative CAD, if any, in excess of cumulative distributions paid on common stock, LTIP Units or other equity awards beginning the first full calendar quarter after completion of the Distribution; and (ii) an incentive fee determined as described under "Corporate Governance and Management — Our Manager — Management Agreement" with each of the fees set forth in clauses (i) and (ii) being calculated and payable quarterly in arrears in cash. The current base management fee of $14 million is based on our Current European Portfolio.

Immediately following the Distribution, certain of the members of our board of directors will also be directors on the NorthStar Realty Board and/or on the NSAM board of directors. Refer to "Certain Relationships and Related Party Transactions — Relationship Between NorthStar Realty, NSAM and Us After the Distribution" for a discussion of the policy that will be in place for dealing with potential conflicts of interest that may arise from our ongoing relationships with NorthStar Realty and NSAM.

Q: What do I have to do to participate in the Distribution?

A: No action is required on your part. Stockholders of NorthStar Realty on the record date for the Distribution are not required to pay any cash or deliver any other consideration, including any shares of NorthStar Realty common stock, for the shares of our Common Stock distributable to them in the Distribution.

Q: If I sell shares of NorthStar Realty common stock that I own after the date of this prospectus but before the Distribution, am I still entitled to receive shares of NorthStar Europe Common Stock distributable with respect to the shares of NorthStar Realty common stock I sold?

A: Beginning on or shortly before the record date and continuing up to and including the date of the Distribution, it is expected that there will be two markets in NorthStar Realty common stock: a "regular- way" market and an "ex- distribution" market. Shares of NorthStar Realty common stock that trade on the "regular- way" market will trade with an entitlement to our Common Stock distributed pursuant to the European Spin- off . Shares of NorthStar Realty common stock that trade on the "ex- distribution" market will trade without an entitlement to our Common Stock distributed pursuant to the European Spin- off . Therefore, if you sell shares of NorthStar Realty common stock in the "regular- way" market after the record date but before the Distribution, you will be selling your right to receive our Common Stock in the Distribution. If you sell shares of NorthStar Realty common stock in the "ex- distribution" market before the Distribution, you will receive the shares of our Common Stock that you are entitled to receive pursuant to your ownership as of the record date of NorthStar Realty common stock.

Q: How will fractional shares be treated in the Distribution?

A: If you would be entitled to receive a fractional share of our Common Stock in the Distribution, you will instead receive a cash payment. Refer to "The Distribution — General" for an explanation of how the cash payments will be determined.

Q: How will NorthStar Realty distribute shares of NorthStar Europe Common Stock to me?

A: Holders of shares of NorthStar Realty's common stock on the record date will receive shares of our Common Stock in book- entry form. Refer to "The Distribution — General" for a more detailed explanation.

Q: What is the reason for the Distribution?

A: The NorthStar Realty Board believes that investors and analysts will regard NorthStar Europe's focused strategy of investing in European commercial real estate more favorably as a separate company than as part of the existing portfolio and strategy of NorthStar Realty and thus place a greater value on NorthStar Europe as a separate public company. In the event that the European Spin- off does not have this and other expected benefits, the costs associated with the transaction, including an expected increase in general and administrative expenses, could have a negative effect on the financial condition and ability to make distributions to the stockholders of each company.

Q: Will I be taxed on the shares of NorthStar Europe Common Stock that I receive in the Distribution?

A: Yes. The Distribution will be in the form of a taxable special distribution to NorthStar Realty common stockholders. An amount equal to the fair market value of our Common Stock received by you will be treated as a taxable dividend to the

extent of your ratable share of any current or accumulated earnings and profits of NorthStar Realty, with the excess treated as a nontaxable return of capital to the extent of your tax basis in shares of NorthStar Realty common stock and any remaining excess treated as capital gain. If this special distribution occurs in the structure and timeframe currently anticipated, the special distribution is expected to satisfy a portion of NorthStar Realty's 2015 REIT taxable income distribution requirements. NorthStar Realty or other applicable withholding agents may be required to withhold on all or a portion of the Distribution payable to non- U.S. stockholders. For a more detailed discussion, see "The Distribution — Material U.S. Federal Income Tax Consequences of the Distribution" and "Federal Income Tax Consequences of Our Status as a REIT."

Q: Does NorthStar Europe intend to pay cash distributions?

A: We intend to make distributions to holders of our Common Stock on a quarterly basis. Evaluation of our distribution policy will be solely at the discretion of our board of directors and will be based on factors including, but not limited to, CAD, NOI, new investments, capital requirements and other factors our board of directors deems relevant and in accordance with applicable law. For additional information, refer to "Distribution Policy."

Q: How will NorthStar Europe Common Stock trade?

A: There is not currently a public market for our Common Stock. We expect to list our Common Stock on the NYSE under the symbol "NRE." Beginning shortly before, and continuing up to and including, the date of the Distribution, we expect that there will be a "when- issued" trading market in our Common Stock. The "when- issued" market will be a trading market for the shares of our Common Stock that will be distributed to holders of shares of NorthStar Realty common stock on the Distribution date. If you owned shares of NorthStar Realty common stock at the record date you will be entitled to shares of our Common Stock distributed pursuant to the Distribution. You may trade this entitlement to shares of our Common Stock, without the shares of NorthStar Realty common stock you own, on the "when- issued" market. On the first trading day following the Distribution date, "when- issued" trading with respect to our Common Stock will end and "regular- way" trading will begin.

Further, beginning shortly before the record date and continuing up to and including the date of the Distribution, we expect that there will be two markets in shares of NorthStar Realty common stock: a "regular- way" market and an "ex- distribution" market. Shares of NorthStar Realty common stock that trade on the "regular- way" market will trade with an entitlement to our Common Stock distributed pursuant to the European Spin- off . Shares of NorthStar Realty common stock that trade on the "ex- distribution" market will trade without an entitlement to our Common Stock distributed pursuant to the European Spin- off .

Refer to "The Distribution — Listing and Trading of Our Common Stock" for additional information.

Q: Will the Distribution affect the trading price of my NorthStar Realty common stock?

A: Yes. After the distribution of our Common Stock, the trading price of NorthStar Realty common stock is expected to be lower than the trading price of the NorthStar Realty common stock immediately prior to the Distribution. Moreover, until the market has evaluated the operations of NorthStar Realty without the operations of NorthStar Europe, the trading price of NorthStar Realty common stock may fluctuate as a result of the Distribution. NorthStar Realty believes the separation of NorthStar Europe from NorthStar Realty offers its stockholders the greatest long- term value. However, the combined trading prices of NorthStar Realty common stock and our Common Stock after the Distribution may be lower than the trading price of NorthStar Realty common stock prior to the Distribution. Refer to "Risk Factors" beginning on page 18 .

Q: Do I have appraisal rights?

A: No. Holders of NorthStar Realty common stock are not entitled to appraisal rights in connection with the Distribution.

Q: Is stockholder approval required for the Distribution?

A: No. Stockholder approval is not required for the Distribution. Subsequent to final approval by the NorthStar Realty Board and regulatory approval, NorthStar Realty will distribute its ownership interest in NorthStar Europe to its existing stockholders as of the record date.

Q: Can the NorthStar Realty Board decide to cancel the Distribution?

A: Yes. The occurrence of the Distribution will be subject to certain conditions, including the final approval of the NorthStar Realty Board. The NorthStar Realty Board may, in its sole and absolute discretion, determine to impose or waive conditions to the Distribution or abandon the Distribution. If the NorthStar Realty Board decides to cancel the Distribution or

otherwise materially amend the terms of the Distribution, NorthStar Realty will notify stockholders of such decision by issuing a press release and/or filing a current report on Form 8- K.

Q: Who is the transfer agent for NorthStar Europe Common Stock?

A: American Stock Transfer & Trust Company, LLC
6201 15th Avenue
Brooklyn, NY 11219
Telephone: 1- 800- 937- 5449
Email: info@amstock.com

Q: Where can I get more information?

A: If you have questions relating to the mechanics of the Distribution of shares of our Common Stock, you should contact the distribution agent:
American Stock Transfer & Trust Company, LLC
6201 15th Avenue
Brooklyn, NY 11219
Telephone: 1- 800- 937- 5449
Email: info@amstock.com
Before the Distribution, if you have questions relating to the Distribution, you should contact:
NorthStar Realty Finance Corp.
Attn: General Counsel
399 Park Avenue, 18th Floor
New York, NY 10022
Telephone: (212) 547- 2600
After the Distribution, if you have questions relating to NorthStar Europe, you should contact:
NorthStar Realty Europe Corp.
Attn: General Counsel
399 Park Avenue, 18th Floor
New York, NY 10022
Telephone: (212) 547- 2600

RISK FACTORS

The following risk factors and other information included in this prospectus should be carefully considered. If any of the following risks occur, our business, financial condition, operating results, cash flow and liquidity could be materially adversely affected.

Risks Related to Our Business

The commercial real estate industry has been and may continue to be adversely affected by economic conditions in the European, U.S. and global financial markets generally.

Our business and operations are dependent on the commercial real estate industry generally, which in turn is dependent upon global economic conditions. Despite improvements in the global economy, uncertainty remains as to the extent and timing of further recovery. Issues with the instability of credit and financial markets, actions by governments or central banks, weak consumer confidence in many markets and geopolitical or economic instability in certain countries continues to put pressure on European economies . Instability or volatility of certain countries in the European Union may create risks for stronger countries within the European Union and globally. Global economic and political headwinds, along with global market instability and the risk of maturing commercial real estate debt that may have difficulties being refinanced, may continue to cause periodic volatility in the commercial real estate market for some time. Adverse economic conditions could harm our business and financial condition by, among other factors, reducing the value of our existing investments, limiting our access to debt and equity capital and otherwise negatively impacting our operations.

Challenging economic and financial market conditions could significantly reduce the amount of income we earn on our investments and further reduce the value of our investments.

Challenging economic and financial market conditions may cause us to experience an increase in the number of investments that result in losses, including delinquencies, non- performing investments and a decrease in the value of our property, all of which could adversely affect our results of operations. We may incur substantial losses and need to establish significant provision for losses or impairment. Our revenue from our properties could diminish significantly.

Continuing concerns regarding European debt, market perceptions concerning the instability of the Euro and recent volatility and price movements in the rate of exchange between the U.S. dollar and the Euro could adversely affect our business, results of operations and financing.

Concerns persist regarding the debt burden of certain Eurozone countries and their potential inability to meet their future financial obligations, the overall stability of the Euro and the suitability of the Euro as a single currency, given the diverse economic and political circumstances in individual Eurozone countries and recent declines and volatility in the value of the Euro. These concerns could lead to the re- introduction of individual currencies in one or more Eurozone countries, or, in more extreme circumstances, the possible dissolution of the Euro currency entirely. Should the Euro dissolve entirely, the legal and contractual consequences for holders of Euro- denominated obligations would be uncertain. Such uncertainty would extend to, among other factors, whether obligations previously expressed to be owed and payable in Euros would be re- denominated in a new currency (with considerable uncertainty over the conversion rates), what laws would govern and which country's courts would have jurisdiction. These potential developments, or market perceptions concerning these and related issues, could materially adversely affect the value of our Euro-denominated investments and obligations.

Furthermore, market concerns about economic growth in the Eurozone relative to the United States and speculation surrounding the potential impact on the Euro of a possible Greek or other country sovereign default and/or exit from the Eurozone may continue to exert downward pressure on the rate of exchange between the U.S. dollar and the Euro, which may adversely affect our results of operations.

Risks Related to Our Manager

Our ability to achieve our investment objectives and to pay distributions depends in substantial part upon the performance of our manager.

In connection with the European Spin- off , we will enter into a management agreement with NSAM to manage our day- to- day operations and our investments. Our ability to achieve our investment objectives and grow our business will be dependent upon the performance of NSAM in the acquisition of investments, the determination of financing arrangements and the management of our investments and operation of our day- to- day activities under the supervision of, and subject to the policies and guidelines established by, our board of directors. If our manager performs poorly and as a result is unable to originate, acquire and manage our investments successfully, we may be unable to achieve our investment objectives or to pay distributions to stockholders at presently contemplated levels, if at all.

Any adverse changes in NSAM's financial health, the public perception of NSAM or our relationship with NSAM could hinder our operating performance and adversely affect our financial condition and results of operations.

Because NSAM is publicly- traded, any negative reaction by the stock market reflected in its stock price or deterioration in the public perception of NSAM could result in an adverse effect on our ability to acquire properties and obtain financing from third parties on favorable terms or at all. In addition, NSAM depends upon the management and other fees and reimbursement of costs that it receives from us and NSAM's other managed companies in connection with the acquisition, management and sale of properties to conduct its operations. Any adverse changes in the financial condition of NSAM or our relationship with NSAM could hinder NSAM's ability to successfully support our business and growth, which could have a material adverse effect on our financial condition and results of operations.

NSAM's platform may not be as scalable as we anticipate and we could face difficulties growing our business without significant new investment in personnel and infrastructure by NSAM.

While we believe NSAM's platform for operating our business is highly scalable and can support significant growth in our business without substantial new investment in personnel, expertise and infrastructure on a relative basis, we may be wrong in that assessment. We expect our business to grow substantially over the course of the next several years, which could place significant additional demands on management and other personnel, as well as our support infrastructure. It is possible that if our business grows substantially or that the business of the other companies managed by NSAM continues to grow, including NorthStar Realty, NSAM will need to make significant additional investments in personnel, expertise and infrastructure to support that growth. NSAM may be unable to make significant investments on a timely basis or at reasonable costs and its failure in this regard could disrupt our business and operations.

Failure of NSAM to effectively perform its obligations under the various agreements we will enter into with it, including the long- term management agreement, could have an adverse effect on our business and performance.

We will engage NSAM to provide asset management and other services to us pursuant to a long- term management agreement and other ancillary agreements. Our ability to achieve our investment objectives and to make distributions to stockholders will depend in substantial part upon the performance of NSAM and its ability to provide us with asset management and other services. We will also be dependent on other third party service providers to whom NSAM may delegate various responsibilities or engage on our behalf. If for any reason NSAM or any other service provider is unable to perform such services at the level we anticipate, alternate service providers may not be readily available on acceptable terms or at all, which could adversely affect our performance and materially harm our ability to execute our business plan.

In addition, the management agreement with NSAM will only be terminable by us for cause. We will be unable to terminate the management agreement for any other reason, including if NSAM performs poorly or is unable to acquire and manage our investments successfully. The term "cause" is limited to specific circumstances to be laid out in the management agreement, including NSAM's breach of the management agreement or gross negligence that has a materially adverse effect on us. Termination for unsatisfactory financial performance does not constitute "cause" under the management agreement. In addition, we will be contractually committed to NSAM's management for an initial term of approximately 20 years from the date of the Distribution, with automatic renewal terms thereafter. These provisions will increase our risk that NSAM may not perform well and our business could suffer. If NSAM's performance as our manager does not meet our or our stockholders' expectations, and we are unable to terminate the management agreement, the market price of our Common Stock could suffer.

Moreover, pursuant to the management agreement, we will agree to provide NSAM with all investment opportunities for the acquisition of commercial real estate investments that are presented to us or of which we become aware. NSAM will agree to use commercially reasonable efforts to fairly allocate such investment opportunities among us and its other managed companies, including NorthStar Realty, in accordance with an investment allocation policy; however, investment allocations will be determined by NSAM in its sole discretion and there can be no assurance that we will be allocated a fair share of investment opportunities. NSAM will also have the ability, without our consent, to revise the investment allocation policy in connection with obtaining additional managed companies. If NSAM fails to effectively allocate investments to us, we may be unable to achieve our investment objectives, which could have an adverse effect on our business and performance.

Certain fees payable to NSAM will be payable regardless of the performance of our portfolio and may fail to appropriately incentivize NSAM when managing our portfolio.

We will pay NSAM an annual base management fee regardless of the performance of our portfolio. Consequently, we may be required to pay NSAM significant base management fees in a particular quarter despite experiencing a net loss or a decline in the value of our portfolio during that quarter.

NSAM's entitlement to compensation regardless of our performance might reduce its incentive to devote its time and effort to seeking investments that provide attractive risk- adjusted returns for our portfolio, particularly if other management

agreements to which NSAM is a party have a performance- based fee structure. In addition, NSAM has the ability to earn incentive fees each quarter based on our CAD, which may create an incentive for NSAM to invest in investments with higher yield potential, which are generally riskier or more speculative, or sell an investment prematurely for a gain and pay down borrowings, in an effort to increase our short- term net income and thereby increase the incentive fees to which it is entitled. Furthermore, the compensation payable to NSAM will increase as a result of future issuances of our equity securities, even if the issuances are dilutive to existing stockholders. If our interests and those of NSAM are not aligned, the execution of our business plan and our results of operations could be adversely affected, which could materially and adversely affect our ability to make distributions to our stockholders and the market price of our Common Stock.

The fees we will pay to NSAM in connection with the acquisition and management of our investments pursuant to the management agreement will not be determined on an arm's length basis; therefore, we will not have the benefit of arm's length negotiations of the type normally conducted between unrelated parties.

The fees we will pay to NSAM for services it will provide to us pursuant to the management agreement will not be determined on an arm's length basis. As a result, the fees will be determined without the benefit of arm's length negotiations of the type normally conducted between unrelated parties and may be in excess of amounts that we would otherwise pay to third parties for such services; however, the final terms of the management agreement will be approved by our board of directors, including a majority of the independent members thereof.

In addition to the management fees we will pay to NSAM, we will reimburse NSAM for costs and expenses incurred on our behalf, including indirect personnel and employment costs of NSAM and these costs and expenses may be substantial.

We will pay NSAM substantial fees for the services it will provide to us and we also will have an obligation to reimburse NSAM for costs and expenses it may incur and pay on our behalf. Subject to certain limitations and exceptions, we will reimburse NSAM for both direct expenses as well as indirect costs, including a portion of NSAM's personnel and employment costs. The costs and expenses NSAM expects to incur on our behalf, including the compensatory costs incurred by NSAM, may be substantial. There are conflicts of interest that could arise when NSAM makes allocation determinations. NSAM could allocate costs and expenses to us in excess of what we anticipate and such costs and expenses could have an adverse effect on our financial performance and ability to make cash distributions to our stockholders.

There will be conflicts of interest in our relationship with NSAM that could result in decisions that are not in the best interests of our stockholders.

We will be subject to conflicts of interest arising out of our relationship with NSAM, its affiliates, managed entities and strategic ventures. In particular, we expect to compete for investment opportunities directly with other companies and/or accounts that NSAM or its strategic or joint venture partners manage. Certain of NSAM's managed companies, along with companies, funds and vehicles that are subject to a strategic relationship between NSAM and its strategic or joint venture partners (which we refer to collectively as strategic vehicles), may have investment mandates and objectives that target the same investments as us.

In addition, NSAM may have additional managed companies or strategic vehicles that will compete directly with us for investment opportunities in the future. We will adopt an investment allocation policy with NSAM that is intended to ensure that investments are allocated fairly and appropriately among us and the other NSAM managed companies or strategic vehicles over time, but there is no assurance that NSAM will be successful in eliminating the conflicts arising from the allocation of investment opportunities. When determining the entity for which an investment opportunity would be the most suitable, the factors that NSAM may consider include, among other factors, the following:

- investment objectives, strategy and criteria;
- cash requirements and amount of funds available;
- effect of the investment on the diversification of the portfolio, including by geography, size of investment, type of investment and risk of investment;
- leverage policy and the availability of financing for the investment by each entity;
- anticipated cash flow of the investment to be acquired;
- income tax effects of the purchase;
- the size of the investment;
- cost of capital;
- risk return profiles;

- targeted distribution rates;
- anticipated future pipeline of suitable investments;
- the expected holding period of the investment and the remaining term of the NSAM managed company, if applicable;
- affiliate and/or related party considerations; and
- whether a strategic vehicle has received a special allocation (as defined in the investment allocation policy).

If, after consideration of the relevant factors, NSAM determines that an investment is equally suitable for us and one of its managed companies or strategic vehicles, the investment will be allocated among each of the applicable entities, including us, on a rotating basis. New NSAM clients, including us, will be initially added at the end of the rotation. If, after an investment has been allocated to us or any other entity, a subsequent event or development, such as delays in structuring or closing on the investment, makes it, in the opinion of NSAM, more appropriate for an alternative entity to fund the investment, NSAM may determine to place the investment with the more appropriate entity. If an investment opportunity is re- allocated to another managed company or strategic vehicle after being initially allocated to us because of a change in circumstances, for purposes of the rotation schedule, we would still be treated as having the investment opportunity allocated to us. This policy is the same for all of NSAM's managed companies and we anticipate receiving a fair and reasonable allocation of all of NSAM's investment opportunities. In certain situations, NSAM may determine to allow more than one investment vehicle, including us, to co- invest in a particular investment.

NSAM currently manages or sponsors five companies and intends to sponsor additional companies in the future. While none of the other managed companies, sponsored companies, joint ventures or strategic vehicles currently has the same strategic investment focus on European commercial real estate as the Company, there are no restrictions which would preclude the other managed companies and joint ventures from acquiring European commercial real estate properties in the future that could directly compete with the Company’s investments.

There is no assurance this policy will remain in place during the entire period we are seeking investment opportunities. In addition, NSAM may sponsor additional managed companies or strategic vehicles in the future and, in connection with the creation of such managed companies or strategic vehicles, may revise these allocation procedures. The result of a revision to the allocation procedures may, among other things, be to increase the number of parties who have the right to participate in investment opportunities sourced by NSAM or us, thereby reducing the number of investment opportunities available to us.

In addition, under this policy, NSAM investment professionals may consider the investment objectives and anticipated pipeline of future investments of its managed companies or strategic vehicles. The decision of how any potential investment should be allocated among us and one of NSAM’s managed companies or strategic vehicles for which such investment may be suitable may, in many cases, be a matter of subjective judgment which will be made by NSAM. Pursuant to the investment allocation policy, NSAM may choose to allocate favorable investments to its other managed companies instead of to us. Our investment allocation policy with NSAM could produce unfavorable results for us that could harm our business.

NSAM also has and may in the future acquire additional interests in third parties, such as management firms that manage certain of our properties, which may cause its interests to differ from ours. NSAM may also encourage our use of third party service providers, for which we pay a fee. If our interests and NSAM’s interests are not aligned, we may face conflicts of interest that result in action or inaction that is detrimental to us.

NSAM’s professionals who perform services for us will face competing demands relating to their time and conflicts of interests relating to performing services on our behalf, which may cause our operations and stockholders’ investment to suffer.

We will rely on NSAM’s professionals to perform services related to the operation of our business. NSAM professionals performing services for us also perform services for NSAM’s other managed companies. As a result of their interests in NSAM, other managed companies and the fact that they engage in other business activities on behalf of others, these individuals will face conflicts of interest in allocating their time among us, NSAM and other managed companies and other business activities in which they are involved. In addition, certain management personnel performing services on behalf of NSAM own equity interests in NSAM or other managed companies and NSAM may grant additional equity interests in NSAM or other managed companies to such persons in connection with their continued services. These conflicts of interest, as well as the loyalties of these individuals to other entities and investors, could result in action or inaction that is detrimental to our business, which could harm the implementation of our business strategy, our investment opportunities and the returns on our investments. If we do not successfully implement our business strategy, we may be unable to generate the cash needed to make distributions to stockholders and to maintain or increase the value of our investments.

Further, at times when there are turbulent conditions in the real estate markets or distress in the credit markets or other times when we will need focused support and assistance from NSAM, NSAM’s other managed companies may likewise require

greater focus and attention, placing NSAM's resources in high demand. In such situations, we may not receive the level of support and assistance that we may receive if we were internally managed or if NSAM did not act as a manager for other entities.

Our executive officers are employees of NSAM and face conflicts of interest related to their positions and interests in NSAM, which could hinder our ability to implement our business strategy.

Our executive officers are employees of NSAM and provide services to us solely in such capacity pursuant to NSAM's obligations to us under the management agreement. We do not have employment agreements with any of our executive officers. If the management agreement with NSAM were to be terminated, we would lose the services of all our executive officers and other NSAM investment professionals acting on our behalf. Furthermore, if any of our executive officers ceased to be employed by NSAM, such individual would also no longer serve as one of our executive officers. NSAM is an independent contractor and controls the activities of its employees, including our executive officers. Our executive officers therefore owe duties to NSAM and its stockholders, which may from time- to- time conflict with the duties they owe to us and our stockholders. In addition, our executive officers may also own equity in NSAM or its other managed companies. As a result, the loyalties of these individuals to other entities and investors could result in action or inaction that is detrimental to our business, which could harm the implementation of our business strategy and our investment opportunities.

We may not realize the anticipated benefits of any of our manager's strategic partnerships and joint ventures.

NSAM may enter into strategic partnerships and joint ventures to further its own interests or the interests of its managed companies, including us. NSAM may not be able to realize the anticipated benefits of these strategic partnerships and joint ventures. These strategic partnerships and/or joint ventures may also subject NSAM and its managed companies, including us, to additional risks and uncertainties, as NSAM and its managed companies, including us, may be dependent upon, and subject to, liability, losses or reputational damage relating to systems, control and personnel that are not under NSAM's control. In addition, where NSAM does not have a controlling interest, it may not be able to take actions which are in our best interests due to a lack of full control. Furthermore, to the extent that NSAM's partners provide services to us, certain conflicts of interests will exist. Moreover, disagreements or disputes between NSAM and its partners could result in litigation, which could potentially distract NSAM from our business.

NSAM will manage our portfolio pursuant to very broad investment guidelines and our board of directors is not required to approve each investment and financing decision made by NSAM unless so required by our investment guidelines.

NSAM will be authorized to follow very broad investment guidelines established by our board of directors. Our board of directors periodically will review our investment guidelines and our investment portfolio but will not, and will not be required to, review all of our proposed investments, except in limited circumstances as set forth in our investment guidelines. Our board of directors may also make modifications to our investment guidelines from time to time as it deems appropriate. In addition, in conducting periodic reviews or modifying our investment guidelines, our board of directors may rely primarily on information provided to them by NSAM. Furthermore, transactions entered into by NSAM on our behalf may be costly, difficult or impossible to unwind by the time they are reviewed by our board of directors. NSAM will have flexibility within the broad parameters of our investment guidelines in determining the types and amounts of investments in which to invest on our behalf, including making investments that may result in returns that are substantially below expectations or result in losses, which could materially and adversely affect our business and results of operations, or may otherwise not be in the best interests of our stockholders.

NSAM's liability will be limited under the management agreement and we will agree to indemnify NSAM against all liabilities incurred in accordance with and pursuant to the management agreement.

In connection with the European Spin- off , we will enter into a management agreement with NSAM, which will govern our relationship with NSAM. Our manager maintains a fiduciary relationship with us. Under the terms of the management agreement, and subject to applicable law, NSAM, its directors, officers, employees, partners, managers, members, controlling persons, and any other person or entity affiliated with NSAM are not liable to us or our subsidiaries for acts taken or omitted to be taken in accordance with and pursuant to the management agreement, except those resulting from acts of willful misfeasance or bad faith in the performance of NSAM's duties under the management agreement. In addition, subject to applicable law, we agreed to indemnify NSAM and each of its directors, officers, employees, partners, managers, members, controlling persons and any other person or entity affiliated with NSAM from and against any claims or liabilities, including reasonable legal fees and other expenses reasonably incurred, arising out of or in connection with NSAM's performance of its duties or obligations under the management agreement or otherwise as our manager, except where attributable to acts of willful misfeasance or bad faith in the performance of NSAM's duties under the management agreement.

NSAM is subject to extensive regulation as an investment adviser in the United States and as a fund services business in the Bailiwick of Jersey, which could adversely affect its ability to manage our business.

Certain of NSAM's affiliates, including our manager, are subject to regulation as investment advisers and/or fund managers by various regulatory authorities that are charged with protecting the interests of NSAM's managed companies, including us. Instances of criminal activity and fraud by participants in the investment management industry and disclosures of trading and other abuses by participants in the financial services industry have led the U.S. government and regulators in foreign jurisdictions to consider increasing the rules and regulations governing, and oversight of, the financial system. This activity is expected to result in continued changes to the laws and regulations governing the investment management industry and more aggressive enforcement of the existing laws and regulations. NSAM could be subject to civil liability, criminal liability, or sanction, including revocation of its registration as an investment adviser in the United States, or its registration as a fund services business in the Bailiwick of Jersey, revocation of the licenses of its employees, censures, fines or temporary suspension or permanent bar from conducting business, if it is found to have violated any of these laws or regulations. Any such liability or sanction could adversely affect its ability to manage our business.

NSAM must continually address conflicts between its interests and those of its managed companies, including us. In addition, the SEC, the Jersey Financial Services Commission and other regulators have increased their scrutiny of potential conflicts of interest. However, appropriately dealing with conflicts of interest is complex and difficult and if NSAM fails, or appears to fail, to deal appropriately with conflicts of interest, it could face litigation or regulatory proceedings or penalties, any of which could adversely affect its ability to manage our business.

NSAM could undergo a change of control, which could result in a change of management at NSAM and cause a disruption to our business and operations.

NSAM could undergo a change of control, which could result in a change to the management at NSAM as well as a change to the board of directors at NSAM. Consequently, we could be managed by an entity and personnel that do not have the experience and track record that resides within NSAM and suitable alternatives may not be available. New management and personnel could change the manner in which they provide services to us and may not be effective. Any such fundamental change to NSAM could be disruptive to our business and operations and could have a material adverse effect on our performance.

Risks Related to Our Investments

A prolonged economic slowdown, a lengthy or severe recession or declining real estate values could harm our investments.

Our investments may be susceptible to economic slowdowns or recessions, which could lead to financial losses and a decrease in revenues, earnings and assets. We may continue to expand our commercial real estate portfolio by acquiring additional properties in Europe, which would increase our exposure to global economic slowdowns and recessions. An economic slowdown or recession, in addition to other non- economic factors such as an excess supply of properties, could have a material negative impact on the values of our investments. Declining real estate values will reduce the value of our properties, as well as our ability to refinance our properties and use the value of our existing properties to support the purchase or investment in additional properties. Slower than expected economic growth pressured by a strained labor market, along with overall financial uncertainty, could result in lower occupancy rates and lower lease rates across many property types and may create obstacles for us to achieve our business plans. We may also be less able to pay principal and interest on our borrowings, which could cause us to lose title to properties securing our borrowings. Any of the foregoing could significantly harm our revenues, results of operations, financial condition, business prospects and our ability to make distributions to stockholders.

We are subject to significant competition and we may not be able to compete successfully for investments.

We are subject to significant competition for attractive investment opportunities from other real estate investors, some of which have greater financial resources than us, including publicly- traded REITs, non- traded REITs, insurance companies, commercial and investment banking firms, private institutional funds, hedge funds, private equity funds, sovereign wealth funds and other investors. We may not be able to compete successfully for investments. In addition, the number of entities and the amount of funds competing for suitable investments may increase. If we pay higher prices for investments, our returns may be lower and the value of our investments may not increase or may decrease significantly below the amount we paid for such investments. If such events occur, we may experience lower returns on our investments.

While we are focused on investing in European commercial real estate, we have no established investment criteria limiting the particular country or region, industry concentration or investment type of our investments. If our investments are concentrated in a particular country or region or property type that experiences adverse economic conditions, our investments may lose value and we may experience losses.

Properties that we may acquire may be concentrated in a particular country or region or in a particular property type. These current and future investments carry the risks associated with significant regional or industry concentration. We have not established and do not plan to establish any investment criteria to limit our exposure to these risks for future investments. As a result, properties underlying our investments may be overly concentrated in certain countries or regions or industries and we may experience losses as a result. A worsening of economic conditions, a natural disaster or civil disruptions in a particular country or region in which our investments may be concentrated, or economic upheaval with respect to a particular property type, could have an adverse effect on our business, including impairing the value of our properties.

Approximately 94% of our in- place rental income is generated from office properties, which increases the likelihood that risks related to owning office properties will become more material to our business and results of operations.

Approximately 94% of our in- place rental income is generated from office properties. Our exposure to the risks inherent in the office sector may make us more vulnerable to a downturn or slowdown in the office sector. A downturn in the office industry could negatively affect our lessees' ability to make lease payments to us and our ability to pay distributions to our stockholders. These adverse effects may be more pronounced than if our investments were more diversified.

We are subject to additional risks due to the international nature of our investments, which could adversely impact our business and results of operations.

We recently acquired approximately $2.6 billion, at cost, of real estate in Europe, including properties located in Germany, the United Kingdom, France, the Netherlands, Italy, Belgium and Sweden. We expect to pursue additional expansion opportunities in Europe.

Most of our management's expertise to date is in the United States and neither we nor NSAM has extensive expertise in international markets. Our investments may be affected by factors peculiar to the laws of the jurisdiction in which the borrower or the property is located and these laws may expose us to risks that are different from and/or in addition to those commonly found in the United States. We anticipate paying additional fees to third parties to help manage these portfolios, but there is no assurance this will reduce our risk. We and NSAM may not be as familiar with the potential risks to our investments outside of the United States and we may incur losses as a result. These risks include:

- governmental laws, rules and policies including laws relating to the foreign ownership of real property or mortgages and laws relating to the ability of foreign persons or corporations to remove profits earned from activities within the country to the person's or corporation's country of origin;
- translation and transaction risks related to fluctuations in foreign currency exchange rates;
- adverse market conditions caused by inflation, deflation or other changes in national or local political and economic conditions;
- challenges of complying with a wide variety of foreign laws, including corporate governance, operations, taxes and litigation;
- changes in relative interest rates;
- changes in the availability, cost and terms of borrowings resulting from varying national economic policies;
- changes in real estate and other tax rates, the tax treatment of transaction structures and other changes in operating expenses in a particular country where we have an investment;
- our REIT tax status not being respected under foreign laws, in which case any income or gains from foreign sources would likely be subject to foreign taxes, withholding taxes, transfer taxes and value added taxes;
- lack of uniform accounting standards (including availability of information in accordance with U.S. GAAP);
- changes in land use and zoning laws;
- more stringent environmental laws or changes in such laws;

- changes in the social stability or other political, economic or diplomatic developments in or affecting a country where we have an investment;
- changes in applicable laws and regulations in the United States that affect foreign operations; and
- legal and logistical barriers to enforcing our contractual rights in other countries, including insolvency regimes, landlord/tenant rights and ability to take possession of collateral.

Each of these risks might adversely affect our performance and impair our ability to make distributions to our stockholders required to qualify and remain qualified as a REIT. In addition, there is generally less publicly available information about foreign companies and a lack of uniform financial accounting standards and practices (including the availability of information in accordance with U.S. GAAP) which could impair our ability to analyze transactions and receive timely and accurate financial information from tenants necessary to meet our reporting obligations to financial institutions or governmental or regulatory agencies.

Our business will also be subject to extensive regulation by various non- U.S. regulators, including governments, central banks and other regulatory bodies, in the jurisdictions in which the business operates. In many countries, the laws and regulations applicable to the financial services and securities industries are uncertain and evolving and it may be difficult for us to determine the exact requirements of local laws in every market or manage our relationships with multiple regulators in various jurisdictions. Our inability to remain in compliance with local laws in a particular market and manage our relationships with regulators could have a significant and adverse effect not only on our businesses in that market but also on our reputation generally.

Our joint venture partners could take actions that decrease the value of an investment to us and lower our overall return.

We currently are party to and may in the future enter into joint ventures with third parties to make investments. We may also make investments in partnerships or other co- ownership arrangements or participations. Such investments may involve risks not otherwise present with other methods of investment, including, for example, the following risks:

- our joint venture partner in an investment could become insolvent or bankrupt;
- fraud or other misconduct by our joint venture partners;
- we may share decision- making authority with our joint venture partner regarding certain major decisions affecting the ownership of the joint venture and the joint venture property, such as the sale of the property or the making of additional capital contributions for the benefit of the property, which may prevent us from taking actions that are opposed by our joint venture partner;
- such joint venture partner may at any time have economic or business interests or goals that are or that become in conflict with our business interests or goals, including for example the operation of the properties owned by such joint venture;
- such joint venture partner may be in a position to take action contrary to our instructions or requests or contrary to our policies or objectives; and
- the terms of our joint ventures could restrict our ability to sell or transfer our interest to a third party when we desire on advantageous terms, which could result in reduced liquidity.

Any of the above might subject us to liabilities and thus reduce our returns on our investment with that joint venture partner. In addition, disagreements or disputes between us and our joint venture partner could result in litigation, which could increase our expenses and potentially limit the time and effort our officers and directors are able to devote to our business.

Because real estate investments are relatively illiquid, we may not be able to vary our portfolio in response to changes in economic and other conditions, which may result in losses to us.

Many of our investments are illiquid. A variety of factors could make it difficult for us to dispose of any of our investments on acceptable terms even if a disposition is in the best interests of our stockholders. We cannot predict whether we will be able to sell any property for the price or on the terms set by us or whether any price or other terms offered by a prospective purchaser would be acceptable to us. We also cannot predict the length of time needed to find a willing purchaser and to close the sale of a property. Certain properties may also be subject to transfer restrictions that materially restrict us from selling that property for a period of time or impose other restrictions, such as a limitation on the amount of financing that can be placed or repaid on that property. We may be required to expend cash to correct defects or to make improvements before a property can be sold, and we cannot assure that we will have cash available to correct those defects or to make those improvements. The Internal Revenue Code of 1986, as amended, or the Code, also places limits on our ability to sell certain properties held for fewer than two years.

We may also determine to give our tenants a right of first refusal or similar options. As a result, our ability to sell investments in response to changes in economic and other conditions could be limited. To the extent we are unable to sell any property for its book value or at all, we may be required to take a non- cash impairment charge or loss on the sale, either of which would reduce our earnings. Limitations on our ability to respond to adverse changes in the performance of our properties may have a material adverse effect on our business, financial condition and results of operations and our ability to make distributions to stockholders.

We are subject to risks, such as declining real estate values and operating performance, associated with future advance or capital expenditure obligations.

We may need to fund capital expenditures and other significant expenses for our real estate property investments in excess of those projected at the time of our underwriting because of, among other reasons, inaccurate or incomplete technical advice from our advisors at the time of underwriting that results in greater than expected expenditures. Future funding obligations subject us to significant risks such as that the property may have declined in value, projects to be completed with the additional funds may have cost overruns and the tenant may be unable to generate enough cash flow and execute its business plan, or sell or refinance the property, in order to repay our debt due. We could determine that we need to fund more money than we originally anticipated in order to maximize the value of our investment even though there is no assurance additional funding would be the best course of action. Further, future funding obligations require us to maintain higher liquidity than we might otherwise maintain and this could reduce the overall return on our investments. We could also find ourselves in a position with insufficient liquidity to fund future obligations and we could experience losses.

We may obtain only limited warranties when we purchase a property, which will increase the risk that we may lose some or all of our invested capital in the property or rental income from the property which, in turn, could materially adversely affect our business, financial condition and results from operations and our ability to make distributions to stockholders.

The seller of a property often sells such property in an “as is” condition on a “where is” basis and “with all faults,” without any warranties of merchantability or fitness for a particular use or purpose. In addition, the related real estate purchase and sale agreements may contain only limited warranties, representations and indemnifications that will only survive for a limited period after the closing. Despite our efforts, we may fail to uncover all material risks during our diligence process. The purchase of properties with limited warranties increases the risk that we may lose some or all of our invested capital in the property, as well as the loss of rental income from that property if an issue should arise that decreases the value of that property and is not covered by the limited warranties. If any of these results occur, it may have a material adverse effect on our business, financial condition and results of operations and our ability to make distributions to stockholders. In addition, where the seller of a property we purchase is a liquidating fund or funds, we may be further limited in our ability to enforce against breaches of certain representations and warranties granted in the purchase and sale agreement beyond a very limited period of time (as the entities may be dissolved).

The price we pay for acquisitions of real property will be based on our projections of market demand, occupancy and rental income, as well as on market factors, and our return on our investment may be lower than expected if any of our projections are inaccurate.

The price we pay for real property investments will be based on our projections of market demand, occupancy levels, rental income, the costs of any development, redevelopment or renovation of property and other factors. In addition, as the real estate market continues to strengthen with the recovery in the European economies that we expect to continue in 2015 to 2016, we will face increased competition, which may drive up prices for commercial real estate. If any of our projections are inaccurate or we overpay for investments and their value subsequently drops or fails to rise because of market factors, returns on our investment may be lower than expected and could experience losses.

Our lease transactions may not result in market rates over time.

We expect substantially all of our rental and escalation income to come from lease transactions, which may have longer terms than standard arrangements or renewal options that specify maximum rate increases. If we do not accurately judge the potential for increases in market rates, rental and escalation increases under the terms may fail to result in fair market rates over time. Further, we may have no ability to terminate our lease transactions or adjust the rent to then- prevailing market rates. As a result, our income and distributions to stockholders could be lower than they would otherwise be if we did not enter into such lease agreements.

Some of our leases may expire in the same year.

Some of the leases for our real estate investments may expire in the same year. We may also enter into leases that are short term in nature and therefore subject to heightened lease turnover risk. Additionally, for certain of our properties which are primarily leased to one tenant, such as certain of our Italian, French and Dutch properties in the SEB portfolio and the Trianon Tower, lease expirations may impact our ability to comply with financial covenants under our borrowings. As a result, we could

be subject to a sudden and material change in value of our portfolio and available cash flow from such investments in the event that these leases are not renewed or in the event that we are not able to comply with or obtain relief from our financial covenants under the borrowings related to, or cross-collateralized with, the properties that are subject to these leases.

We may not be able to relet or renew leases at the properties held by us on favorable terms, or at all.

Certain of our real estate investments were negatively impacted by the more recent challenging economic conditions and all of our investments in real estate may be pressured if economic conditions and rental markets continue to be challenging. For example, upon expiration or earlier termination of leases for space located at our properties, the space may not be relet or, if relet, the terms of the renewal or reletting (including the cost of required renovations or concessions to tenants) may be less favorable than current lease terms. We may be receiving above market rental rates which will decrease upon renewal, which will adversely impact our income and could harm our ability to service our debt and operate successfully. Weak economic conditions would likely reduce tenants' ability to make rent payments in accordance with the contractual terms of their leases and lead to early termination of leases. Furthermore, commercial space needs may contract, resulting in lower lease renewal rates and longer releasing periods when leases are not renewed. Any of these situations may result in extended periods where there is a significant decline in revenues or no revenues generated by a property. Additionally, to the extent that market rental rates are reduced, property- level cash flow would likely be negatively affected as existing leases renew at lower rates. If we are unable to relet or renew leases for all or substantially all of the space at these properties, if the rental rates upon such renewal or reletting are significantly lower than expected or if our reserves for these purposes prove inadequate, we will experience a reduction in net income and may be required to reduce or eliminate cash distributions to stockholders.

Additionally, the open market lease review process in certain jurisdictions can be a lengthy one and often results in resolution though arbitration. While the agreed rent level generally applies retroactively to the lease review date, this can be a lengthy and costly process.

Many of our investments are dependent upon tenants successfully operating their businesses and their failure to do so could have a material adverse effect on our business, financial condition and results of operations and our ability to make distributions to stockholders.

We depend on our tenants to manage the day- to- day operations of our real estate properties in a manner that generates revenues sufficient to allow them to meet their obligations to us, including their obligations to pay rent, maintain certain insurance coverage, pay real estate taxes and maintain the properties under their operational control in a manner that does not jeopardize their operating licenses or regulatory status. We may not be able to find suitable tenants to lease our properties, and the ability of our tenants to fulfill their obligations to us may depend, in part, upon the overall profitability of their operations, including any other facilities, properties or businesses they may acquire or operate. The cash flow generated by the operation of our properties may not be sufficient for a tenant to meet its obligations to us. Tenants who are having trouble with their cash flow are more likely to expose us to unknown liens and other risks to our investments. In addition, we may have trouble recovering from tenants who are insolvent. Our financial position could be weakened and our ability to fulfill our obligations under our real estate borrowings could be limited if our tenants are unable to meet their obligations to us or we fail to renew or extend our contractual relationship with any of our tenants. Any of these results could have a material adverse effect on our business, financial condition and results of operations and our ability to make distributions to stockholders.

We may become responsible for capital improvements. To the extent such capital improvements are not undertaken, the ability of our tenants to manage our properties effectively and on favorable terms may be affected, which in turn could materially adversely affect our business, financial conditions and results of operations and our ability to make distributions to stockholders.

We may be responsible under local law of certain jurisdictions in which we own property for capital improvements. In France, the legal distribution of charges between us and the tenant may be contractually set out. However, certain French law makes it mandatory for us, as owners of the real properties, for leases entered into or renewed on or after November 3, 2014, to incur expenditures for major repairs, in particular those related to the obsolescence of the properties and those required to meet changing legal regulation. They may also force us to pay certain taxes. These expenditures, which cannot be contractually transferred to the tenant, could have a material adverse effect on our business if they exceed our expectations.

In addition, under German law, maintenance and modernization measures may be required to meet changing legal, environmental or market requirements (e.g., with regard to health and safety requirements and fire protection). The costs associated with keeping properties up to market demand are borne primarily by the property owner. Lease agreements for commercial properties may also transfer responsibility for the maintenance and repair of leased properties to tenants. However, the costs of maintenance and repairs to the roof and structures and of areas located in the leased property used by several tenants may not be fully transferred to tenants by use of general terms and conditions and requires contractual limitation on the amount apportioned.

Furthermore, although tenants are generally responsible for capital improvement expenditures under typical net lease structures applicable in the United Kingdom, it is possible that a tenant may not be able to fulfill its obligations to keep the facility in good operating condition. To the extent capital improvements are not undertaken or are deferred, occupancy rates and the amount of rental and reimbursement income generated by the facility may decline, which would negatively impact the overall value of the affected property. We may be forced to incur unexpected significant expense to maintain our properties, even those that are subject to net leases. Any of these results could have a material adverse effect on our business, financial condition and results of operations and our ability to make distributions to stockholders.

We could incur additional costs if the actual costs of maintaining or modernizing our properties exceed our estimates, if we are not permitted to raise rents in connection with maintenance and modernization measures, if hidden defects not covered by insurance or contractual warranties are discovered during the maintenance or modernization process or if additional spending is required. Any failure to undertake appropriate maintenance and modernization measures could adversely affect out rental income and entitle tenants to withhold or reduce rental payments or even to terminate existing lease agreements. If we incur substantial unplanned maintenance, repair and modernization costs or fail to undertake appropriate maintenance measures, this could have a material adverse effect on our business, net assets, financial condition, cash flows or results of operations.

We are party to commercial leases which are heavily regulated to protect the tenant and any future amendments to such regulation could increase our expenditures.

Commercial leases are heavily regulated in some countries in which we operate. In France, the contractual conditions applying to commercial leases duration, renewal, rent and rent indexation are considered matters of public policy, and as such are heavily regulated to protect the tenant. The minimum duration of a commercial lease is nine years. The tenant has the right to terminate the lease at the end of every three- year period, unless contractually agreed otherwise; he also has a right of renewal of the lease upon termination of the lease's initial period.

In addition, the tenant has a right of revision of the rent every three years. The rent variation, however, is capped. Except where the rental value considerably changes (increase by more than 10% in case of a revision upon a three- year period), the variation of the rent, in case of a revision upon a three- year period or in the case of a renewal, cannot exceed the variation of the indice trimestriel des loyers commerciaux, or the Commercial Rents Index, or the indice trimestriel des loyers des activités tertiaires, or the Retail Rental Index. However, this provision does not apply in case of a renewal of a lease, the initial duration of which exceeded nine years or the effective duration of which exceeded twelve years. In addition, even in the case of a renewed or revised lease where the rental value has considerably changed, the rent increase cannot exceed 10% of the rent paid during the previous year. Consequently, we cannot freely raise rents of ongoing leases in France.

Furthermore, changes in the content, interpretation or enforcement of these regulations could compromise some of the practices adopted by us in managing our property holdings and increase our costs for operating, maintaining and renovating our property holding and adversely affect the valuation of our property holding. In particular, recent changes to French law amended many provisions applicable to commercial leases in France, and more specifically:

- cancelled any reference in the French commercial code, with respect to the variation of the rent of a renewed or revised lease, to the indice national trimestriel mesurant le coût de la construction, or the Construction Cost Index, and replaced it with the Commercial Rents Index and the Retail Rental Index;
- removed the possibility to contractually remove the right of the tenant to terminate the lease at the end of every three- year period, with the exception of leases for premises to be used exclusively as office space; and
- made it mandatory for the property owner to incur certain charges.

Lease defaults, terminations or landlord- tenant disputes may reduce our income from our real estate investments.

The creditworthiness of our tenants in our real estate investments have been, or could become, negatively impacted as a result of challenging economic conditions or otherwise, which could result in their inability to meet the terms of their leases. Lease defaults or terminations by one or more tenants may reduce our revenues unless a default is cured or a suitable replacement tenant is found promptly. In addition, disputes may arise between the landlord and tenant that result in the tenant withholding rent payments, possibly for an extended period. These disputes may lead to litigation or other legal procedures to secure payment of the rent withheld or to evict the tenant. Upon a lease default, we may have limited remedies, be unable to accelerate lease payments or evict a defaulting tenant and have limited or no recourse against a guarantor. In addition, the legal process for evicting defaulting tenants may be lengthy and costly. Tenants as well as guarantors may have limited or no ability to satisfy any judgments we may obtain. We may also have duties to mitigate our losses and we may not be successful in that regard. Any of these situations may result in extended periods during which there is a significant decline in revenues or no revenues generated by a property. If this occurred, it could adversely affect our results of operations.

The bankruptcy, insolvency or financial deterioration of any of our tenants could significantly delay our ability to collect unpaid rents or require us to find new tenants.

Our financial position and our ability to make distributions to stockholders may be adversely affected by financial difficulties experienced by any of our major tenants, including bankruptcy, insolvency or a general downturn in business, or in the event any of our major tenants do not renew or extend their relationship with us as their lease terms expire.

We are exposed to the risk that our tenants may not be able to meet their obligations to us or other third parties, which may result in their bankruptcy or insolvency. Although some of our leases and loans permit us to evict a tenant, demand immediate repayment and pursue other remedies, bankruptcy laws afford certain rights to a party that has filed for bankruptcy or reorganization. A tenant in bankruptcy may be able to restrict our ability to collect unpaid rents or interest during the bankruptcy proceeding. Furthermore, dealing with a tenant bankruptcy or other default may divert management's attention and cause us to incur substantial legal and other costs.

Bankruptcy laws vary across the different jurisdictions in Europe. In certain jurisdictions, a debtor has the option to assume or reject an unexpired lease. A debtor cannot choose to keep the beneficial provisions of a contract while rejecting the burdensome ones; the contract must be assumed or rejected as a whole. In France, if the debtor chooses to continue an unexpired commercial lease, but still fails to pay the rent in connection with the occupancy after the bankruptcy procedure commencement order, we cannot legally request the termination of the lease before the end of a three-month period from the date of issue of the order relating to the bankruptcy procedure commencement.

Our tenants' forms of entities may cause special risks or hinder our recovery.

Most of our tenants in the real estate that we own are legal entities rather than individuals. The obligations these entities owe us are typically non-recourse so we can only look to our collateral, and at times, the assets of the entity may not be sufficient to recover our investment. As a result, our risk of loss may be greater than for leases with individuals. Unlike individuals involved in bankruptcies, these legal entities will generally not have personal assets and creditworthiness at stake. As a result, the default or bankruptcy of one of our tenants, or a general partner or managing member of that tenant, may impair our ability to enforce our rights and remedies under the terms of the lease agreement.

Compliance fire and safety and other regulations may require us or our tenants to make unanticipated expenditures which could adversely affect our business, financial condition and results of operations and our ability to make distributions to stockholders.

Our properties are required to comply with jurisdiction- specific fire and safety regulations, building codes and other land regulations and licensing or certification requirements as they may be adopted by governmental agencies and bodies from time- to- time. We may be required to incur substantial costs to comply with those requirements. Changes in labor and other laws could also negatively impact us and our tenants. For example, changes to labor- related statutes or regulations could significantly impact the cost of labor in the workforce, which would increase the costs faced by our tenants and increase their likelihood of default.

Environmental compliance costs and liabilities associated with our properties may materially impair the value of our investments and expose us to liability.

Under various international and local environmental laws, ordinances and regulations, a current or previous owner of real property, such as us and our tenants, may be liable in certain circumstances for the costs of investigation, removal or remediation of, or related releases of, certain hazardous or toxic substances, including materials containing asbestos, at, under or disposed of in connection with such property, as well as certain other potential costs relating to hazardous or toxic substances, including government fines and damages for injuries to persons and adjacent property. In addition, some environmental laws create a lien on the contaminated site in favor of the government for damages and the costs it incurs in connection with the contamination. These laws often impose liability without regard to whether the owner knew of, or was responsible for, the presence or disposal of such substances and liability may be imposed on the owner in connection with the activities of a tenant at the property. The presence of contamination or the failure to remediate contamination may adversely affect our or our tenants' ability to sell or lease real estate, or to borrow using the real estate as collateral, which, in turn, could reduce our revenues. We, or our tenants, as owner of a site, may be liable under common law or otherwise to third parties for damages and injuries resulting from environmental contamination emanating from the site. The cost of any required investigation, remediation, removal, fines or personal or property damages and our or our tenants' liability could significantly exceed the value of the property without any limits.

The scope of the indemnification our tenants have agreed to provide us may be limited. For instance, some of our agreements with our tenants do not require them to indemnify us for environmental liabilities arising before the tenant took possession of the premises. Further, we cannot assure stockholders that any such tenant would be able to fulfill its indemnification obligations. If we were deemed liable for any such environmental liabilities and were unable to seek recovery against our tenant, our business, financial condition and results of operations could be materially and adversely affected.

We may make investments that involve property types and structures with which we have less familiarity, thereby increasing our risk of loss. We may determine to invest in residential real estate and multifamily housing and other certain property types with which we have limited or no prior experience. When investing in property types with which we have limited or no prior experience, we may not be successful in our diligence and underwriting efforts. We may also be unsuccessful in preserving value if conditions deteriorate and we may expose ourselves to unknown substantial risks. Furthermore, these investments could require additional management time and attention relative to investments with which we are more familiar. All of these factors increase our risk of loss.

Risks Related to Our Financing Strategy

We may not be able to access financing sources on attractive terms, if at all, which could adversely affect our ability to execute our business plan.

We require outside capital to fund and grow our business. Our business may be adversely affected by disruptions in the debt and equity capital markets and institutional lending market, including the lack of access to capital or prohibitively high costs of obtaining or replacing capital, both domestically and abroad. A primary source of liquidity for us will be the debt and equity capital markets, including issuances, directly or indirectly, of common equity, preferred equity and exchangeable senior notes. Despite recent improvements since the global financial crisis in 2008, the markets could suffer another severe downturn and another liquidity crisis could emerge. Based on the current conditions, we do not know whether any sources of capital will be available to us in the future on terms that are acceptable to us, if at all. If we cannot obtain sufficient debt and equity capital on acceptable terms, our business and our ability to operate could be severely impacted. For information about our available sources of funds, refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations — Sources of Operating Revenues and Cash Flows" and the notes to the NorthStar Europe Predecessor's combined financial statements beginning on page F- 1.

We may be unable to obtain financing required to acquire investments as contemplated in our business plan, which could compel us to restructure or abandon a particular acquisition and harm our ability to make distributions to stockholders.

We expect to fund a portion of our investments with financing. We cannot assure stockholders that financing will be available on acceptable terms, if at all, which could reduce the number, or alter the type, of investments that we would make otherwise. To the extent that financing proves to be unavailable when needed, we may be compelled to modify our investment strategy to optimize the performance of our portfolio. This may reduce our income. Any failure to obtain financing could have a material adverse effect on the continued development or growth of our business and harm our ability to make distributions to stockholders.

We may use leverage in connection with our business, which could adversely affect our return on our investments and reduce cash available for distribution to stockholders.

We may leverage our portfolio generally through the use of credit facilities and other borrowings. The type and percentage of financing will vary depending on our ability to obtain credit and the lender's estimate of the stability of the portfolio's cash flow. However, we do not expect to restrict the amount of borrowings that we may incur. High leverage can, particularly during difficult economic times, increase our risk of loss and harm our liquidity. Moreover, we may have to incur more recourse borrowings, including recourse borrowings that are subject to mark- to- market risk, in order to obtain financing for our business. As of June 30, 2015, adjusted for an acquisition through October 8, 2015 , we had approximately $1.8 billion of borrowings outstanding.

Substantial borrowings, among other things, could:

- require us to dedicate a large portion of our cash flow to pay principal and interest on our borrowings, which would reduce the availability of cash flow to fund working capital, capital expenditures and other business activities;
- require us to maintain minimum unrestricted cash;
- increase our vulnerability to general adverse economic and industry conditions;
- require us to post additional reserves and other additional collateral to support our financing arrangements, which could reduce our liquidity and limit our ability to leverage our investments;
- subject us to maintaining various debt, operating income, net worth, cash flow and other covenants and financial ratios;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;

- restrict our operating policies and ability to make strategic acquisitions, dispositions or pursue business opportunities;
- require us to maintain a borrowing base of assets;
- place us at a competitive disadvantage compared to our competitors that have fewer borrowings;
- put us in a position that necessitates raising equity capital at a time that is unfavorable to us and dilutive to our stockholders;
- limit our ability to borrow additional funds (even when necessary to maintain adequate liquidity), dispose of investments or make distributions to stockholders; and
- increase our cost of capital.

Our ability to effectively execute our financing strategy depends on various conditions in the financing markets that are beyond our control, including liquidity and credit spreads. We may be unable to obtain financing on favorable terms, if we are able to obtain additional financing at all. If our strategy is not viable, we will have to find alternative forms of long- term financing for our investments, as secured revolving credit facilities and repurchase agreements may not accommodate long- term financing. This could subject us to more restrictive recourse borrowings and the risk that debt service on less efficient forms of financing would require a larger portion of our cash flow, thereby reducing cash available for distribution to stockholders, for our operations and for future business opportunities. If alternative financing is not available on favorable terms, or at all, we may have to liquidate investments at unfavorable prices to pay off such financing. Our return on our investments and cash available for distribution to stockholders may be reduced to the extent that changes in market conditions cause the cost of our financing to increase relative to the earnings that we can derive from the investments we acquire.

Stockholders may experience substantial dilution, including if we settle the Senior Notes with our Common Stock, which can affect the trading price of our Common Stock, earnings per share and CAD per share.

We have in the past and may continue to undertake substantial offerings of securities that are settleable, exchangeable or convertible into our Common Stock. For example, if we meet all of the conditions under the indenture governing our Senior Notes to settle the Senior Notes in our Common Stock and elect to settle the Senior Notes in our Common Stock, then depending on the trading price of our Common Stock during the applicable measurement, existing stockholders may experience more than approximately 25% dilution due to the settlement in our Common Stock. In addition, we may issue shares of our Common Stock upon exercise or settlement of any share- based payment awards under our equity and incentive plans. If we continue to engage in such offerings, whether through the public markets or in private placements, our existing stockholders may experience immediate and substantial dilution in their percentage ownership of our Common Stock outstanding and such offerings can result in substantial decreases to our stock price. Furthermore, any such dilutions due to the issuance of additional shares of our Common Stock could adversely impact our earnings per share and CAD per share.

If we elect to settle our Senior Notes through share settlement, we expect to deliver shares of our Common Stock through the facilities of the Depository Trust Company, or DTC, as the depositary for the Senior Notes but there can be no assurances that DTC will deliver shares promptly following each share settlement date or that DTC will apply its policies and procedures to deliver those shares to the record holders we indicate or at all. As a result, holders of the Senior Notes may not receive shares of our Common Stock promptly following each share settlement date which could cause such holders to short our Common Stock or enter into other hedging strategies which could adversely impact the trading price of our Common Stock.

The Senior Notes will be represented by one or more global securities deposited with, or on behalf of, DTC, as the depositary for the Senior Notes and be registered in the name of a nominee of DTC. Administrative actions in respect of the Senior Notes, including any delivery of our Common Stock in settlement of the principal amount of the Senior Notes, will be executed through DTC and must comply with the rules and procedures of that system. We have no control over DTC. If we make a share settlement election, we will deliver to DTC the settlement amounts for the Senior Notes in five installments corresponding to each five trading- day period included in the 25 trading- day share settlement measurement period and deliverable on each share settlement date. DTC will deliver shares of our Common Stock through its facilities in accordance with its policies and procedures for notice, processing and delivery. There can be no assurances that DTC will deliver shares to the beneficial holders of the Senior Notes promptly following each share settlement date or that DTC will apply its policies and procedures to deliver those shares to the record holders we indicate or at all. As a result, holders of the Senior Notes may not receive shares of our Common Stock promptly following each share settlement date, which may cause such holders to enter into alternative or additional hedging strategies such as shorting our Common Stock which could increase the volatility and adversely impact the trading price of our Common Stock. For more information regarding the Senior Notes, refer to “Recent Developments.”

A portion of our borrowings is floating rate and fluctuations in interest rates may cause losses.

Substantially all of our existing borrowings bear, and future borrowing may bear, interest at variable rates. If market interest rates increase, the interest rate on our variable rate borrowings will increase and will create higher debt service requirements, which would adversely affect our cash flow and could adversely impact our results of operations. Interest rates are highly sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political conditions and other factors beyond our control. While we may enter into agreements limiting our exposure to higher debt service requirements, any such agreements may not offer complete protection from this risk.

Our interest rate risk sensitive assets, liabilities and related derivatives are generally held for non- trading purposes. Based on our Current European Portfolio, a hypothetical 1%, 2% and 3% increase in the applicable benchmark (EURIBOR and GBP LIBOR) applied to our floating- rate liabilities and related derivatives would result in an increase in net interest expense of approximately $10.1 million, $14.3 million and $14.5 million, respectively, annually.

In a period of rising interest rates, our interest expense could increase while the income we earn on our investments would not change, which would adversely affect our profitability.

Our operating results depend in large part on differences between the income from our investments less our operating costs, reduced by any credit losses and financing costs. Income from our investments may respond more slowly to interest rate fluctuations than the cost of our borrowings. Consequently, changes in interest rates, particularly short- term interest rates, may influence our net income. Increases in these rates may decrease our net income. Interest rate fluctuations resulting in our interest expense exceeding the income from our investments could result in losses for us and may limit our ability to make distributions to stockholders. In addition, if we need to repay existing borrowings during periods of rising interest rates, we could be required to liquidate one or more of our investments at times that may not permit realization of the maximum return on those investments, which would adversely affect our profitability.

We may not successfully align the maturities of our liabilities with the maturities on our investments, which could harm our operating results and financial condition.

Our general financing strategy is focused on the use of “match- funded” structures. This means that we seek to align the maturities of our liabilities with the maturities on our investments in order to manage the risks of being forced to refinance our liabilities prior to the maturities of our investments. We may fail to appropriately employ match- funded structures on favorable terms, or at all. We may also determine not to pursue a fully match- funded strategy with respect to a portion of our financings for a variety of reasons. If we fail to appropriately employ match- funded strategies or determine not to pursue such a strategy, our exposure to interest rate volatility and exposure to matching liabilities prior to the maturity of the corresponding investment may increase substantially, which could harm our operating results, liquidity and financial condition.

We may use short- term borrowings to finance our investments and we may need to use such borrowings for extended periods of time to the extent we are unable to access long- term financing. This may expose us to increased risks associated with decreases in the fair value of the underlying collateral, which could cause an adverse impact on our results of operations.

We may be dependent on short- term financing arrangements that are not matched in duration to our financial assets. Short- term borrowing through repurchase arrangements, credit facilities and other types of borrowings may put our investments and financial condition at risk. Any such short- term financing may also be recourse to us, which will increase the risk of our investments. We may obtain additional facilities and increase our lines of credit on existing facilities in the future. Our financing structures may economically resemble short- term, floating- rate financing and usually require the maintenance of specific loan- to- collateral value ratios and other covenants. In addition, the value of assets underlying any such short- term financing may be marked- to- market periodically by the lender, including on a daily basis. If the fair value of the investments subject to such financing arrangements decline, we may be required to provide additional collateral or make cash payments to maintain the loan- to- collateral value ratio. If we are unable to provide such collateral or cash repayments, we may lose our economic interest in the underlying investments. Further, such borrowings may require us to maintain a certain amount of cash reserves or to set aside unleveraged assets sufficient to maintain a specified liquidity position that would allow us to satisfy our collateral obligations. These facilities may be restricted to financing certain types of investments, which could impact our investment allocation. In addition, such short- term borrowing facilities may limit the length of time that any given asset may be used as eligible collateral. As a result, we may not be able to leverage our investments as fully as we would choose, which could reduce our income generated on such investments. In the event that we are unable to meet the collateral obligations for our short- term financing arrangements, our financial condition could deteriorate rapidly.

We are subject to risks associated with obtaining mortgage financing on our real estate, which could materially adversely affect our business, financial condition and results of operations and our ability to make distributions to stockholders.

As of June 30, 2015, adjusted for an acquisition through October 8, 2015 , our real estate portfolio had $1.5 billion of total mortgage financing. Financing for new real estate investments and our maturing borrowings may be provided by credit facilities, private or public debt offerings, assumption of secured borrowings, mortgage financing on a portion of our owned portfolio or through joint ventures. We are subject to risks normally associated with financing, including the risks that our cash flow is insufficient to make timely payments of interest or principal, that we may be unable to refinance existing borrowings or support collateral obligations and that the terms of refinancing may not be as favorable as the terms of existing borrowing. If we are unable to refinance or extend principal payments due at maturity or pay them with proceeds from other capital transactions or the sale of the underlying property, our cash flow may not be sufficient in all years to make distributions to stockholders and to repay all maturing borrowings. This may entitle secured creditors to exercise their rights under their credit documentation which may include an acceleration of their claims and a foreclosure of security. The rights of creditors on foreclosure will be jurisdiction specific, but in the United Kingdom, for example, this may include the appointment of a receiver pursuant to the Law of Property Act 1925 who will be entitled to take possession and control of the relevant secured properties subject to the mortgage and to exercise a power of sale of a property in order discharge the secured indebtedness. This creates a risk that the proceeds will be insufficient to provide us with any equity in those properties. Alternatively, the secured creditors may have the right to appoint an administrator with respect to the property investments situated in the United Kingdom. An administrator is an officer of the court who will take possession, custody and control of the relevant company's assets and undertaking and to exercise legislative powers that include a power of sale. The appointment of an administrator may similarly create a risk that the proceeds of realization of our assets in an administration will be insufficient to provide us with any equity in those properties or surplus proceeds.

Furthermore, if prevailing interest rates or other factors at the time of refinancing result in higher interest rates upon refinancing, the interest expense relating to that refinanced borrowing would increase, which could reduce our profitability and the amount of distributions we are able to pay to stockholders. Moreover, additional financing increases the amount of our leverage, which could negatively affect our ability to obtain additional financing in the future or make us more vulnerable in a downturn in our results of operations or the economy generally.

Hedging against interest rate and currency exposure may adversely affect our earnings, limit our gains or result in losses, which could adversely affect cash available for distribution to stockholders.

We have and may in the future enter into interest rate swap, cap or floor agreements or pursue other interest rate or currency hedging strategies. Our hedging activity will vary in scope based on interest rate levels, the type of investments held and other changing market conditions. Interest rate and/or currency hedging may fail to protect or could adversely affect us because, among other things:

- interest rate and/or currency hedging can be expensive, particularly during periods of rising and volatile interest rates;
- available interest rate and/or currency hedging may not correspond directly with the risk for which protection is sought;
- the duration of the hedge may not match the duration of the related liability or investment;
- our hedging opportunities may be limited by the treatment of income from hedging transactions under the rules determining REIT qualification;
- the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs our ability to sell or assign our side of the hedging transaction;
- the counterparties with which we trade may cease making markets and quoting prices in such instruments, which may render us unable to enter into an offsetting transaction with respect to an open position;
- the party owing money in the hedging transaction may default on its obligation to pay; and
- we may purchase a hedge that turns out not to be necessary, i.e., a hedge that is out of the money.

Any hedging activity we engage in may adversely affect our earnings, which could adversely affect cash available for distribution to stockholders. Therefore, while we may enter into such transactions to seek to reduce interest rate and/or currency risks, unanticipated changes in interest rates or exchange rates may result in poorer overall investment performance than if we had not engaged in any such hedging transactions. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio positions being hedged or liabilities being hedged may vary materially. Moreover, for a variety of reasons, we may not be able to establish a perfect correlation between hedging instruments

and the investments being hedged. Any such imperfect correlation may prevent us from achieving the intended hedge and expose us to risk of loss. We may also be exposed to liquidity issues as a result of margin calls or settlement of derivative hedges.

Hedging instruments often are not traded on regulated exchanges, guaranteed by an exchange or its clearinghouse or regulated by any foreign or U.S. governmental authorities and involve risks and costs.

The cost of using hedging instruments increases as the period covered by the instrument lengthens and during periods of rising and volatile interest rates and change in foreign currency exchange rates. We may increase our hedging activity and thus increase our hedging costs during periods when interest rates are volatile or rising or foreign currency exchange rates are unfavorable and hedging costs have increased. In addition, hedging instruments involve risk since they often are not traded on regulated exchanges, guaranteed by an exchange or its clearing house, or regulated by any foreign or U.S. governmental authorities. Consequently, there are no regulatory or statutory requirements with respect to recordkeeping, financial responsibility or segregation of customer funds and positions. Furthermore, the enforceability of agreements underlying derivative transactions may depend on compliance with applicable statutory, commodity and other regulatory requirements and, depending on the identity of the counterparty, applicable international requirements. The business failure of a hedging counterparty with whom we may enter into a hedging transaction will most likely result in a default. Default by a party with whom we may enter into a hedging transaction may result in the loss of unrealized profits and force us to cover our resale commitments, if any, at the then current market price. It may not always be possible to dispose of or close out a hedging position without the consent of the hedging counterparty and we may not be able to enter into an offsetting contract in order to cover our risk. We cannot assure stockholders that a liquid secondary market will exist for hedging instruments purchased or sold, and we may be required to maintain a position until exercise or expiration, which could result in losses.

Refer to the below risk factor "— Risks Related to Regulatory Matters and Our REIT Tax Status — The direct or indirect effects of the Dodd- Frank Act, enacted in July 2010 for the purpose of stabilizing or reforming the financial markets, may have an adverse effect on our interest rate hedging activities" for a discussion of how the Dodd- Frank Wall Street Reform Act, or the Dodd- Frank Act, may affect the use of hedging instruments.

Risks Related to Our Company

Our ability to operate our business successfully would be harmed if our executive officers or NSAM's key personnel terminate their employment with NSAM.

Our future success depends, to a significant extent, upon the continued services of our executive officers and NSAM's key personnel. For instance, the extent and nature of the experience of our executive officers and NSAM's key personnel and the nature of the relationships they have developed with real estate professionals and financial institutions are critical to the success of our business. We cannot assure stockholders of their continued employment with NSAM. The loss of services of certain of our executive officers or NSAM's key personnel could harm our business and our prospects.

Our board of directors will adopt certain incentive plans to permit NSAM to create incentives that will allow NSAM to retain and attract the services of its key employees and align its employee's interests with our stockholders. These incentive plans may be tied to the performance of our Common Stock and a decline in the price of our Common Stock may result in NSAM being unable to motivate and retain our executive officers and NSAM's key employees. NSAM's inability to motivate and retain these individuals could also harm our business and our prospects. Additionally, competition for experienced real estate professionals could require NSAM to pay higher wages and provide additional benefits to attract qualified employees, which could result in higher expenses allocated to us by NSAM.

Failure of NorthStar Realty to effectively perform its obligations to us could have an adverse effect on our business and performance.

In connection with the European Spin- off , we will enter into a separation agreement and various other agreements with NorthStar Realty. These agreements will govern our relationship with NorthStar Realty subsequent to the Distribution and will provide that all liabilities and obligations attributable to periods prior to the Distribution will remain with NorthStar Realty except for the liabilities for which NorthStar Realty agrees to contribute cash to the Company to enable the Company to pay such liabilities. We and NorthStar Realty will also agree to provide each other with indemnities with respect to liabilities arising out of the period after the European Spin- off . We and NorthStar Realty will rely on each other to perform its obligations under these agreements. Such a failure could also lead to a decline or other adverse effects to our operating results and could harm our ability to execute our business plan.

If our ability to issue equity awards is limited, we may be in breach of our management agreement with NSAM and it could impact NSAM's ability to retain key employees.

We will be required to issue equity awards to NSAM employees at NSAM's request under the terms of our management agreement. We may at times have limited availability under our incentive plans to issue equity awards to these employees. We may seek stockholder approval for additional equity awards and there is no assurance stockholders would grant such approval. To the extent we do not have sufficient equity awards available, we may have to compensate these employees using cash. Because CAD excludes equity- based compensation expense, payment of higher levels of cash relative to equity awards will have a negative impact on CAD and reduce our liquidity position.

We are highly dependent on information systems and systems failures could significantly disrupt our business.

As a European commercial real estate company, our business is highly dependent on information technology systems, including systems provided by NSAM and third parties over which we have no control. Various measures have been implemented to manage our risks related to the information technology systems, but any failure or interruption of our systems could cause delays or other problems in our activities, which could have a material adverse effect on our financial performance. Potential sources for disruption, damage or failure of our information technology systems include, without limitation, computer viruses, security breaches, human error, cyber attacks, natural disasters and defects in design.

Failure to implement effective information and cyber security policies, procedures and capabilities could disrupt our business and harm our results of operations.

We are dependent on the effectiveness of our information and cyber security policies, procedures and capabilities to protect our computer and telecommunications systems and the data that resides on or is transmitted through them. An externally caused information security incident, such as a hacker attack, virus or worm, or an internally caused issue, such as failure to control access to sensitive systems, could materially interrupt business operations or cause disclosure or modification of sensitive or confidential information and could result in material financial loss, loss of competitive position, regulatory actions, breach of contracts, reputational harm or legal liability.

We will continue to grow our business through acquisitions, which entails substantial risk.

We will continue growing our business through acquisitions. Such acquisitions entail substantial risk. During our due diligence of such acquisitions, we may not uncover all relevant liabilities and we may have limited, if any, recourse against the sellers. We may also incur significant transaction and integration costs in connection with such acquisitions. Further, we may not successfully integrate the investments that we acquire into our business and operations, which could have a material adverse effect on our financial results and condition.

We may change our investment strategy without stockholder consent and make riskier investments.

We may change our investment strategy at any time without the consent of stockholders, which could result in our making investments that are different from and possibly riskier than the investments described in this prospectus. A change in our investment strategy may increase our exposure to interest rate and commercial real estate market fluctuations.

We believe CAD and NOI, each a non- GAAP measure, provide meaningful indicators of our operating performance, however, CAD and NOI should not be considered as an alternative to net income (loss) determined in accordance with U.S. GAAP as indicators of operating performance.

Management will use CAD and NOI, each a non- GAAP measure, to evaluate our profitability and our board of directors will consider CAD and NOI in determining our quarterly cash distributions.

We believe that CAD is useful because it adjusts net income (loss) for a variety of non- cash items. We calculate CAD by subtracting from or adding to net income (loss) attributable to common stockholders, non- controlling interests, if any, and the following items: depreciation and amortization items, including depreciation and amortization (excluding amortization of second generation tenant improvements and leasing commissions), straight- line rental income or expense (excluding amortization of rent free periods), amortization of above/below market leases, amortization of deferred financing costs, amortization of discount on financing and amortization of equity- based compensation; maintenance capital expenditures; unrealized gain (loss) from the change in fair value; realized gain (loss) on investments and other; impairment on depreciable property; bad debt expense; deferred tax benefit (expense); acquisition gains or losses (excluding accelerated amortization related to the sale of investments); provision for loan losses, net; distributions and adjustments related to joint venture partners; transaction costs; foreign currency gains (losses); impairment on goodwill and other intangible assets; gains (losses) on sales; and one- time events pursuant to changes in U.S. GAAP and certain other non- recurring items. These items, if applicable, include any adjustments for unconsolidated ventures. The

definition of CAD may be adjusted from time to time for our reporting purposes in our discretion, acting through our audit committee or otherwise.

We believe NOI is a useful metric of the operating performance of our real estate portfolio in the aggregate. NOI is equal to total property revenue less property operating expenses which includes real estate taxes and third- party property management fees. However, the usefulness of NOI is limited because it excludes general and administrative costs, interest expense, transaction costs, depreciation and amortization expense, realized gains (losses) from the sale of properties and other items under U.S. GAAP and capital expenditures and leasing costs necessary to maintain the operating performance of properties, all of which may be significant economic costs. NOI may fail to capture significant trends in these components of U.S. GAAP net income (loss) which further limits its usefulness.

CAD and NOI should not be considered as an alternative to net income (loss), determined in accordance with U.S. GAAP, as indicators of operating performance. In addition, our methodology for calculating CAD and NOI may differ from the methodologies used by other comparable companies, including other REITs, when calculating the same or similar supplemental financial measures and may not be comparable with these companies. For example, our calculation of CAD per share will not take into account any potential dilution from any Senior Notes or restricted stock units subject to performance metrics not yet achieved.

The use of estimates and valuations may be different from actual results, which could have a material effect on our consolidated financial statements.

We make various estimates that affect reported amounts and disclosures. Broadly, those estimates are used in measuring the fair value of certain financial instruments, establishing provision for loan losses and potential litigation liability. Market volatility may make it difficult to determine the fair value for certain of our assets and liabilities. Subsequent valuations, in light of factors then prevailing, may result in significant changes in the values of these financial instruments in future periods. In addition, at the time of any sales and settlements of these assets and liabilities, the price we ultimately realize will depend on the demand and liquidity in the market at that time for that particular type of asset and may be materially lower than our estimate of their current fair value. Estimates are based on available information and judgment. In addition, the value of the assets in our portfolio may differ from our estimates. Therefore, actual values and results could differ from our estimates and that difference could have a material adverse effect on our combined financial statements.

Our distribution policy is subject to change.

Our board of directors will determine an appropriate distribution on our Common Stock based upon numerous factors, including REIT qualification requirements, the amount of cash flow generated from operations, availability of existing cash balances, borrowing capacity under existing credit agreements, access to cash in the capital markets and other financing sources, our view of our ability to realize gains in the future through appreciation in the value of our investments, general economic conditions and economic conditions that more specifically impact our business or prospects. Our board of directors expects to review changes to our distribution on a quarterly basis and distribution levels are subject to adjustment based upon any one or more of the risk factors set forth in this prospectus, as well as other factors that our board of directors may, from time- to-time, deem relevant to consider when determining an appropriate distribution on our Common Stock.

We may not be able to make distributions in the future.

Our ability to generate income and to make distributions may be adversely affected by the risks described in this prospectus and any document we file with the SEC. All distributions will be made at the discretion of our board of directors, subject to applicable law, and depend on our earnings, our financial condition, maintenance of our REIT qualification and such other factors as our board of directors may deem relevant from time- to- time. We may not be able to make distributions in the future.

Our ability to make distributions is limited by the requirements of Maryland law.

Our ability to make distributions on our Common Stock is limited by the laws of Maryland. Under applicable Maryland law, a Maryland corporation generally may not make a distribution if, after giving effect to the distribution, the corporation would not be able to pay its liabilities as the liabilities become due in the usual course of business, or generally if the corporation's total assets would be less than the sum of its total liabilities plus, unless the corporation's charter provides otherwise, the amount that would be needed if the corporation were dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of the stockholders whose preferential rights are superior to those receiving the distribution. We may not make a distribution on our Common Stock unless permitted by Maryland law.

Stockholders have limited control over changes in our policies and operations, which increases the uncertainty and risks they face as stockholders.

Our board of directors will determine our major policies, including our policies regarding growth, REIT qualification and distributions. Our board of directors may amend or revise these and other policies without a vote of the stockholders. We may change our investment policies without stockholder notice or consent, which could result in investments that are different than, or in different proportion than, those described in this prospectus. Under the Maryland General Corporation Law, or MGCL, and our charter, stockholders have a right to vote only on limited matters. Our board of directors' broad discretion in setting policies and our stockholders' inability to exert control over those policies increases the uncertainty and risks stockholders face.

Certain provisions of Maryland law may limit the ability of a third- party to acquire control of us. This could depress our stock price.

Certain provisions of the MGCL may have the effect of inhibiting a third- party from acquiring us or of impeding a change of control under circumstances that otherwise could provide our stockholders with the opportunity to realize a premium over the then- prevailing market price of such shares, including:

- "business combination" provisions that, subject to limitations, prohibit certain business combinations between an "interested stockholder" (defined generally as any person who beneficially owns 10% or more of the voting power of our outstanding shares of voting stock or an affiliate or associate of the corporation who, at any time within the two- year period immediately prior to the date in question, was the beneficial owner of 10% or more of the voting power of the then outstanding stock of the corporation) or an affiliate of any interested stockholder and us for five years after the most recent date on which the stockholder becomes an interested stockholder, and thereafter imposes two super- majority stockholder voting requirements on these combinations; and
- "control share" provisions that provide that holders of "control shares" of our company (defined as voting shares of stock that, if aggregated with all other shares of stock owned or controlled by the acquirer or in respect of which the acquirer is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquirer to exercise one of three increasing ranges of voting power in electing directors) acquired in a "control share acquisition" (defined as the direct or indirect acquisition of issued and outstanding "control shares," subject to certain exceptions) have no voting rights except to the extent approved by stockholders by the affirmative vote of at least two- thirds of all of the votes entitled to be cast on the matter, excluding all interested shares.

Pursuant to the Maryland Business Combination Act, our board of directors will exempt any business combinations: (i) between us and NSAM, any of its affiliates or any of their sponsored or other managed companies; and (ii) between us and any person, provided that any such business combination is first approved by our board of directors (including a majority of our directors who are not affiliates or associates of such person). Consequently, the five- year prohibition and the super- majority vote requirements do not apply to business combinations between us and any of them. As a result, such parties may be able to enter into business combinations with us that may not be in the best interest of stockholders, without compliance with the supermajority vote requirements and the other provisions in the statute. Our bylaws contain a provision exempting from the Maryland Control Share Acquisition Act any and all acquisitions by any person of shares of our stock. There can be no assurance that these resolutions or exemptions will not be amended or eliminated at any time in the future.

Our authorized but unissued common and preferred stock and other provisions of our charter and bylaws may prevent a change in our control.

Our charter will authorize us to issue additional authorized but unissued shares of our Common Stock or preferred stock and will authorize a majority of our entire board of directors, without stockholder approval, to amend our charter to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that we have the authority to issue. In addition, our board of directors may classify or reclassify any unissued shares of our Common Stock or preferred stock and may set the preferences, conversions or other rights, voting powers and other terms of the classified or reclassified shares. Our board of directors could establish a series of common stock or preferred stock that could delay or prevent a transaction or a change in control that might involve a premium price for the common stock or otherwise be in the best interest of stockholders.

Our charter and bylaws will contain other provisions that may delay or prevent a transaction or a change in control that might involve a premium price for shares of our Common Stock or otherwise be in the best interest of stockholders.

Maryland law also allows a corporation with a class of equity securities registered under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and at least three independent directors to elect to be subject, by provision in its charter or bylaws or a resolution of its board of directors and notwithstanding any contrary provision in its charter or bylaws, to a classified board, unless its charter prohibits such an election. Our charter will contain a provision prohibiting such an election to classify our board of directors under this provision of Maryland law. This may make us more vulnerable to a change in control. If

stockholders voted to amend this charter provision and to classify our board of directors, the staggered terms of our directors could reduce the possibility of a tender offer or an attempt at a change in control even though a tender offer or change in control might be in the best interests of stockholders.

Risks Related to Regulatory Matters and Our REIT Tax Status

We will be subject to substantial regulation, numerous contractual obligations and extensive internal policies and failure to comply with these matters could have a material adverse effect on our business, financial condition and results of operations.

We and our subsidiaries will be subject to substantial regulation, numerous contractual obligations and extensive internal policies. Given our organizational structure, we will be subject to regulation by the SEC, NYSE, Internal Revenue Service, or IRS, and other international, federal, state and local governmental bodies and agencies. These regulations are extensive, complex and require substantial management time and attention. If we fail to comply with any of the regulations that apply to our business, we could be subjected to extensive investigations as well as substantial penalties and our business and operations could be materially adversely affected. Our lack of compliance with applicable law could result in among other penalties, our ineligibility to contract with and receive revenue from the federal government or other governmental authorities and agencies. We also expect to have numerous contractual obligations that we must adhere to on a continuous basis to operate our business, the default of which could have a material adverse effect on our business and financial condition. We will establish internal policies designed to ensure that we manage our business in accordance with applicable law and regulation and in accordance with our contractual obligations. While we will design policies to appropriately operate our business, these internal policies may not be effective in all regards and, further, if we fail to comply with our internal policies, we could be subjected to additional risk and liability.

The direct or indirect effects of the Dodd- Frank Act, enacted in July 2010 for the purpose of stabilizing or reforming the financial markets, may have an adverse effect on our interest rate hedging activities.

In July 2010, the Dodd- Frank Act became law in the United States. Title VII of the Dodd- Frank Act provides for significantly increased regulation of and restrictions on derivatives markets and transactions that could affect our interest rate hedging or other risk management activities, including: (i) regulatory reporting for swaps; (ii) mandated clearing through central counterparties and execution through regulated exchanges or electronic facilities for certain swaps; and (iii) margin and collateral requirements. Although the U.S. Commodity Futures Trading Commission has not yet finalized certain requirements, many other requirements have taken effect, such as swap reporting, the mandatory clearing of certain interest rate swaps and credit default swaps and the mandatory trading of certain swaps on swap execution facilities or exchanges. While the full impact of the Dodd- Frank Act on our interest rate hedging activities cannot be assessed until implementing rules and regulations are adopted and market practice develops, the requirements of Title VII may affect our ability to enter into hedging or other risk management transactions, may increase our costs in entering into such transactions and may result in us entering into such transactions on less favorable terms than prior to effectiveness of the Dodd-Frank Act and the rules promulgated thereunder. The occurrence of any of the foregoing events may have an adverse effect on our business.

If we are deemed an investment company under the Investment Company Act, our business would be subject to applicable restrictions under the Investment Company Act, which could make it impracticable for us to continue our business as contemplated and would have a material adverse impact on the market price of our Common Stock.

We do not believe that we are an "investment company" under the Investment Company Act because we are not, and we do not hold ourselves out, as being engaged primarily in the business of investing, reinvesting or trading in securities, and thus we do not fall within the definition of investment company provided in Section 3(a)(1)(A) of the Investment Company Act. Instead, we are in the business of commercial real estate. In addition, we satisfy the 40% test provided in Section 3(a)(1)(C) of the Investment Company Act. This test, described in more detail under "Business—Regulation—Policies Related to the Investment Company Act" below, provides that issuers that own or propose to acquire investment securities having a value exceeding 40% of the value of the issuer's total assets are investment companies. Because of the nature of our assets, we do not expect to own investment securities. Instead, we will own commercial real estate through our wholly- owned and majority- owned subsidiaries. Thus, we intend to conduct our operations so that we will not be deemed an investment company under the Investment Company Act. If we were to be deemed an investment company, however, either because of SEC interpretational changes or otherwise, we could, among other things, be required either: (i) to substantially change the manner in which we conduct our operations to avoid being required to register as an investment company; or (ii) to register as an investment company, either of which could have an adverse effect on us and the market price of our Common Stock. If we are required to register as an investment company under the Investment Company Act, we would become subject to substantial regulation with respect to our capital structure (including our ability to use leverage), management, operations, transactions with affiliated persons (as defined in the Investment Company Act), portfolio composition, including restrictions with respect to diversification and industry concentration and other matters.

Failure to qualify as a REIT, or failure to remain qualified as a REIT, would cause us to be taxed as a regular corporation, which would substantially reduce funds available for distributions to our stockholders.

We believe that our organization and proposed method of operation will enable us to meet the requirements for qualification and taxation as a REIT beginning with our taxable year ending December 31, 2015. However, we cannot assure you that we will qualify and remain qualified as a REIT. In connection with our separation from NorthStar Realty, we will receive an opinion from Hunton & Williams LLP that, beginning with our taxable year ending December 31, 2015, we will be organized in conformity with the requirements for qualification and taxation as a REIT under the U.S. federal income tax laws and our intended method of operation will enable us to qualify as a REIT under the U.S. federal income tax laws for our taxable year ending December 31, 2015 and thereafter. You should be aware that Hunton & Williams LLP's opinion will be based upon customary assumptions, representations and undertakings made by us, NorthStar Realty and certain private REITs in which NorthStar Realty owns an interest, or the Private REITs, as to factual matters, including regarding the nature of our, NorthStar Realty and the Private REITs' assets and the conduct of our, NorthStar Realty's and the Private REITs' business, is not binding upon the IRS, or any court and speaks as of the date issued. In addition, Hunton & Williams LLP's opinion will be based on existing U.S. federal income tax law governing qualification as a REIT, which is subject to change either prospectively or retroactively. Moreover, our qualification and taxation as a REIT will depend upon our ability to meet on a continuing basis, through actual annual operating results, certain qualification tests set forth in the U.S. federal tax laws. Hunton & Williams LLP will not review our compliance with those tests on a continuing basis. Accordingly, no assurance can be given that our actual results of operations for any particular taxable year will satisfy such requirements.

If we fail to qualify as a REIT in any taxable year, we will face serious tax consequences that will substantially reduce the funds available for distributions to our stockholders because:

- we would not be allowed a deduction for dividends paid to stockholders in computing our taxable income and would be subject to U.S. federal income tax at regular corporate rates;
- we could be subject to the U.S. federal alternative minimum tax and possibly increased state and local taxes; and
- unless we are entitled to relief under certain U.S. federal income tax laws, we could not re- elect REIT status until the fifth calendar year after the year in which we failed to qualify as a REIT.

In addition, if we fail to qualify as a REIT, we will no longer be required to make distributions. As a result of all these factors, our failure to qualify as a REIT could impair our ability to expand our business and raise capital, and it would adversely affect the value of our Common Stock. See "Federal Income Tax Consequences of Our Status as a REIT" for a discussion of material U.S. federal income tax consequences relating to us and our Common Stock.

If NorthStar Realty fails to qualify as a REIT in its 2015 taxable year, we would be prevented from electing to qualify as a REIT.

We believe that from the time of our formation until the date of the Distribution, we will be treated as a "qualified REIT subsidiary" of NorthStar Realty. Under applicable Treasury regulations, if NorthStar Realty fails to qualify as a REIT in its 2015 taxable year, unless NorthStar Realty's failure was subject to relief under U.S. federal income tax laws, we would be prevented from electing to qualify as a REIT prior to the fifth calendar year following the year in which NorthStar Realty failed to qualify.

Complying with REIT requirements may force us to borrow funds to make distributions to stockholders or otherwise depend on external sources of capital to fund such distributions.

To qualify as a REIT, we are required to distribute annually at least 90% of our taxable income, subject to certain adjustments, to stockholders. To the extent that we satisfy the distribution requirement, but distribute less than 100% of our taxable income, we will be subject to federal corporate income tax on our undistributed taxable income. In addition, we may elect to retain and pay income tax on our net long- term capital gain. In that case, a stockholder would be taxed on its proportionate share of our undistributed long- term gain and would receive a credit or refund for its proportionate share of the tax we paid. A stockholder, including a tax- exempt or foreign stockholder, would have to file a federal income tax return to claim that credit or refund. Furthermore, we will be subject to a 4% nondeductible excise tax if the actual amount that we distribute to stockholders in a calendar year is less than a minimum amount specified under federal tax laws. We anticipate that distributions generally will be taxable as ordinary income, although a portion of such distributions may be designated by us as long- term capital gain to the extent attributable to capital gain income recognized by us, or may constitute a return of capital to the extent that such distribution exceeds our earnings and profits as determined for tax purposes.

From time- to- time, we may generate taxable income greater than our net income (loss) for U.S. GAAP, due to among other things, amortization of capitalized purchase premiums, fair value adjustments and reserves. In addition, our taxable income may be greater than our cash flow available for distribution to stockholders as a result of, among other things, repurchases of our

outstanding debt at a discount and investments in assets that generate taxable income in advance of the corresponding cash flow from the assets (for example, if a borrower defers the payment of interest in cash pursuant to a contractual right or otherwise).

If we do not have other funds available in the situations described in the preceding paragraph, we could be required to borrow funds on unfavorable terms, sell investments at disadvantageous prices or find another alternative source of funds to make distributions sufficient to enable us to distribute enough of our taxable income to satisfy the REIT distribution requirement and to avoid corporate income tax and the 4% excise tax in a particular year. These alternatives could increase our costs or reduce our equity.

Because of the distribution requirement, it is unlikely that we will be able to fund all future capital needs, including capital needs in connection with investments, from cash retained from operations. As a result, to fund future capital needs, we likely will have to rely on third- party sources of capital, including both debt and equity financing, which may or may not be available on favorable terms or at all. Our access to thirdparty sources of capital will depend upon a number of factors, including the market's perception of our growth potential and our current and potential future earnings and cash distributions and the market price of our stock.

We could fail to qualify as a REIT and/or pay additional taxes if the IRS recharacterizes the structure of certain of our European investments.

We have funded our equity in certain of our European investments through the use of instruments that we believe will be treated as equity for U.S. federal income tax purposes. If the IRS disagreed with such characterization and was successful in recharacterizing the nature of our investments in European jurisdictions, we could fail to satisfy one or more of the asset and gross income tests applicable to REITs. Additionally, if the IRS recharacterized the nature of our investments and we were to take action to prevent such REIT test failures, the actions we would take could expose us to increased taxes both internationally and in the United States.

We could be subject to increased taxes if the tax authorities in various European jurisdictions were to modify tax rules and regulations on which we have relied in structuring our European investments.

We currently receive favorable tax treatment in various European jurisdictions through tax rules, regulations, tax authority rulings, and international tax treaties. Should changes occur to these rules, regulations, rulings or treaties, we may no longer receive such benefits, and consequently, the amount of taxes we pay with respect to our European investments may increase.

Even if we qualify as a REIT, we may be subject to tax (including foreign taxes for which we will not be permitted to pass- through any foreign tax credit to our stockholders), which would reduce the amount of cash available for distribution to our stockholders.

Even if we qualify as a REIT, we may be subject to foreign, U.S. federal, state and local taxes, including alternative minimum taxes and foreign, state or local income, franchise, property and transfer taxes. For example, we intend to make investments solely in real properties located outside the United States through foreign entities. Such entities may be subject to local income and property taxes in the jurisdiction in which they are organized or where their assets are located. In addition, in certain circumstances, we may be subject to non- U.S. withholding tax on repatriation of earnings from such non- U.S. entities. To the extent we are required to pay any such taxes we will not be able to pass through to our stockholders any tax credit with respect to our payment of any such taxes.

To the extent we distribute less than 100% of our taxable income, we will be subject to U.S. federal corporate income tax on our undistributed income and will incur a 4% non- deductible excise tax on the amount, if any, by which our distributions in any calendar year are less than a minimum amount specified under the Code. In addition, we could in certain circumstances be required to pay an excise or penalty tax, which could be significant in amount, in order to utilize one or more relief provisions under the Code to maintain qualification for taxation as a REIT. Furthermore, we may hold some of our assets through taxable REIT subsidiaries, or TRSs. Any TRS or other taxable corporation in which we own an interest could be subject to U.S. federal, state and local income taxes at regular corporate rates if such entities are formed as domestic entities or generate income from U.S. sources or activities connected with the United States, and also will be subject to any applicable foreign taxes. Any of these taxes would decrease the amount available for distribution to our stockholders.

Complying with REIT requirements may cause us to forego otherwise attractive opportunities or liquidate otherwise attractive investments.

To qualify as a REIT for U.S. federal income tax purposes, we must continually satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets, the amounts we distribute to stockholders and the ownership of our stock. As discussed above, we may be required to make distributions to stockholders at disadvantageous times

or when we do not have funds readily available for distribution. Additionally, we may be unable to pursue investments that would be otherwise attractive to us in order to satisfy the source of income requirements for qualifying as a REIT.

We must also ensure that, at the end of each calendar quarter, at least 75% of the value of our assets consists of cash, cash items, government securities and qualified real estate assets, including certain mortgage loans and mortgage- backed securities. The remainder of our investment in securities (other than government securities and qualified real estate assets) generally cannot include more than 10% of the outstanding voting securities of any one issuer or more than 10% of the total value of the outstanding securities of any one issuer. In addition, in general, no more than 5% of the value of our assets can consist of the securities of any one issuer (other than government securities and qualified real estate assets) and no more than 25% of the value of our total securities can be represented by securities of one or more TRSs.

If we fail to comply with these requirements at the end of any calendar quarter, we must correct such failure within 30 days after the end of the calendar quarter to avoid losing our REIT status and suffering adverse tax consequences, unless certain relief provisions apply. As a result, compliance with the REIT requirements may hinder our ability to operate solely on the basis of profit maximization and may require us to liquidate investments from our portfolio, or refrain from making, otherwise attractive investments. These actions could have the effect of reducing our income and amounts available for distribution to stockholders.

Complying with REIT requirements may limit our ability to hedge effectively.

The REIT provisions of the Code may limit our ability to hedge the risks inherent to our operations. Under current law: (i) any transaction entered into in the normal course of our trade or business primarily to manage the risk of interest rate or currency fluctuations with respect to borrowings made or to be made, or ordinary obligations incurred or to be incurred, to acquire or carry real estate assets; and (ii) any transaction entered into primarily to manage the risk of currency fluctuations with respect to any item of income or gain that would be qualifying income under the 75% or 95% gross income test (or any property which generates such income or gain) will not constitute gross income for purposes of the 75% and 95% income requirements applicable to REITs. We are required to clearly identify any such hedging transaction before the close of the day on which it was acquired, originated or entered into and to satisfy other identification requirements in order to be treated as a qualified hedging transaction. In addition, any income from certain other qualified hedging transactions would generally not constitute gross income for purposes of both the 75% and 95% income tests. However, we may be required to limit the use of hedging techniques that might otherwise be advantageous, which could result in greater risks associated with interest rate or other changes than we would otherwise incur. We intend to structure any hedging transactions in a manner that does not jeopardize our qualification as a REIT.

Currency fluctuations could adversely impact our ability to satisfy the REIT requirements.

We expect that substantially all of our operating income and expense will be denominated in currencies where our assets are located and our Operating Partnership will pay distributions in foreign currencies or U.S. dollars. Accordingly, our Operating Partnership will hold various foreign currencies at any given time and may enter into foreign currency hedging transactions. The U.S. federal income tax rules regarding foreign currency transactions could adversely impact our compliance with the REIT requirements. For example, changes in the U.S. dollar value of the currencies of our operations will impact the determination of our gross income from such operations for U.S. federal income tax purposes. Variations in such currency values could therefore adversely affect our ability to satisfy the REIT gross income tests. In addition, foreign currency held by our Operating Partnership could adversely affect our ability to satisfy the REIT asset tests to the extent our Operating Partnership holds foreign currency on its balance sheet other than its functional currency or otherwise holds any foreign currency that is not held in the normal course of the activities of our Operating Partnership which give rise to qualifying income under the 95% or 75% gross income tests or are directly related to acquiring or holding qualifying assets under the 75% asset test.

If any of our activities do not comply with the applicable REIT requirements, the U.S. federal income tax rules applicable to foreign currencies could magnify the adverse impact of such activities on our REIT compliance. For example, if we receive a distribution from our Operating Partnership that is attributable to operations within a particular foreign jurisdiction, we could recognize foreign currency gain or loss based on the fluctuation in the U.S. dollar value of the local currency of such jurisdiction between the time that the underlying income was recognized and the time of such distribution. Provided that the segment of our Operating Partnership's business to which such distribution is attributable satisfies certain of the REIT income and asset tests on a standalone basis, any foreign currency gain resulting from such distribution will be excluded for purposes of the REIT gross income tests. However, if such segment did not satisfy the applicable REIT income and asset tests on a standalone basis, any currency gain resulting from such distribution may be non- qualifying income for purposes of the REIT gross income tests, which would adversely affect our ability to satisfy such tests. As another example, foreign currency gain attributable to our holding of certain obligations, including currency hedges of such obligations, will be excluded for purposes of the 95% gross income test, but not the 75% gross income test. However, if such gains are attributable to cash awaiting distribution or reinvestment, such gains may be non- qualifying income under the 75% and 95% gross income tests. See "Federal Income Tax Consequences of Our Status as a REIT — Requirements for Qualification — Gross Income Tests." Furthermore, the impact of currency fluctuations on our compliance with the REIT requirements could be difficult to predict.

The U.S. federal income tax rules regarding foreign currency transactions are complex, in certain respects uncertain, and limited authority is available regarding the application of such rules. As a result, there can be no assurance that the IRS will not challenge the manner in which we apply such rules to our operations. Any successful challenge could increase the amount which we are required to distribute to our shareholders in order to qualify as a REIT or otherwise adversely impact our compliance with the REIT requirements.

Liquidation of assets may jeopardize our REIT qualification.

To qualify as a REIT, we must comply with requirements regarding our assets and our sources of income. If we are compelled to liquidate our investments to satisfy our obligations to our lenders, we may be unable to comply with these requirements, ultimately jeopardizing our qualification as a REIT, or we may be subject to a 100% prohibited transaction tax on any resulting gain if we sell assets that are treated as dealer property or inventory.

Legislative or regulatory tax changes could adversely affect us or stockholders.

At any time, the federal income tax laws can change. Laws and rules governing REITs or the administrative interpretations of those laws may be amended. Any of those new laws or interpretations may take effect retroactively and could adversely affect us or stockholders.

The prohibited transactions tax may limit our ability to engage in transactions, including disposition of assets, which would be treated as sales for federal income tax purposes.

A REIT's net income from prohibited transactions is subject to a 100% tax. In general, prohibited transactions are sales or other dispositions of property, other than property that we took title to as a result of a default on a debt investment or lease and for which we make a foreclosure property election, but including loans, held primarily for sale to customers in the ordinary course of business. Although a safe- harbor exception to prohibited transaction treatment is available, we cannot assure stockholders that we can comply with such safe harbor or that we will avoid owning property that may be characterized as held primarily for sale to customers in the ordinary course of our trade or business. Consequently, we may choose not to engage in certain sales of real property or may conduct such sales or other activities through a TRS.

We may distribute our Common Stock in a taxable distribution, in which case stockholders may sell shares of our Common Stock to pay tax on such distributions, placing downward pressure on the market price of our Common Stock.

We may make taxable distributions that are payable in cash and our Common Stock. The IRS has issued private letter rulings to other REITs treating certain distributions that are paid partly in cash and partly in stock as taxable distributions that would satisfy the REIT annual distribution requirement and qualify for the dividends paid deduction for federal income tax purposes. Those rulings may be relied upon only by taxpayers to whom they were issued, but we could request a similar ruling from the IRS. In addition, the IRS issued a revenue procedure creating a temporary safe harbor that authorized publicly traded REITs to make elective cash/stock distributions, but that temporary safe harbor has expired. Accordingly, it is unclear whether and to what extent we will be able to make taxable distributions payable in cash and our Common Stock. If we made a taxable distribution payable in cash and our Common Stock, taxable stockholders receiving such distributions will be required to include the full amount of the distribution, which is treated as ordinary income to the extent of our current and accumulated earnings and profits, as determined for federal income tax purposes. As a result, stockholders may be required to pay income tax with respect to such distributions in excess of the cash distributions received. If a U.S. stockholder sells our Common Stock that it receives as a distribution in order to pay this tax, the sales proceeds may be less than the amount recorded in earnings with respect to the distribution, depending on the market price of our Common Stock at the time of the sale. Furthermore, with respect to certain non- U.S. stockholders, we may be required to withhold U.S. federal income tax with respect to such distributions, including in respect of all or a portion of such distribution that is payable in our Common Stock. If we made a taxable distribution payable in cash and our Common Stock and a significant number of stockholders determine to sell shares of our Common Stock in order to pay taxes owed on distributions, it may put downward pressure on the trading price of our Common Stock.

The stock ownership restrictions of the Code for REITs and the 9.8% stock ownership limit in our charter may inhibit market activity in our stock and restrict our business combination opportunities.

To qualify as a REIT, five or fewer individuals, as defined in the Code, may not own, actually or constructively, more than 50% in value of our issued and outstanding stock at any time during the last half of a taxable year. Attribution rules in the Code determine if any individual or entity actually or constructively owns our stock under this requirement. Additionally, at least 100 persons must beneficially own our stock during at least 335 days of a taxable year. To help insure that we meet these tests, our charter restricts the acquisition and ownership of shares of our stock.

Our charter, with certain exceptions, will authorize our directors to take such actions as are necessary and desirable to preserve our qualification as a REIT. Unless exempted by our board of directors, no person, including entities, may own more

than 9.8% in value of the aggregate of the outstanding shares of our stock or more than 9.8% in value or number (whichever is more restrictive) of the aggregate of the outstanding shares of our Common Stock. The board may not grant an exemption from these restrictions to any proposed transferee whose ownership in excess of 9.8% of the value of our Common Stock outstanding would result in the termination of our status as a REIT. Despite these restrictions, it is possible that there will be five or fewer individuals who own more than 50% in value of our outstanding shares, which could cause us to fail to continue to qualify as a REIT. These restrictions on transferability and ownership will not apply, however, if our board of directors determines that it is no longer in our best interest to continue to qualify as a REIT.

These ownership limits could delay or prevent a transaction or a change in control that might involve a premium price for our Common Stock or otherwise be in the best interest of the stockholders.

REIT distribution requirements could adversely affect our ability to execute our business plan.

We generally must distribute annually at least 90% of our REIT taxable income (which is determined without regard to the dividends paid deduction or net capital gain for this purpose) in order to continue to qualify as a REIT. We intend to make distributions to stockholders to comply with the REIT requirements of the Code and to avoid corporate income tax and the 4% excise tax. We may be required to make distributions to stockholders at times when it would be more advantageous to reinvest cash in our business or when we do not have funds readily available for distribution. Thus, compliance with the REIT requirements may hinder our ability to operate solely on the basis of maximizing profits.

Distributions paid by REITs do not qualify for the reduced tax rates that apply to other corporate distributions.

The maximum tax rate for "qualified dividends" paid by corporations to individuals is 20%. Distributions paid by REITs, however, generally continue to be taxed at the normal ordinary income rate applicable to the individual recipient (subject to a maximum rate of 39.6%), rather than the preferential rate applicable to qualified dividends. The more favorable rates applicable to regular corporate distributions could cause potential investors who are individuals to perceive investments in REITs to be relatively less attractive than investments in the stocks of non- REIT corporations that pay qualified distributions, which could adversely affect the value of the stock of REITs, including our Common Stock.

Non- U.S. stockholders will generally be subject to withholding tax with respect to our dividends.

Non- U.S. stockholders (as defined in "Material U.S. Federal Income Tax Considerations of the Distribution") will generally be subject to U.S. federal withholding tax on dividends received from us at a 30% rate, subject to reduction under an applicable treaty or a statutory exemption under the Code. Although such withholding taxes may be creditable in such non- U.S. stockholder's resident jurisdiction, for many such non- U.S. stockholders, investment in a REIT that invests principally in non- U.S. real property may not be the most tax- efficient way to invest in such assets compared to a direct investment in such assets which would generally not subject such non- U.S. stockholders to U.S. withholding taxes.

Unexpected tax costs could arise through changes to tax law or tax rates in various jurisdictions in which we operate.

There is a risk of unexpected tax costs through lack of tax planning or execution in tax- paying jurisdictions. These matters could have a material adverse effect our business, results of operations, financial condition or prospects.

Changes to our corporate structure may result in an additional tax burden.

We may undergo changes to our corporate structure involving, among other things, the direct or indirect transfer of legal or beneficial title to real estate. These transactions may results in unforeseen adverse tax consequences that may have detrimental effects on our business, net assets, financial condition, cash flow and results of operations.

Risks Related to the European Spin- off

The European Spin- off may not have the benefits we anticipate.

The European Spin- off may not have the full or any strategic and financial benefits that we expect or such benefits may be delayed or may not materialize at all. The anticipated benefits of the European Spin- off are based on a number of assumptions, which may prove incorrect. For example, we believe that investors and analysts will regard NorthStar Europe's focused European Real Estate Business more favorably as a separate company than as part of NorthStar Realty's existing portfolio and strategy and thus place a greater value on NorthStar Europe as a separate public company than as a business that is a part of NorthStar Realty. In the event that the European Spin- off does not have this and other expected benefits, the costs associated with the transaction, including an expected increase in general and administrative expenses, could have a negative effect on our financial condition and ability to make distributions to our stockholders. Stockholder approval will not be required or sought in connection with the European Spin- off .

The aggregate post- Distribution value of NorthStar Realty and our Common Stock may not equal or exceed the pre- spin- off value of NorthStar Realty shares.

After the European Spin- off , NorthStar Realty common stock will continue to be listed and traded on the NYSE. We expect to list our Common Stock on the NYSE under the symbol "NRE." We cannot assure you that the combined value of NorthStar Realty and our Common Stock after the European Spin- off , as adjusted for any changes in the combined capitalization of these companies, will be equal to or greater than the value of NorthStar Realty prior to the European Spin- off . Until the market has fully evaluated the business of NorthStar Realty without the business of NorthStar Europe, the value of NorthStar Realty may fluctuate significantly. Similarly, until the market has fully evaluated the business of NorthStar Europe, the value of NorthStar Europe may fluctuate significantly.

We may not be able to successfully implement our business strategy.

Assuming the European Spin- off is completed, there can be no assurance that we will be able to generate sufficient returns to pay our operating expenses and make satisfactory distributions to our stockholders or any distributions at all, once we commence operations as an independent company. Our financial condition, results of operations and cash flow will be affected by the expenses we will incur as an independent public company, including fees paid to NSAM as well as legal, accounting, compliance and other costs associated with being a public company with equity securities traded on the NYSE. In addition, our results of operations and our ability to make or sustain distributions to our stockholders depend on, among other factors, the availability of opportunities to acquire attractive investments in Europe, the level and volatility of interest rates, the availability of adequate short- and long- term financing, conditions in the real estate market and the financial markets and economic conditions, particularly in Europe. Furthermore, most of our expertise to date is in the United States and neither we nor NorthStar Realty or NSAM has owned or managed substantial investments over the long term in international markets. Our ability to achieve our investment objectives and to make distributions to stockholders will depend in substantial part upon the performance of NSAM and its ability to provide us with asset management and other services. After the European Spin- off , NorthStar Realty will not be required, and does not intend, to provide us with funds to finance our working capital or other cash requirements, so we will need to obtain additional financing from banks, through public offerings or private placements of debt or equity securities, through strategic relationships or other arrangements. There can be no assurance that we will be able to enter into any necessary additional financing on favorable terms or at all.

The Distribution will not qualify for tax- deferred treatment and may be taxable to NorthStar Realty common stockholders as a dividend; however, the tax impact will not be calculated until after the end of the 2015 calendar year.

The Distribution will not qualify for tax- deferred treatment. An amount equal to the fair market value of the shares of our Common Stock received by you on the Distribution date (assuming you are a stockholder of NorthStar Realty as of the applicable record date), including any fractional shares deemed to be received on the Distribution date, will be treated as a taxable dividend to the extent of your share of any of NorthStar Realty's current or accumulated earnings and profits for the year of the distribution. Any fair market value in the excess of NorthStar Realty's current or accumulated earnings and profits will be treated first as a non- taxable return of capital to the extent of your tax adjusted basis in NorthStar Realty's common stock and then as capital gain. The Distribution will not include a distribution of cash, except for certain cash in lieu of fractional shares of our Common Stock, and thus, you will have to obtain cash from other sources to pay the income tax on this income. In addition, NorthStar Realty or other applicable withholding agents may be required or permitted to withhold at the applicable rate on all or a portion of the Distribution payable to non-U.S. stockholders, and any such withholding would be satisfied by NorthStar Realty or such agent withholding by selling a portion of our Common Stock otherwise distributable to non- U.S. stockholders. Such non- U.S. stockholders may bear brokerage fees or other costs from this withholding procedure. Your adjusted tax basis in NorthStar Realty common stock held at the time of the Distribution will be reduced (but not below zero) to the extent the fair market value of the shares of our Common Stock distributed by NorthStar Realty to you in the Distribution exceeds your share of NorthStar Realty's current and accumulated earnings and profits. Your holding period for your shares of NorthStar Realty's common stock will not be affected by the Distribution. Neither we nor NorthStar Realty will be able to advise you of the amount of NorthStar Realty's earnings and profits until after the end of the 2015 calendar year.

Although NorthStar Realty will be ascribing a value to our shares of Common Stock in the Distribution for tax purposes, and will report that value to stockholders and the IRS, this valuation is not binding on the IRS or any other taxing authority. These taxing authorities could ascribe a higher valuation to such shares, particularly if our Common Stock trades at prices significantly above the value ascribed to such shares by NorthStar Realty in the period following the Distribution. Such a higher valuation may cause a larger reduction in the tax basis of your shares of us or may cause you to recognize additional dividend or capital gain income. You are urged to consult your tax advisor as to the particular tax consequences of the Distribution to you.

The NorthStar Europe Predecessor combined financial results and our unaudited pro forma combined financial statements may not be representative of our results as an independent company.

The combined financial information of the NorthStar Europe Predecessor included in this prospectus has been prepared from the accounting records of the NorthStar Europe Predecessor and does not necessarily reflect what its financial position, results of operations or cash flows would have been had it operated as part of NorthStar Europe during the periods presented. The historical information also does not necessarily indicate what NorthStar Europe's results of operations, financial position, cash flows or costs and expenses will be in the future. Our pro forma combined financial information set forth under "Unaudited Pro Forma Financial Information" reflects changes that may occur in our funding and operations as a result of the European Spin- off . However, there can be no assurances that this unaudited pro forma combined financial information will reflect our costs as an independent company.

If, following the European Spin- off , we are unable to satisfy the requirements of Section 404 of the Sarbanes- Oxley Act or our internal control over financial reporting is not effective, the reliability of our financial statements may be questioned and our stock price may suffer.

Section 404 of the Sarbanes- Oxley Act requires any company subject to the reporting requirements of the U.S. securities laws to do a comprehensive evaluation of its and its consolidated subsidiaries' internal controls over financial reporting. To comply with this statute, we will eventually be required to document and test our internal controls procedures, our management will be required to assess and issue a report concerning our internal controls over financial reporting and our independent auditors will be required to issue an opinion on their audit of our internal control over financial reporting. The rules governing the standards that must be met for management to assess our internal controls over financial reporting are complex and require significant documentation, testing and possible remediation to meet the detailed standards under the rules. During the course of its testing, our management may identify material weaknesses or deficiencies which may not be remedied in time to meet the deadline imposed by the Sarbanes-Oxley Act. If our management cannot favorably assess the effectiveness of our internal controls over financial reporting or our auditors identify material weaknesses in our internal controls, investor confidence in our financial results may weaken and our stock price may suffer.

Because there has not been any public market for our Common Stock, the market price and trading volume of our Common Stock may be volatile.

Prior to the European Spin- off , there will have been no trading market for our Common Stock. We cannot predict the extent to which investors' interest will lead to a liquid trading market or whether the market price of our Common Stock will be volatile. The market price of our Common Stock could fluctuate significantly for many reasons, including in response to the risk factors listed in this prospectus or for reasons unrelated to our specific performance, such as investor perceptions, reports by industry analysts or negative developments with respect to our affiliates, as well as third parties. Our Common Stock could also be volatile as a result of speculation or general economic and industry conditions.

The reduced disclosure requirements applicable to us as an "emerging growth company" may make our Common Stock less attractive to investors.

We are an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act, and we may avail ourselves of certain exemptions from various reporting requirements of public companies that are not "emerging growth companies," including, but not limited to, an exemption from complying with the auditor attestation requirements of Section 404 of the Sarbanes- Oxley Act of 2002, as amended, or the Sarbanes- Oxley Act, and, like smaller reporting companies, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirement of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We may remain an emerging growth company for up to five full fiscal years following the Distribution. We would cease to be an emerging growth company, and, therefore, become ineligible to rely on the above exemptions, if we have more than $1 billion in annual revenue in a fiscal year, if we issue more than $1 billion of non- convertible debt over a three- year period or on the date that we become a "large accelerated filer" as defined in Rule 12b- 2 under the Exchange Act which would occur after: (i) we have filed at least one annual report; (ii) we have been an SEC- reporting company for at least 12 months; and (iii) the market value of our Common Stock that is held by non- affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter. We cannot predict if investors will find our Common Stock less attractive because we may rely on these exemptions.

If some investors find our Common Stock less attractive as a result of the exemptions available to us as an emerging growth company, there may be a less active trading market for our Common Stock (assuming a market ever develops) and our value may be more volatile than that of an otherwise comparable company that does not avail itself of the same or similar exemptions.

THE DISTRIBUTION

General

The general terms and conditions relating to the Distribution will be set forth in the separation agreement between us and NorthStar Realty, further discussed below under the heading "Certain Relationships and Related Party Transactions — Relationship Between NorthStar Realty, NSAM and Us After the Distribution — Separation Agreement." Under the separation agreement, the Distribution will be effective at 11:59 p.m., Eastern Time, on October 31 , 2015 and NorthStar Realty will distribute all outstanding shares of our Common Stock to the holders of NorthStar Realty common stock. For NorthStar Realty stockholders who own NorthStar Realty common stock in registered form on the record date, which is the close of business, Eastern Time, October 22 , 2015, our transfer agent will credit their shares of our Common Stock to book entry accounts established to hold these shares. Our distribution agent will send these stockholders a statement reflecting their ownership of our Common Stock. Book entry refers to a method of recording stock ownership in our records in which no physical certificates are used. For stockholders who own NorthStar Realty common stock through a broker or other nominee, their shares of our Common Stock will be credited to these stockholders' accounts by the broker or other nominee. As further discussed below, fractional shares will not be distributed in the Distribution. Following the Distribution, stockholders whose shares are held in book entry form may request that their shares of our Common Stock be transferred to a brokerage or other account at any time without charge.

NORTHSTAR REALTY STOCKHOLDERS WILL NOT BE REQUIRED TO PAY FOR SHARES OF OUR COMMON STOCK RECEIVED IN THE DISTRIBUTION OR TO SURRENDER OR EXCHANGE SHARES OF NORTHSTAR REALTY COMMON STOCK IN ORDER TO RECEIVE OUR COMMON STOCK OR TO TAKE ANY OTHER ACTION IN CONNECTION WITH THE DISTRIBUTION. NO VOTE OF NORTHSTAR REALTY STOCKHOLDERS IS REQUIRED OR SOUGHT IN CONNECTION WITH THE DISTRIBUTION, AND NORTHSTAR REALTY STOCKHOLDERS HAVE NO APPRAISAL RIGHTS IN CONNECTION WITH THE DISTRIBUTION.

Fractional shares of our Common Stock will not be issued to NorthStar Realty stockholders as part of the Distribution or credited to book entry accounts. In lieu of receiving fractional shares, each holder of NorthStar Realty common stock who would otherwise be entitled to receive a fractional share of our Common Stock will receive cash for the fractional interest. An explanation of the tax consequences of the Distribution can be found below in the subsection captioned "— Material U.S. Federal Income Tax Consequences of the Distribution." The distribution agent will, as soon as practicable after the Distribution, aggregate fractional shares of our Common Stock into whole shares and sell them in the open market at the prevailing market prices and distribute the aggregate proceeds, net of brokerage fees, ratably to NorthStar Realty stockholders who would otherwise be entitled to receive a fractional share of our Common Stock. The amount of such proceeds will depend on the prices at which the aggregated fractional shares are sold by the distribution agent in the open market shortly after the Distribution date. We do not anticipate a significant number of shares being aggregated to satisfy this requirement.

In order to be entitled to receive shares of our Common Stock in the Distribution, NorthStar Realty stockholders must be stockholders of record of NorthStar Realty common stock at the close of business, Eastern Time, October 22 , 2015, which is the record date for the Distribution.

Reasons for the European Spin- off

The NorthStar Realty Board believes that investors and analysts will regard NorthStar Europe's distinct focus on investing in European commercial real estate more favorably as a separate company than as part of the existing portfolio and strategy of NorthStar Realty and thus place a greater value on NorthStar Europe as a separate public company. In the event that the European Spin- off does not have this and other expected benefits, the costs associated with the transaction, including an expected increase in general and administrative expenses, could have a negative effect on the financial condition and ability to make distributions to the stockholders of each company.

The NorthStar Realty Board has determined that separation of our business from NorthStar Realty's other businesses is in the best interests of NorthStar Realty. The potential benefits considered by the NorthStar Realty Board in making the determination to consummate the Distribution included the following:

- attractive positioning as a European - focused equity REIT with access to a lower cost of capital and capability to execute complex, cross border European transactions;
- European - focused equity REIT with substantial growth prospects as financial and other institutions deleverage and wind- down their portfolios in Europe;
- ability to benefit from opportunities in the European markets; and

- opportunity to increase the aggregate value of NorthStar Europe and NorthStar Realty in order to allow each company to issue equity at a lower cost of capital in connection with acquisitions, joint ventures and partnerships on more favorable terms.

The NorthStar Realty Board believes that the aggregate value of NorthStar Realty and NorthStar Europe should increase relative to the value of NorthStar Realty prior to the announcement of the plan to spin- off its European real estate business because the Distribution will permit investors to invest separately in NorthStar Europe and in the remaining businesses of NorthStar Realty. This may make NorthStar Realty's common stock and our Common Stock more attractive to investors as compared to NorthStar Realty's common stock before the Distribution and therefore could improve access to the capital markets for both NorthStar Realty and NorthStar Europe. As a result of the Distribution, the common stock of each of NorthStar Realty and NorthStar Europe would become available to classes of investors who seek an investment that offers the growth, risk and sector exposure of either NorthStar Europe or NorthStar Realty, but not that of the combined company. There can be no assurance, however, as to the future market price of the common stock of NorthStar Realty or our Common Stock. Refer to "Risk Factors — Risks Related to the European Spin- off — The aggregate post- Distribution value of NorthStar Realty and NorthStar Europe shares may not equal or exceed the pre- spin- off value of NorthStar Realty shares."

The NorthStar Realty Board considered several factors that might have a negative effect on NorthStar Realty as a result of the Distribution. For example, certain factors such as a lack of historical financial and performance data for our European Real Estate Business, including investments that were just recently acquired, or for NorthStar Europe as an independent public company may limit investors' ability to appropriately value our Common Stock. Furthermore, because the Company will be separated from NorthStar Realty, the Distribution may also limit the ability of the Company to pursue cross- company business transactions and initiatives with other businesses of NorthStar Realty. Finally, following the Distribution, NorthStar Europe will be responsible for certain general and administrative costs previously incurred by NorthStar Realty.

Results of the European Spin- off

After the Distribution, we will be an independent, publicly traded company. Immediately after the Distribution date, we expect that approximately 63.0 million shares of our Common Stock will be issued and outstanding, based upon the 377.9 million shares of NorthStar Realty common stock expected to be outstanding on the record date (based on the total shares outstanding on September 30, 2015 plus additional shares expected to be issued pursuant to NorthStar Realty's forward sale agreement prior to the record date). The actual number of shares of our Common Stock to be distributed will be determined based on the number of shares of NorthStar Realty common stock outstanding as of the record date.

In connection with the Distribution, we will enter into a management agreement with NSAM pursuant to which NSAM will manage the Company for an initial term of 20 years. The management agreement provides for: (i) an annual base management fee equal to the sum of: (a) $14 million; and (b) an additional annual base management fee equal to 1.5% per annum of the sum of: (1) any equity we issue in exchange or conversion of exchangeable or stock- settleable notes; (2) any other issuances of common equity, preferred equity or other forms of equity, including but not limited to LTIP Units in our Operating Partnership (excluding units issued to us and equity- based compensation, but including issuances related to an acquisition, investment, joint venture or partnership); and (3) cumulative CAD, if any, in excess of cumulative distributions paid on common stock, LTIP Units or other equity awards beginning the first full calendar quarter after completion of the Distribution; and (ii) an incentive fee determined as described under "Corporate Governance and Management — Our Manager — Management Agreement" with each of the fees set forth in clauses (i) and (ii) being calculated and payable quarterly in arrears in cash. The current base management fee of $14 million is based on our Current European Portfolio.

In addition, in conjunction with the Distribution, we will enter into the following agreements with NorthStar Realty or its affiliates: (i) a separation agreement, which will set forth, among other things, our agreements with NorthStar Realty regarding the principal transactions necessary to separate us from NorthStar Realty and distribute our Common Stock; and (ii) a contribution agreement and related agreements pursuant to which NorthStar Realty will contribute the European Real Estate Business and cash to us. For a detailed description of the foregoing agreements that we will enter into in conjunction with the Distribution, refer to "Certain Relationships and Related Party Transactions."

The Distribution will not affect the number of outstanding shares of NorthStar Realty common stock or any rights of NorthStar Realty stockholders. However, in connection with, and immediately following, the Distribution, NorthStar Realty expects to effect the NRF Reverse Stock Split. This means that, after giving effect to the NRF Reverse Stock Split and the Distribution, holders of NorthStar Realty common stock will own one share of NorthStar Realty common stock for every two shares of NorthStar Realty common stock owned prior to the NRF Reverse Stock Split and Distribution.

Material U.S. Federal Income Tax Consequences of the Distribution

The following is a summary of the material U.S. federal income tax consequences of the Distribution, and in particular the distribution by NorthStar Realty of shares of our Common Stock to common stockholders of NorthStar Realty.

This summary is based upon the Code, the regulations promulgated by the U.S. Treasury Department, rulings and other administrative pronouncements issued by the IRS, and judicial decisions, all as currently in effect, and all of which are subject to differing interpretations or to change, possibly with retroactive effect. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax consequences described below. We have not sought and do not intend to seek an advance ruling from the IRS regarding any matter discussed herein. The summary is also based upon the assumption that NorthStar Realty, we, and our respective subsidiaries and affiliated entities will operate in accordance with their applicable organizational documents or partnership agreements and the agreements and other documents applicable to the Distribution. This summary is for general information only and is not tax advice. The Code provisions governing the U.S. federal income tax treatment of REITs (such as NorthStar Realty and us) and their stockholders are highly technical and complex, and this summary is qualified in its entirety by the express language of applicable Code provisions, Treasury regulations promulgated thereunder, and administrative and judicial interpretations thereof. This summary does not address all possible tax considerations that may be material to a stockholder and does not constitute legal or tax advice. Moreover, this summary does not purport to discuss all aspects of U.S. federal income taxation that may be important to a particular stockholder in light of its investment or tax circumstances, or to stockholders subject to special tax rules, such as:

- financial institutions;
- insurance companies;
- broker- dealers;
- regulated investment companies;
- foreign sovereigns and their controlled entities;
- partnerships and trusts;
- persons who will hold NorthStar Realty common stock on behalf of other persons as nominees;
- persons who received NorthStar Realty common stock through the exercise of employee stock options or otherwise as compensation;
- persons who will hold NorthStar Realty common stock as part of a “straddle,” “hedge,” “conversion transaction,” “synthetic security” or other integrated investment; and
- except to the extent discussed below, tax- exempt organizations and foreign investors.

This summary assumes that stockholders will hold their NorthStar Realty common stock as a capital asset for U.S. federal income tax purposes, which generally means as property held for investment.

For purposes of this discussion under the heading “Material U.S. Federal Income Tax Consequences of the Distribution,” a “U.S. stockholder” is a beneficial owner of NorthStar Realty common stock that is, for U.S. federal income tax purposes:

- a citizen or resident of the United States;
- a corporation (including an entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any of its states, or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- a trust if: (i) a U.S. court is able to exercise primary supervision over the administration of such trust and one or more U.S. persons have the authority to control all substantial decisions of the trust; or (ii) it has a valid election in place to be treated as a U.S. person.

A “non- U.S. stockholder” is a beneficial owner of NorthStar Realty common stock that is neither a U.S. stockholder nor a partnership (or other entity treated as a partnership) for U.S. federal income tax purposes. If a partnership, including for this purpose any entity that is treated as a partnership for U.S. federal income tax purposes, holds NorthStar Realty common stock, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. A stockholder that is a partnership and the partners in such partnership should consult their tax advisors about the U.S. federal income tax consequences of the Distribution.

THE U.S. FEDERAL INCOME TAX TREATMENT OF THE DISTRIBUTION TO STOCKHOLDERS OF NORTHSTAR REALTY DEPENDS IN SOME INSTANCES ON DETERMINATIONS OF FACT AND INTERPRETATIONS OF COMPLEX PROVISIONS OF U.S. FEDERAL INCOME TAX LAW FOR WHICH NO CLEAR PRECEDENT OR AUTHORITY MAY BE AVAILABLE. IN ADDITION, THE TAX CONSEQUENCES OF THE DISTRIBUTION TO ANY PARTICULAR STOCKHOLDER OF NORTHSTAR REALTY WILL DEPEND ON THE STOCKHOLDER'S PARTICULAR TAX CIRCUMSTANCES. YOU ARE URGED TO CONSULT YOUR TAX ADVISOR REGARDING THE FOREIGN, U.S. FEDERAL, STATE, AND LOCAL INCOME AND OTHER TAX CONSEQUENCES TO YOU OF THE DISTRIBUTION IN LIGHT OF YOUR PARTICULAR INVESTMENT OR TAX CIRCUMSTANCES.

Tax Classification of the Distribution in General

For U.S. federal income tax purposes, the Distribution will not be eligible for treatment as a tax- deferred distribution by NorthStar Realty with respect to its common stock. Accordingly, the Distribution will be treated as if NorthStar Realty had distributed to each NorthStar Realty common stockholder an amount equal to the fair market value of our Common Stock received by such stockholder, determined as of the date of the Distribution. We refer to such amount as the "distribution amount." The tax consequences of the Distribution to NorthStar Realty's stockholders are thus generally the same as the tax consequences of NorthStar Realty's cash distributions. The discussion below describes the U.S. federal income tax consequences to a U.S. stockholder, a non- U.S. stockholder, and a tax- exempt stockholder of NorthStar Realty common stock upon the receipt of our Common Stock in the Distribution.

Although NorthStar Realty will ascribe a value to our Common Stock distributed in the Distribution, this valuation is not binding on the IRS or any other tax authority. These taxing authorities could ascribe a higher valuation to the distributed Common Stock, particularly if, following the Distribution, those shares of Common Stock trade at prices significantly above the value ascribed to those shares by NorthStar Realty. Such a higher valuation may affect the distribution amount and thus the tax consequences of the distribution to NorthStar Realty's stockholders. Any cash received by a NorthStar Realty stockholder in lieu of a fractional share of our Common Stock should be treated as if such fractional share had been: (i) received by the stockholder as part of the Distribution and then (ii) sold by such stockholder, via the distribution agent, for the amount of cash received. As described below, the basis of the fractional share deemed received by a NorthStar Realty stockholder will equal the fair market value of such share on the date of the Distribution.

Tax Basis and Holding Period of Our Common Stock Received by Holders of NorthStar Realty Common Stock

A NorthStar Realty stockholder's tax basis in shares of our Common Stock received in the Distribution generally will equal the fair market value of such shares on the date of the Distribution and the holding period for such shares will begin the day after the date of the Distribution.

Tax Treatment of the Distribution to U.S. Stockholders

The following discussion describes the U.S. federal income tax consequences to a U.S. stockholder upon the receipt of shares of our Common Stock in the Distribution.

Ordinary Dividend Distributions

The portion of the distribution amount received by a U.S. stockholder that is payable out of NorthStar Realty's current or accumulated earnings and profits and that is not designated by NorthStar Realty as a capital gain dividend will generally be taken into account by such U.S. stockholder as ordinary income and will not be eligible for the dividends received deduction for corporations. With limited exceptions, dividends paid by NorthStar Realty are not eligible for taxation at the preferential income tax rates for qualified dividend income received by U.S. stockholders taxed at individual rates from taxable C corporations. Such U.S. stockholders, however, are taxed at the preferential rates on dividends designated by and received from a REIT, such as NorthStar Realty, to the extent that the dividends are attributable to dividends received by the REIT from TRSs or other taxable C corporations.

Capital Gain Dividend Distributions

A distribution that NorthStar Realty designates as a capital gain dividend will generally be taxed to U.S. stockholders as long- term capital gain, to the extent that such distribution does not exceed NorthStar Realty's actual net capital gain for the taxable year, without regard to the period for which the holder that receives such distribution has held its NorthStar Realty common stock. Corporate U.S. stockholders may be required to treat up to 20% of some capital gain dividends as ordinary income. Long- term capital gains are generally taxable at reduced maximum federal rates in the case of U.S. stockholders that are taxed at individual rates and ordinary income rates in the case of stockholders that are corporations.

Non- Dividend Distributions

A distribution to U.S. stockholders in excess of NorthStar Realty's current and accumulated earnings and profits will generally represent a return of capital and will not be taxable to a U.S. stockholder to the extent that the amount of such distribution does not exceed the adjusted basis of the holder's NorthStar Realty common stock in respect of which the distribution was made. Rather, the distribution will reduce the U.S. stockholder's adjusted tax basis in its NorthStar Realty common stock. To the extent that such distribution exceeds a U.S. stockholder's adjusted tax basis in its NorthStar Realty common stock, the holder generally must include such distribution in income as long- term capital gain, or short- term capital gain if the holder's NorthStar Realty common stock has been held for one year or less.

Tax Treatment of the Distribution to Non- U.S. Stockholders

The following discussion describes the U.S. federal income tax consequences to a non- U.S. stockholder upon the receipt of shares of our Common Stock in the Distribution.

Ordinary Dividend Distributions

The portion of the distribution amount received by a non- U.S. stockholder that is: (i) payable out of NorthStar Realty's earnings and profits; (ii) not attributable to NorthStar Realty's capital gains; and (iii) not effectively connected with a U.S. trade or business of the non- U.S. stockholder, will be treated as a dividend that is subject to U.S. withholding tax at the rate of 30%, unless reduced or eliminated by treaty.

In general, non- U.S. stockholders will not be considered to be engaged in a U.S. trade or business solely as a result of their ownership of NorthStar Realty common stock. In cases where the dividend income from a non- U.S. stockholder's investment in NorthStar Realty common stock is, or is treated as, effectively connected with the non- U.S. stockholder's conduct of a U.S. trade or business, the non- U.S. stockholder generally will be subject to U.S. federal income tax at graduated rates, in the same manner as U.S. stockholders are taxed with respect to such dividends. Such income must generally be reported on a U.S. income tax return filed by or on behalf of the non- U.S. stockholder. The income may also be subject to the 30% branch profits tax in the case of a non- U.S. stockholder that is a corporation.

Capital Gain Distributions

Under the Foreign Investment in Real Property Tax Act of 1980, or FIRPTA, distributions that are attributable to gain from NorthStar Realty's sales or exchanges of United States real property interests, or USRPIs, will be taxed to a non- U.S. stockholder as if such gain were effectively connected with a U.S. trade or business, and non- U.S. stockholders will be subject to U.S. federal income tax on the distributions at the rates applicable to U.S. individuals or corporations. NorthStar Realty will be required to withhold a 35% tax on such distributions. Distributions subject to FIRPTA may also be subject to a 30% branch profits tax in the hands of a corporate non- U.S. stockholder.

Distributions received by a non- U.S. stockholder that are attributable to dispositions of NorthStar Realty's assets other than USRPIs are not subject to U.S. federal income tax, unless: (i) the gain is effectively connected with the non- U.S. stockholder's U.S. trade or business, in which case the non- U.S. stockholder would be subject to the same treatment as U.S. stockholders with respect to such gain; or (ii) the non- U.S. stockholder is a nonresident alien individual who was present in the United States for 183 days or more during the taxable year and has a "tax home" in the United States, in which case the non- U.S. stockholder will incur a 30% tax on his capital gains.

Non- Dividend Distributions

Unless NorthStar Realty's common stock constitutes a USRPI, the distribution amount, to the extent not made out of NorthStar Realty's earnings and profits, and not attributable to gain from the disposition of USRPIs (including gain realized in the Distribution), will not be subject to U.S. federal income tax. If NorthStar Realty cannot determine at the time of the Distribution whether the distribution amount will exceed its current and accumulated earnings and profits, the Distribution will be subject to withholding at the rate applicable to ordinary dividends, as described above.

If NorthStar Realty's stock constitutes a USRPI (see discussion below), distributions in excess of the sum of: (i) the non- U.S. stockholder's proportionate share of NorthStar Realty's earnings and profits; plus (ii) the non- U.S. stockholder's basis in its NorthStar Realty common stock, will be taxed under FIRPTA in the same manner as if the NorthStar Realty stock had been sold. In such situations, NorthStar Realty would be required to withhold 10% of such excess, the non- U.S. stockholder would be required to file a U.S. federal income tax return, and the non- U.S. stockholder would be subject to the same treatment and same tax rates as a U.S. stockholder with respect to such excess, subject to applicable alternative minimum tax and a special alternative minimum tax in the case of non- resident alien individuals.

NorthStar Realty's common stock will not be treated as a USRPI if less than 50% of NorthStar Realty's assets throughout a prescribed testing period consist of interests in real property located within the United States, excluding, for this purpose, interests

in real property solely in a capacity as a creditor. More than 50% of the value of NorthStar Realty's assets consist s of USRPI during the relevant period.

NorthStar Realty's common stock nonetheless will not constitute a USRPI if NorthStar Realty is a "domestically controlled qualified investment entity." A domestically controlled qualified investment entity includes a REIT, less than 50% of value of which is held directly or indirectly by non-U.S. stockholders at all times during a specified testing period. It is anticipated that NorthStar Realty will be a domestically controlled qualified investment entity at the time of the Distribution, and that a distribution with respect to NorthStar Realty's stock in excess of NorthStar Realty earnings and profits will not be subject to withholding taxation under FIRPTA. No complete assurance can be given that NorthStar Realty will qualify as a domestically controlled qualified investment entity at the time of the Distribution.

Gain in respect of a non- dividend distribution that would not otherwise be subject to FIRPTA will nonetheless be taxable in the United States to a non- U.S. stockholder in two cases: (i) if the non- U.S. stockholder's investment in NorthStar Realty common stock is effectively connected with a U.S. trade or business conducted by such non- U.S. stockholder, the non- U.S. stockholder will be subject to the same treatment as a U.S. stockholder with respect to such gain; or (ii) if the non- U.S. stockholder is a nonresident alien individual who was present in the United States for 183 days or more during the taxable year and has a "tax home" in the United States, the nonresident alien individual will be subject to a 30% tax on the individual's capital gain.

Withholding of Amounts Distributable to Non- U.S. Stockholders in the Distribution

If NorthStar Realty is required to withhold any amounts otherwise distributable to a non- U.S. stockholder in the Distribution, NorthStar Realty or other applicable withholding agents will collect the amount required to be withheld by reducing to cash for remittance to the IRS a sufficient portion of shares of our Common Stock that such non- U.S. stockholder would otherwise receive, and such holder may bear brokerage or other costs for this withholding procedure. A non- U.S. stockholder may seek a refund from the IRS of any amounts withheld if it is subsequently determined that the amounts withheld exceeded the non- U.S. stockholder's U.S. tax liability for the year in which the Distribution occurred.

Time for Determination of the Tax Impact of the Distribution

The tax consequences of the Distribution will be affected by a number of facts that are yet to be determined, including NorthStar Realty's final earnings and profits for 2015 (including as a result of the income and gain NorthStar Realty recognizes in connection with the Distribution), the fair market value of shares of our Common Stock on the date of the Distribution and the extent to which NorthStar Realty recognizes gain on the sales of USRPIs or other capital assets. Thus, a definitive calculation of the U.S. federal income tax consequences of the Distribution will not be possible until after the end of the 2015 calendar year. NorthStar Realty will provide its stockholders with tax information on an IRS Form 1099- DIV, informing them of the character of distributions made during the taxable year, including the Distribution.

Listing and Trading of Our Common Stock

There is not currently a public market for our Common Stock. We expect to list our Common Stock on the NYSE under the symbol "NRE." Beginning on or shortly before, and continuing up to and including the date of the Distribution, we expect that there will be a "when- issued" market in our Common Stock. "When- issued" trading refers to a sale or purchase made conditionally because the security has been authorized but not yet issued. The "when- issued" market will be a trading market for our Common Stock that will be distributed to holders of shares of NorthStar Realty common stock on the Distribution date. If you owned shares of NorthStar Realty common stock at the record date, which is the close of business, Eastern Time, on October 22 , 2015, you will be entitled to shares of our Common Stock distributed pursuant to the Distribution. You may trade this entitlement to shares of our Common Stock, without the shares of NorthStar Realty common stock you own, on the "when- issued" market. On the first trading day following the Distribution date, "when- issued" trading with respect to our Common Stock will end and "regular- way" trading will begin.

Furthermore, beginning on or shortly before the record date and continuing up to and including the date of the Distribution, we expect that there will be two markets in shares of NorthStar Realty common stock: a "regular- way" market and an "ex- distribution" market. Shares of NorthStar Realty common stock that trade on the "regular- way" market will trade with an entitlement to our Common Stock distributed pursuant to the European Spin- off . Shares of NorthStar Realty common stock that trade on the "ex- distribution" market will trade without an entitlement to our Common Stock distributed pursuant to the European Spin- off . Therefore, if you sell shares of NorthStar Realty common stock in the "regular- way" market before the Distribution, you will be selling your right to receive our Common Stock in the Distribution. If you sell shares of NorthStar Realty common stock in the "ex- distribution" market before the Distribution, you will receive the shares of our Common Stock that you are entitled to receive pursuant to your ownership as of the record date of NorthStar Realty common stock.

We cannot assure you as to the price at which our Common Stock will trade before, on or after the Distribution date. Until our Common Stock is fully distributed and an orderly market develops in our Common Stock, if ever, the price at which

such stock trades may fluctuate significantly. In addition, the combined trading prices of our Common Stock and NorthStar Realty common stock held by stockholders after the Distribution may be less than, equal to or greater than the trading price of the NorthStar Realty common stock prior to the Distribution.

The shares of our Common Stock distributed to NorthStar Realty stockholders will be freely transferable, subject to the limitations on transfer and ownership set forth in our charter, and except for shares received by people who may have a special relationship or affiliation with us or shares subject to contractual restrictions. For a more detailed discussion of restrictions on transfer and ownership of our Common Stock, refer to "Description of Capital Stock — Restrictions on Transfer and Ownership of our Common Stock." People who may be considered our affiliates after the Distribution generally include individuals or entities that control, are controlled by, or are under common control with us. This may include certain of our directors, officers and significant stockholders. Persons who are our affiliates will be permitted to sell their shares only pursuant to an effective registration statement under the Securities Act of 1933, as amended, or the Securities Act, or an exemption from the registration requirements of the Securities Act, or in compliance with Rule 144 under the Securities Act.

Conditions to the Distribution

The separation agreement will provide that the Distribution is subject to the satisfaction of certain material conditions, including the following:

- the SEC declaring effective our registration statement and no stop order suspending the effectiveness of the registration statement in effect and no proceedings for such purpose pending before or threatened by the SEC;
- the transaction agreements relating to the Distribution having been duly executed and delivered by the parties;
- no order, injunction or decree issued by any court of competent jurisdiction or other legal restraint or prohibition preventing consummation of the Distribution or any of the related transactions in effect;
- the receipt by us of an opinion from Hunton & Williams LLP to the effect that, beginning with our taxable year ending December 31, 2015, we will be organized in conformity with the requirements for qualification as a REIT under the Code and our proposed method of operation will enable us to satisfy the requirements for qualification and taxation as a REIT under the U.S. federal income tax laws for the year ending December 31, 2015 and subsequent taxable years; and
- no event or development having occurred or existing that, in the judgment of the NorthStar Realty Board, in its sole discretion, makes it inadvisable to effect the Distribution and other related transactions.

Reason for Furnishing this Prospectus

This prospectus is being furnished by NorthStar Realty solely to provide information to current stockholders of NorthStar Realty who will receive shares of our Common Stock in the Distribution. It is not, and is not to be construed as, an inducement or encouragement to buy or sell any of our securities. We will not update the information in this prospectus except in the normal course of our respective public disclosure obligations and practices.

BUSINESS

We describe in this prospectus our European Real Estate Business, which includes the NorthStar Europe Predecessor and our New European Investments, to be contributed to NorthStar Europe by NorthStar Realty as if the European Spin- off has already occurred. However, NorthStar Europe is a newly- formed entity that will not have conducted any separate operations prior to the European Spin- off . The financial results of the NorthStar Europe Predecessor or of our New European Investments operated as part of NorthStar Realty may not be indicative of NorthStar Europe's financial results upon consummation of the European Spin- off or of the financial results of NorthStar Europe had it owned the U.K. Complex and our New European Investments as an independent public company for the periods presented.

The following discussion may not contain all of the information that is important to you and should be read in conjunction with the combined financial statements of the NorthStar Europe Predecessor and the notes thereto included in "Financial Statements," the unaudited pro forma financial information beginning on page 71 and the risk factors included in "Risk Factors" beginning on page 18 of this prospectus.

Our Company

We are a newly- formed European commercial real estate company with approximately $2.6 billion, at cost, of investments located throughout nine countries in Europe. We have the ability to invest in a broad spectrum of European commercial real estate. We are currently predominantly focused on office properties and may expand by acquiring other types of commercial real estate located throughout Europe. We expect to make equity investments, directly or indirectly through joint ventures, in a diversified portfolio of European commercial real estate that offers the opportunity to generate attractive risk- adjusted returns. We seek to generate stable cash flow for distribution to our stockholders and in turn build long- term franchise value.

Our current portfolio of $2.6 billion, at cost, is comprised of 52 high- quality properties located in many key European markets, including Berlin, Frankfurt, Hamburg, London, Paris, Amsterdam, Milan, Brussels and Madrid. $2.0 billion of our portfolio was acquired or committed to be acquired in 2014, and given improved market conditions in Europe since such time, we believe has appreciated in value. Our current portfolio is primarily comprised of office properties, with 94% of our in- place rental income generated from office properties as of June 30, 2015, adjusted for an acquisition through October 8, 2015 . We hold prime office properties in Germany, the United Kingdom and France that account for approximately 71% of our in- place rental income as of June 30, 2015, adjusted for an acquisition through October 8, 2015 . As of June 30, 2015, adjusted for an acquisition through October 8, 2015 , our portfolio was 93% occupied, had a weighted average remaining lease term of 6.0 years and included high-quality tenants.

We will be externally managed and advised by NSAM. We were formed as a Maryland corporation on June 18, 2015 and intend to conduct our operations so as to qualify as a REIT for U.S. federal income tax purposes beginning with the year ending December 31, 2015. Our principal executive offices are located at 399 Park Avenue, 18th Floor, New York, New York 10022 , our telephone number is (212) 547- 2600 and our website is www.nrecorp.com .

Market Opportunity

We believe that the economic environment in Europe has stabilized and the foundations are in place for a gradual and sustained recovery. According to recent European Commission estimates, all of the countries in the European Union, with the exception of Cyprus, are expected to achieve GDP growth in 2015. In addition, the European Commission forecasts expected overall 2015 GDP growth in the European Union of 1.8% and in the Eurozone of 1.5%. We believe that the positive outlook for Europe is driven by a number of factors including the following:

- historically low interest rates, with three- month Euribor falling below zero in April 2015 ((0. 4)% in October 2015 compared to 5.1% in October 2008);
- historically wide spreads between capitalization yields and interest rates;
- the European Central Bank's quantitative easing program, with a commitment to purchase €1.1 trillion in assets over a period of nineteen months beginning in the first quarter of 2015;
- depreciation of foreign currencies, primarily the Euro;
- declining unemployment rates;
- relatively low oil prices;
- increased investor and consumer confidence in a sustained European recovery; and

- the apparent stabilization of European sovereign debt and reversal of the recent upward trend in debt/GDP across the Eurozone.

Despite the overall positive outlook, regional disparities continue to exist as European economies recover at different speeds. As a result, attractive investment opportunities exist in Europe for investors who are able to take a long- term view on the European recovery. Major economies, such as the United Kingdom and Germany, appear to be experiencing healthy growth with expected 2015 GDP growth of 2.4% and 1.6%, respectively, as forecasted by the International Monetary Fund. In addition, some of the more troubled economies, such as Spain and Ireland , appear to have demonstrated a rapid turnaround. As of July 2015, the International Monetary Fund expects unemployment in the United Kingdom and Germany to decline to 5.4% and 4.9% in 2015, respectively.

We believe property values, particularly as compared to the United States, remain below their historical peaks in many markets within the European Union. For example, U.K. capital values remain well below the last peak across all property types including office, retail and industrial assets with the current cycle witnessing a 44% spread between the bottom and peak of the cycle and, despite the recovery in property values, there remains a considerable opportunity for capital value appreciation.

Property Capital Values - 1990's Cycle vs. Current **U.K. Property Capital Values**

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Source: Investment Property Databank Ltd. (IPD)

Investors may also benefit from historically wide spreads between capitalization yields and interest rates. The spread between the weighted average prime yield in the major European real estate markets (across all asset classes) and Euribor stood at approximately 0.08% in the third quarter of 2008. This compares to approximately 4.41% as of June 30, 2015. With interest rates expected to remain at low levels for the foreseeable future, we expect property to increasingly become an attractive source of income return for investors.

The following graph shows yield spreads above long- term averages:

Yield Spreads Above Long- Term Average Rates[(1)]

(1) As of September 28, 2015. Source: Jones Lang LaSalle IP, Inc, European property yield data © 2015.

The European office market is steadily improving. Improving economic conditions are positively impacting tenant demand as evidenced by an increase in take- up, rental growth and declining vacancy in a number of markets. Overall limited new supply, combined with the obsolescence and conversion of older properties to alternative use during recent years, has created undersupplied pockets of good quality office space across Europe. This is supporting capital value appreciation. Furthermore, the weaker Euro is likely to help the domestic lodging sector by driving greater in- bound travel to Europe as well as capturing a larger share of domestic leisure travel.

Consistent with the improved economic outlook and market fundamentals for Europe, the investment market has also continued to improve with investment volumes approaching pre- financial crisis levels. According to Colliers International, total European investment volume in the first half of 2015 reached €129 billion, representing approximately a 30% year- on- year increase. Full year volumes for 2015 are currently expected to reach €250 billion, compared to €257 billion in 2007. The office sector continues to drive investment activity across Europe. According to BNP Paribas Real Estate, investment in office properties located in the European Union increased by 20% in 2014 compared to 2013. In the first half of 2015, the office sector represented 35% of total investment volume, but its share of investment activity is slowly declining due to growth in retail and mixed use investments. According to CBRE, prime European office yields compressed by 25 basis points in the first half of 2015.

Deleveraging by financial institutions and asset management agencies is beginning to gain momentum with approximately €24 billion of commercial real estate loan and real estate owned transactions completed in the first half of 2015 with a further €99 billion estimated to be in the pipeline for the second half of 2015 (compared to approximately €81 billion in 2014 and €30 billion in 2013). A number of open- ended funds are also in the process of being liquidated. It is estimated that German open- ended funds have together sold approximately €18 billion of properties since 2011. Together they own a total of approximately €81 billion of real estate globally as of March 2015, of which approximately €12 billion is estimated to be European properties designated for sale by 2017. Certain insurance companies are also contemplating reducing their commercial real estate holdings due to potential regulatory changes. There is no assurance, however, that we will be able to take advantage of these opportunities.

We intend to focus on the major investment markets in Europe in the near future while remaining open to additional opportunities. While Germany, the United Kingdom and France continue to be the largest European markets, with over 70% of the volume in the second quarter of 2015 according to DTZ, office investment outside of those top three markets has grown by 110% since 2009. Some of the periphery markets including Greece, Spain, Ireland and the Netherlands benefited from a sharp resurgence in investment volumes, which we believe were underpinned by the disposal of properties by the public asset management agencies such as the National Asset Management Agency in Ireland or SAREB in Spain.

In terms of sales activity among cities, according to BNP Paribas, London had the most sales, followed by Paris and Stockholm, with €29 billion, €18 billion and €6 billion invested in 2014, respectively for all property sectors.

Due to tight supply and strong pressure on yields, particularly in the core markets, investors are increasingly targeting regional markets in the United Kingdom and Germany. For example, the share of German investments outside the six largest markets accounted for 55% of the investment volume in 2014.

Our Strategy

We have the ability to invest in a broad spectrum of European commercial real estate. We are currently predominantly focused on office properties and may expand by acquiring other types of commercial real estate located throughout Europe. We expect to make equity investments, directly or indirectly through joint ventures, in a diversified portfolio of European commercial real estate that offers the opportunity to generate attractive risk-adjusted returns. We seek to generate stable cash flow for distribution to our stockholders and in turn build long- term franchise value.

Our Competitive Strengths

We believe that we operate with significant competitive strengths that will allow us to continue to grow our investments, generate attractive risk-adjusted returns for our stockholders and be well- positioned to benefit from the ongoing recovery in the European commercial real estate market.

- New Opportunity for Investors – We will be the only diversified European real estate company listed in the United States. We therefore believe we are creating a new opportunity for investors to gain pan- European real estate exposure through one vehicle, with the advantage of the accessibility and liquidity associated with the U.S. capital markets.
- Access to Lower Cost of Capital – As a separate public company, we expect to have lower cost of capital. NSAM has a proven track record of accessing the capital markets on behalf of NorthStar Realty and its other managed companies and we believe that our experience should enable us to structure and finance investments efficiently. We believe NSAM's experience, together with its affiliates, will provide us access to a wide range of secured and unsecured debt and public and private equity capital sources to grow and fund our business.
- Diversified Investment Strategy – We have a diversified investment strategy, with flexibility to invest in a variety of property types and jurisdictions. This strategy gives our investors the opportunity to gain European exposure through a single investment. In addition, our strategy allows us to take advantage of portfolio sales that appear undervalued that competitors, most of whom are restricted to specific regions or property types in Europe, are unable to pursue.
- High- Quality Portfolio in Key Markets – We have already begun to execute our strategy through our initial acquisitions of high- quality office buildings in many of the major cities across Europe, tapping a large and liquid market that we believe has significant potential for long- term growth.
- Experienced Management Team – Our management team and experienced investment professionals are on the ground in Europe and have the ability to execute on complex, cross- border transactions. We believe our business will continue to benefit from the knowledge and industry contacts that these seasoned executives have gained through their accomplished careers while investing in numerous real estate cycles. We believe the accumulated experience of our senior management team, together with other resources at NSAM, will allow us to identify opportunities and deploy capital across a broad spectrum of potential investments fluidly in response to changes in the investment environment.
- Real Estate Investment and Asset Management Experience – Our asset manager, NSAM, has developed a reputation as a leading, diversified commercial real estate investment and asset management team because of its strong performance record in managing approximately $25 billion in commercial real estate investments as of June 30, 2015, adjusted for acquisitions and commitments to purchase real estate through August 5, 2015. Prior to its spin- off from NorthStar Realty , or the NSAM Spin- off, NSAM historically focused in the United States and more recently NSAM has started managing assets in Europe, and as a result of its third party arrangements, we also benefit from the strength of our local partners in Europe. We believe that we can leverage that extensive real estate experience and the depth and thoroughness of the associated asset management skills to structure and manage our investments prudently and efficiently.
- Public Company Reporting and REIT Experience – NorthStar Realty has operated as a REIT and its common stock has traded on the NYSE under the symbol "NRF" since October 2004. NSAM has also operated as a public company traded on the NYSE under the symbol "NSAM" since July 2014. Our management team is skilled in public company reporting and compliance with the requirements of the Sarbanes- Oxley Act, including internal control certifications, stock exchange regulations and investor relations and is experienced in complying with the requirements under the Code to obtain REIT status and to maintain the ability to be taxed as a REIT for U.S. federal income tax purposes.

Financing Strategy

We seek to access a wide range of secured and unsecured debt and public and private equity capital sources to grow and fund our investment activities. We expect to predominantly use investment- level financing as part of our strategy to prudently leverage our investments and seek to deliver attractive risk- adjusted returns to our stockholders. We expect to target overall leverage of 40% to 50%, although there is no assurance that this will be the case.

We plan to pursue a variety of financing arrangements such as mortgage notes and bank loans available from the commercial mortgage backed securities, or CMBS, market, finance companies and banks. In addition, we may use corporate- level financing such as credit facilities and other borrowings. We generally seek to limit our reliance on recourse borrowings. Borrowing levels for our investments may be dependent upon the nature of the investments and the related financing that is available.

In July 2015, we issued $340 million aggregate principal amount of Senior Notes. We received aggregate net proceeds of $331 million, after deducting the underwriters' discount and other expenses. We loaned the net proceeds from the issuance of the Senior Notes to subsidiaries of NorthStar Realty, which used such amounts for general corporate purposes, including, among other things, the funding of acquisitions, including the Trianon Tower, and the repayment of NorthStar Realty's borrowings. The terms of the loan are materially the same as those of the Senior Notes and are deemed to be repaid upon NorthStar Realty's contribution to us of our European Real Estate Business. We expect to enter into an agreement with NorthStar Realty at the time of the Distribution providing that we will reimburse NorthStar Realty if any principal or interest payments on the Senior Notes are made by NorthStar Realty after the Distribution.

The current availability of attractive long- term, non- recourse, non- mark- to- market financing through the European bank markets has bolstered opportunities to acquire real estate. For longer duration, relatively stable cash flow investments, such as those derived from net lease investments, we may use fixed rate financing. For investment cash flow with greater growth potential, we expect to use floating rate financing, which provides prepayment flexibility and may provide a better match between underlying cash flow projections and potential increases in interest rates. Where we use floating rate financing, we expect to generally attempt to mitigate the risk of interest rates rising through hedging arrangements including interest rate swaps and caps. We may vary the mix of fixed and floating rate debt and use a combination of the two when we deem it appropriate. We also may utilize corporate- level financing in the future.

We intend to take advantage of differences in the monetary performance of the various European jurisdictions, which we expect to provide us lower cost to capital and to enable us to fund investments located in economies that are at a more advanced stage of recovery at artificially low financing costs.

Portfolio Management

NSAM will perform portfolio management on our behalf. In addition, we will rely on the services of local third party property managers. The comprehensive portfolio management process generally includes day- to- day oversight by the portfolio management and servicing team, regular management meetings and an exhaustive quarterly credit review process. These processes are designed to enable management to evaluate and proactively identify investment- specific credit issues and trends on a portfolio- wide basis. Nevertheless, we cannot be certain that such review will identify all issues within our portfolio due to, among other things, adverse economic conditions or events adversely affecting specific investments; therefore, potential future losses may also stem from investments that are not identified during these credit reviews.

The portfolio management team, under the direction of NSAM's investment committee, will use many methods to actively manage our investment base to preserve our income and capital. Credit risk management is the ability to manage our investments and our tenants/partners in a manner that preserves principal/cost and income and minimizes credit losses that could decrease income and portfolio value. Frequent re- underwriting and dialogue with tenants/partners and regular inspections of our properties have proven to be an effective process for identifying issues early. Monitoring tenant creditworthiness is a key component of our portfolio management process, which may include, to the extent available, a review of financial statements and operating statistics, delinquencies, third party ratings and market data. During the quarterly credit review, or more frequently as necessary, investments may be put on highly- monitored status and identified for possible asset impairment based upon several factors, including missed or late contractual payments, significant declines in performance and other data which may indicate a potential issue in our ability to recover our invested capital from an investment.

Our Properties

Our current portfolio of $2.6 billion, at cost, is comprised of 52 high- quality properties located in many key European markets, including Berlin, Frankfurt, Hamburg, London, Paris, Amsterdam, Milan, Brussels and Madrid. $2.0 billion of our portfolio was acquired or committed to be acquired in 2014, and given improved market conditions in Europe since such time, we believe has appreciated in value. Our current portfolio is primarily comprised of office properties, with 94% of our in- place rental income generated from office properties as of June 30, 2015, adjusted for an acquisition through October 8, 2015 . We hold prime

office properties in Germany, the United Kingdom and France that account for approximately 71% of our in- place rental income as of June 30, 2015, adjusted for an acquisition through October 8, 2015 . As of June 30, 2015, adjusted for an acquisition through October 8, 2015 , our portfolio was 93% occupied, had a weighted average remaining lease term of 6.0 years and included high- quality tenants. Management believes that each of the properties that comprise our Current European Portfolio is adequately covered by insurance and each property is suitable and adequate for its intended use.

The following presents a summary, as of June 30, 2015, adjusted for an acquisition through October 8, 2015 , of our portfolio and diversity across geographic location based on cost:

Portfolio by Geographic Location

Total portfolio, at cost	$2.6 billion
Number of properties	52
Number of countries	9
Total square meters	520,323
Weighted average occupancy	93%
Weighted average remaining lease term	6.0 years
In- place rental income related to:[1]	
Office properties	94%
Other	6%

(1)In- place rental income represents gross rent contractually due from the properties.

The following table presents our equity investments in properties that we own as of June 30, 2015, adjusted for an acquisition through October 8, 2015 (dollars in thousands except per square meter data):

Location Country, City	Number of Buildings	Estimated Amount[1][2]	Type[6]	Square Meters[9][10]	Occupancy	Average Annual In- Place Rental Income per Square Meter[2][10]	Borrowings[2][3]
Belgium							
Brussels	4	$ 67,796	Office	23,602	77%	$ 210	$ 5,172
U.K.							
London - Portman Square[7][12]	1	279,461	Office	10,447	100%	1,155	191,550 [4]
London (Other)[7]	2	202,503	Office	13,378	100%	806	162,058
Scotland	2	20,485	Office	6,086	100%	366	10,785
Woking (U.K. Complex)[7][8]	1	97,452	Office	20,743	100%	343	78,585
Other (England)	3	31,603	Office	7,267	92%	368	19,429
Subtotal UK	9	631,504		57,921	99%	604	462,407
France							
Paris	6	389,815	Office/Industrial	95,424	93%	230	243,484
Germany							
Baden-Württemberg	1	6,581	Office	2,070	100%	179	2,851
Bavaria	1	6,216	Office	12,166	75%	119	3,328
Berlin	3	90,310	Hotel/Office	30,539	100%	185	51,497
Bremen	1	2,072	Office/Residential	2,192	97%	107	853
Frankfurt - Trianon Tower[12]	3	621,293	Office/Residential	68,657	98%	490	366,115
Hesse (Frankfurt Other)	1	22,425	Office/Residential	6,832	73%	231	11,569
Hamburg	2	118,610	Office	34,253	86%	203	88,838
North- Rhine Westphalia	9	85,069	Office/Retail	45,753	88%	149	47,498
Schleswig-Holstein	2	6,947	Office/Retail	7,558	51%	147	2,456
Subtotal Germany	23	959,523		210,020	90%	287	575,005
Italy							
Milan	2	165,313	Office	30,924	95%	398	68,468
Netherlands							
Amsterdam	1	103,710	Office	22,983	100%	309	41,404
Rotterdam	1	168,319	Office	37,816	98%	310	95,767
Other	2	10,238	Office	12,448	92%	235	5,944
Subtotal Netherlands	4	282,267		73,247	98%	298	143,115
Portugal							
Albufeira	1	16,819	Retail	11,150	93%	157	—
Lisbon	1	13,650	Office	4,325	86%	245	—
Subtotal Portugal	2	30,469		15,475	91%	181	—
Spain							
Madrid	1	8,775	Office	4,025	100%	177	—
Sweden							
Gothenburg	1	44,998	Office	9,685	94%	241	20,803
Grand Total[11]	52	$ 2,580,460 [5]		520,323	93%	$ 315	$ 1,518,454

(1) Allocation to individual properties is based on a preliminary estimate of purchase price allocation and subject to change and includes transaction costs, deferred financing costs, derivatives and other assets assumed.

(2) Amounts are translated using the exchange rate as of June 30, 2015 for all properties.

(3) The following table presents borrowings for our Current European Portfolio as of June 30, 2015, adjusted for an acquisition through October 8, 2015 (dollars in thousands):

	Final Maturity	Contractual Interest Rate	Principal Amount	
Mortgage and other notes payable[(i)]				
U.K. Complex	Dec- 19	(ii)	$ 78,585	
Internos Portfolio[(iii)]	Apr- 20	(iii)	101,315	(v)
IVG Portfolio[(iii)]	Apr- 20	(iii)	94,066	(v)
Deka Portfolio[(iii)]	Apr- 20	(iii)	51,914	(v)
SEB Portfolio	Apr- 22	(iv)	708,858	(v)(vi)
SEB Portfolio - Preferred	Apr- 60	3.00%[(vii)]	117,601	(vi)(viii)
Trianon Tower	Jul- 23	(ix)	366,115	
Total mortgage and other notes payable			$ 1,518,454	

(i) All borrowings are non- recourse to NorthStar Europe and are interest- only through maturity, subject to compliance with covenants of the respective borrowing.
(ii) Comprised of $63.8 million principal amount of floating rate borrowings at GBP LIBOR plus 2.0%, with a related $63.8 million notional value interest rate cap at 2.0% and $14.7 million fixed rate borrowings at 8.0%.
(iii) Represents a cross- collateralized borrowing between the Internos Portfolio, IVG Portfolio and Deka Portfolio. Comprised of $206.3 million principal amount of floating rate borrowings at EURIBOR plus 2.7%, with a related $206.3 million notional value interest rate cap at 2.0% and $41.0 million floating rate borrowing at GBP LIBOR plus 2.7%, with a related $41.0 million notional value interest rate cap at 2.0%.
(iv) Comprised of $393.2 million principal amount of floating rate borrowing at EURIBOR plus 1.8%, with a related $393.2 million notional value interest rate cap at 0.5%, $298.3 million of floating rate borrowing at GBP LIBOR plus 1.8%, with a related $298.3 million notional value interest rate cap at 2.0% and $17.4 million floating rate borrowing at STIBOR plus 1.8%.
(v) Prepayment provisions include a fee based on principal amount ranging from .75% to 1.5% through April 2018 for the Internos Portfolio, IVG Portfolio and Deka Portfolio borrowing and .5% to 2.0% through April 2019 for the SEB Portfolio borrowing.
(vi) Includes financing related to Portman Square (refer to footnote 4).
(vii) Contractual interest rate is 3% per annum through May 2019, increases to EURIBOR plus 12% through May 2022 and then increases to EURIBOR plus 15% through final maturity.
(viii) The Company has the ability to prepay the principal amount in part or in full through May 2019. Any prepayment prior to such date is subject to the payment of the unpaid coupon on outstanding principal amount through May 2019.
(ix) Comprised of $366.1 million principal amount of floating rate borrowing at EURIBOR plus 1.45%, with a related $366.1 million notional value interest rate cap at 0.5%.

(4) The borrowing for Portman Square is part of the borrowing for the SEB Portfolio and is comprised of a $166.7 million mortgage note and a $24.9 million allocation of the preferred note. Refer to footnote 3 for the key terms of such borrowings.
(5) The estimated fair value of the portfolio is $2.6 billion translated to U.S. dollars using the exchange rate at June 30, 2015.
(6) Classification based on predominant property type but may include other types of properties.
(7) Certain properties are subject to ground leases.
(8) Represents the property owned by NorthStar Predecessor.
(9) Excludes parking spaces.
(10) The tenant, DekaBank Deutsche Girozentrale in the Trianon Tower, is material to our Current European Portfolio as it contributes 13% of annual in- place rental income. No tenant in our Current European Portfolio occupies greater than 10% of total square meters.
(11) Includes four properties classified as held- for- sale with an estimated amount of $ 18 million .
(12) The following tables present information regarding significant properties in our Current European Portfolio (dollars in thousands):

Significant tenants:	Industry	Square Meters	Percentage of Square Meters	In- Place Rental Income	Percentage of In- Place Rental Income	Lease Maturity Date[(iv)]
Portman Square[(i)(iii)]						
Cushman & Wakefield LLP	Insurance and real estate	5,150	49%	$ 5,265	44%	June- 25
Invesco UK Limited	Finance and law	2,043	20%	3,205	27%	May- 23
Quintain Estates & Development PLC	Insurance and real estate	1,280	12%	1,733	14%	Feb- 24
Regus (London Portman Square) Limited	Consulting and other professional services	1,056	10%	958	8%	Sept- 20
Total		9,529	91%	$ 11,161	93%	
Trianon Tower[(ii)(iii)]						
DekaBank Deutsche Girozentrale	Finance and law	35,036	51%	$ 20,217	61%	Jun- 24
Deutsche Bundesbank	Public institutions and non- governmental organizations (NGOs)	10,659	16%	4,544	14%	March- 25
Linklaters LLP	Finance and law	10,082	15%	4,491	14%	Dec- 15
Total		55,777	82%	$ 29,252	89%	

(i) The terms of the leases of the office and retail premises at Portman Square House range from eight to 20 years. Tenants are generally responsible for the maintenance and repair of their premises, as well as the cost of structural works and repair to common areas performed by the landlord. Tenants are responsible for the cost of insurance, as well as operating expenses and taxes with respect to their premises.
(ii) The terms of the leases of the office and restaurant premises at Trianon Tower range from four to 18 years, while the terms of the residential leases are 25 years (subject to certain exceptions). Although the specific terms vary by lease, the tenants are generally responsible for the maintenance and repair of their premises and the landlord is responsible for carrying out any structural works. Costs of repair to the common areas of the building are borne by the tenants, though typically subject to a cap. Under the residential leases, the landlord is generally responsible for repair of the premises, structure and common areas,

other than ordinary wear and tear of the tenant's premises subject to a cap. Subject to variations under specific leases, tenants bear the costs of insurance, as well as the regular operation costs and taxes in respect of their premises.

(iii) We expect to renovate and improve the properties in the ordinary course of business, including a planned approximately €15 million for the Trianon Tower, of which €6 million will be contributed by a tenant and the remainder will be funded through a capital expenditure escrow reserve. With respect to Portman Square, approximately £0.8 million of capital improvements are planned, which we expect to fund with cash on hand.

(iv) Lease maturity date reflects the expiration date per the leases and does not assume renewal, extension or termination options. Both DekaBank Deutsche Girozentrale and Deutsche Bundesbank have one five- year extension option. No other tenants have extension options.

Historical occupancy and average effective rent per square meter:

	Portman Square		Trianon Tower	
Period	Historical Occupancy	Average Annual Effective Rent per Square Meter[1]	Historical Occupancy	Average Annual Effective Rent per Square Meter[1]
As of June 30, 2015	100%	$ 1,155	98%	$ 490
2014	100%	1,119	84%	512
2013	92%	1,115	80%	600
2012	100%	1,118	84%	562
2011	100%	1,006	83%	553
2010	100%	1,091	79%	589

(1)Effective rent represents gross in- place rental income.

Lease expirations:

	Portman Square				Trianon Tower			
Year	Square Meters	In- Place Rental Income	Percentage of In-Place Rental Income	Number of Tenants	Square Meters	In- Place Rental Income	Percentage of In-Place Rental Income	Number of Tenants
2015	—	$ —	—	—	10,141	$ 4,528	13.7%	3
2016	27	7	0.1%	1	4,065	1,916	5.8%	1
2017	—	—	—	—	—	—	—	—
2018	288	261	2.2%	1	2,947	578	1.7%	3
2019	—	—	—	—	—	—	—	—
2020	1,056	958	7.9%	1	65	19	0.1%	1
2021	—	—	—	—	—	—	—	—
2022	—	—	—	—	—	—	—	—
2023	2,429	3,588	29.7%	2	78	12	—	1
2024	1,496	1,988	16.5%	2	37,772	21,422	64.7%	2
2025	5,150	5,265	43.6%	1	10,659	4,544	13.7%	1
Thereafter	—	—	—	—	—	—	—	—
Other[1]	1	—	—	1	1,617	109	0.3%	15
Total	10,447	$ 12,067	100.0%	9	67,344	$ 33,128	100.0%	27

(1)Represents leases with private persons' for parking and small residential tenants with an indefinite lease term.

Our Leases

The terms of our leases vary significantly by lease and jurisdiction, ranging from three months to 27.5 years. For example, our leases in the United Kingdom, Germany and Belgium have terms ranging from one year to 27.5 years, while our leases in France and the Netherlands have terms ranging from nine to 15 years and our leases in Spain and Italy have terms of six or seven years. Contractual and/or statutory tenant break options or extension rights also vary significantly across our portfolio. The weighted average remaining lease term of our portfolio is 6.0 years as of June 30, 2015, adjusted for an acquisition through October 8, 2015 .

Although the specific terms vary by lease and jurisdiction, our leases generally provide that keeping and maintaining the leased premises in good repair is the responsibility of the tenant. Responsibility for the costs associated with the maintenance and repair of common areas within multi- tenant buildings varies more significantly, but generally falls upon the tenant. By contrast, costs associated with structural works or extraordinary repairs of the building are typically the responsibility of the landlord, except

in the United Kingdom where the tenant bears these costs. Responsibility for taxes and costs of insurance premiums also varies across leases and jurisdictions, but most frequently falls upon the tenant.

The following table presents lease expirations and associated in- place rental income for our Current European Portfolio (dollars in thousands):

Year	Occupied Square Meters	In- Place Rental Income	Percentage of In- Place Rental Income	Number of Tenants
2015	51,108	$ 8,633	6%	26
2016	31,030	9,690	6%	31
2017	24,637	5,362	4%	32
2018	20,307	4,313	3%	27
2019	95,673	31,462	21%	27
2020	41,280	16,962	11%	17
2021	79,279	18,738	12%	31
2022	5,162	983	1%	7
2023	8,450	5,453	4%	15
2024	58,960	31,245	21%	17
Thereafter	57,245	17,446	10%	23
Other[1]	8,535	1,163	1%	147
Total	481,666	$ 151,450	100%	400

(1)Represents leases with private person s for parking and small residential tenants with an indefinite lease term.

The following table presents the tenant concentration by industry for our Current European Portfolio (dollars in thousands):

Industry	In- Place Rental Income	Percentage of In- Place Rental Income	Number of Tenants
Finance and law	$ 70,565	47%	67
Technology and IT services	21,013	14%	46
Insurance and real estate	18,859	12%	20
Public institutions and non- profit government organizations	12,618	8%	23
Consulting and other professional services	3,343	2%	14
Hotel and restaurant	5,351	4%	19
Construction/logistics	5,997	4%	7
Fashion and consumer goods	3,666	2%	33
Media and public relations	2,202	1%	15
Private person	883	1%	115
Medical and pharmaceuticals	185	–	4
Other	6,768	5%	37
Total	$ 151,450	100%	400

Competition

We expect to be subject to increasing competition in seeking investments. We compete with many third parties engaged in real estate investment activities including publicly- traded REITs, public real estate companies, pension funds, insurance companies, private equity funds, sovereign wealth funds and other investors. Some of these competitors have substantially greater financial resources than we do. Such competitors may also enjoy significant competitive advantages that result from, among other things, a lower cost of capital and enhanced operating efficiencies.

Future competition from new market entrants may limit the number of suitable investment opportunities offered to us. It may also result in higher prices, lower yields and a narrower spread over our borrowing costs, making it more difficult for us to originate or acquire new investments on attractive terms.

Legal Proceedings

We may be involved in various litigation matters arising in the ordinary course of our business. Although we are unable to predict with certainty the eventual outcome of such litigation, in the opinion of management, no such legal proceedings are expected to have a material adverse effect on our financial position or results of operations.

Employees

We will be externally managed by NSAM and will not have our own employees.

Regulation

We are subject, in certain circumstances, to supervision and regulation by state, federal and international governmental authorities and are subject to various laws and judicial and administrative decisions imposing various requirements and restrictions, which, among other things:

- regulate our public disclosures, reporting obligations and capital raising activity;
- require compliance with applicable REIT rules;
- regulate credit granting activities;
- require disclosures to customers;
- govern secured transactions;
- set collection, taking title to collateral, repossession and claims- handling procedures and other trade practices;
- regulate land use and zoning;
- regulate the foreign ownership or management of real property or mortgages;
- regulate the ability of foreign persons or corporations to remove profits earned from activities within the country to the person's or corporation's country of origin;
- regulate tax treatment and accounting standards; and
- regulate use of derivative instruments and our ability to hedge our risks related to fluctuations in interest rates and exchange rates.

We intend to elect and qualify to be taxed as a REIT under Section 856 through 860 of the Code beginning with the year ending December 31, 2015. As a REIT, we must currently distribute, at a minimum, an amount equal to 90% of our taxable income. In addition, we must distribute 100% of our taxable income to avoid paying corporate federal income taxes. REITs are also subject to a number of organizational and operational requirements in order to elect and maintain REIT status. These requirements include specific share ownership tests and assets and gross income composition tests. If we fail to continue to qualify as a REIT in any taxable year, we will be subject to federal income tax (including any applicable alternative minimum tax) on our taxable income at regular corporate tax rates. Even if we qualify for taxation as a REIT, we may be subject to state and local income taxes and to U.S. federal income tax and excise tax on our undistributed income.

Real estate properties owned by us and the operations of such properties are subject to various international laws and regulations concerning the protection of the environment, including air and water quality, hazardous or toxic substances and health and safety. In addition, such properties are required to comply with applicable fire and safety regulations, building codes, legal or regulatory provisions regarding access to our properties for persons with disabilities and other land use regulations. For further information regarding environmental matters, refer to " — Environmental Matters" below.

In addition, we may own hotels, which are subject to various covenants, laws, ordinances and regulations, including regulations relating to common areas. We believe each of our hotels will have the necessary permits and approvals to operate its business.

In the judgment of management, while we do incur significant expense complying with the various regulations to which we are subject, existing statutes and regulations have not had a material adverse effect on our business. However, it is not possible to forecast the nature of future legislation, regulations, judicial decisions, orders or interpretations, nor their impact upon our future business, financial condition, results of operations or prospects.

Policies Relating to the Investment Company Act

We intend to conduct our operations so that neither we nor our subsidiaries are required to register as investment companies under the Investment Company Act. We are structured as holding company, holding virtually no assets, other than cash, directly. Our real properties are held through subsidiaries.

Section 3(a)(1)(A) of the Investment Company Act defines an investment company as any issuer that is or holds itself out as being engaged primarily in the business of investing, reinvesting or trading in securities. Section 3(a)(1)(C) of the Investment Company Act defines an investment company as any issuer that is engaged or proposes to engage in the business of investing, reinvesting, owning, holding or trading in securities and owns or proposes to acquire investment securities having a value exceeding 40% of the value of the issuer's total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis, which we refer to as the "40% Test." Excluded from the term "investment securities," among other things, are U.S. government securities and securities issued by majority- owned subsidiaries that are not themselves investment companies and are not relying on the exception from the definition of investment company set forth in Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act. Accordingly, under Section 3(a)(1) of the Investment Company Act, in relevant part, a company is not deemed to be an ''investment company'' if (i) it neither is, nor holds itself out as being, engaged primarily, nor proposes to engage primarily, in the business of investing, reinvesting or trading in securities; and (ii) it neither is engaged nor proposes to engage in the business of investing, reinvesting, owning, holding or trading in securities and does not own or propose to acquire ''investment securities'' having a value exceeding 40% of the value of its total assets on an unconsolidated basis.

We believe that neither we nor our subsidiaries will fall within either definition of investment company. We are not engaged in the business of investing, reinvesting or trading in securities, but instead are engaged in the business of our subsidiaries, which is the commercial real estate business. We expect most of our subsidiaries will be wholly- owned subsidiaries, but we may also make investments through joint ventures, which will own real estate. We treat these joint ventures as majority- owned subsidiaries. The determination of whether an entity is a majority- owned subsidiary of our company is made by us. The Investment Company Act defines a majority- owned subsidiary of a person as a company 50% or more of the outstanding voting securities of which are owned by such person, or by another company which is a majority- owned subsidiary of such person. The Investment Company Act further defines voting securities as any security presently entitling the owner or holder thereof to vote for the election of directors of a company. With respect to the joint ventures that are governed by a board of managers, we have the right to vote on at least 50% of the board seats. In some instances, the joint ventures are managed by their members, rather than by a board of managers. Thus, the membership interests do not fall squarely within the definition of voting securities, but we nevertheless consider these joint ventures to be majority- owned subsidiaries. The SEC staff has taken the position that limited partnership interests may be voting securities if one or more limited partners has the right to take part in the conduct or control of the partnership's business or if the limited partners' economic interests effectively gives them the power to exercise a controlling influence over the partnership. We believe the same analysis applies to limited liability company interests. Where there is no board of managers for a joint venture, we have 50% of the voting rights with respect to "major decisions" to be made, including any major decisions with respect to the assets of the companies. Thus, because we have 50% or more of the voting rights in these joint ventures, we consider them to be our majority- owned subsidiaries. We have not asked the SEC staff for concurrence of our analysis, our treatment of such securities as voting securities, or whether these joint ventures may be treated in the manner in which we intend, and it is possible that the SEC staff could disagree with any of our determinations. If the SEC staff were to disagree with our treatment of one or more companies as majority- owned subsidiaries, we would need to adjust our strategy and our assets. Any such adjustment in our strategy could have a material adverse effect on us. For more information on certain exemptions that we rely on refer to "Risk Factors — Risks Related to Regulatory Matters and Our REIT Status — If we are deemed an investment company under the Investment Company Act our business would be subject to applicable restrictions under the Investment Company Act, which could make it impracticable for us to continue our business as contemplated and would have a material adverse impact on the market price of our Common Stock."

To maintain compliance with the Investment Company Act exceptions, we or our subsidiaries may be unable to sell assets we would otherwise want to sell and may need to sell assets we would otherwise wish to retain. In addition, we or our subsidiaries may have to acquire additional income- or loss- generating assets that we might not otherwise have acquired or may have to forego opportunities to acquire interests in companies that we would otherwise want to acquire and that may be important to our investment strategy. If our subsidiaries fail to satisfy the requirements of any exemption or exclusion under the Investment Company Act, we could be characterized as an investment company. Our manager will continually review our investment activity to attempt to ensure that we will not be required to register as an investment company. Among other things, our manager will attempt to monitor the proportion of our portfolio that is placed in investments in securities.

Environmental Matters

A wide variety of environmental and occupational health and safety laws and regulations affect our properties. These complex laws, and their enforcement, involve myriad regulations, many of which involve strict liability on the part of the potential offender. Some of these laws may directly impact us. Under various local environmental laws, ordinances and regulations, an owner of real property, such as us, may be liable for the costs of removal or remediation of hazardous or toxic substances at, under or disposed of in connection with such property, as well as other potential costs relating to hazardous or toxic substances (including government fines and damages for injuries to persons and adjacent property). The cost of any required remediation, removal, fines or personal or property damages and the owner's liability therefore could exceed or impair the value of the property, and/or the assets of the owner. In addition, the presence of such substances, or the failure to properly dispose of or remediate such substances, may adversely affect the owner's ability to sell or rent such property or to borrow using such property as collateral which, in turn, could reduce our revenues.

Selected Regulations Regarding our Operations in Germany, the United Kingdom and France

Our commercial real estate investments are subject to a variety of laws and regulations in Europe. If we fail to comply with any of these laws and regulations, we may be subject to civil liability, administrative orders, fines or even criminal sanctions. The following provides a brief overview of selected regulations that are applicable to our business operations in Germany, the United Kingdom and France, where a majority of our properties in terms of contribution to rental income are located.

Germany

Land- use Regulations, Building Regulations and Tenancy Law for Commercial Properties

Land- use Regulations. There are several regulations regarding the use of land including German planning law and urban restructuring planning by communities.

Urban Restructuring Planning. Communities may designate certain areas as restructuring areas and undertake comprehensive modernization efforts regarding the infrastructure in such areas. While this may improve the value of properties located in restructuring areas, being located in a restructuring area also imposes certain limitations on the affected properties (e.g., the sale, encumbrance and leasing of such properties, as well as reconstruction and refurbishment measures, are generally subject to special consent by municipal authorities).

Building Regulations. German building laws and regulations are quite comprehensive and address a number of issues, including, but not limited to, permissible types of buildings, building materials, proper workmanship, heating, fire safety, means of warning and escape in case of emergency, access and facilities for the fire department, hazardous and offensive substances, noise protection, ventilation and access and facilities for disabled people. Owners of erected buildings may be required to conduct alterations or improvements of the property if safety or health risks with respect to users of the building or the general public occur, including fire risks, traffic risks, risks of collapse and health risks from injurious building materials such as asbestos. To our knowledge, there are currently no official orders demanding any alterations to existing buildings owned by us.

Tenancy Law for Commercial Properties. German tenancy laws for commercial properties generally provide landlords and tenants with far- reaching discretion in how they structure lease agreements and use general terms and conditions. Certain legal restrictions apply with regard to the strict written form requirements regarding the lease agreement, transfer of operating costs and maintenance costs, cosmetic repairs and final decorative repairs. Lease agreements with a term of more than one year must be executed in writing or are deemed to have been concluded for an indefinite period with the consequence that they can be terminated at the end of one year after turning over the leased property. Operating costs of commercial tenancies may be apportioned to the tenants if the lease agreement stipulates explicitly and specifically which operating costs shall be borne by the tenant. Responsibility for maintenance and repair costs may be transferred to tenants, except for the full cost transfer of maintenance and repair costs for roof, structures and areas used by several tenants in general terms and conditions. Expenses for cosmetic repairs (Schönheitsreparaturen) may, in principle, be allocated to tenants, provided that the obligation to carry out ongoing cosmetic repairs is not combined with an undertaking to perform initial and/or final decorative repairs.

Regulation Relating to Environmental Damage and Contamination

The portion of our commercial real estate portfolio located in Germany is subject to various rules and regulations relating to the remediation of environmental damage and contamination.

Soil Contamination. Pursuant to the German Federal Soil Protection Act, the responsibility for residual pollution and harmful changes to soil, or Contamination, lies with, among others, the perpetrator of the Contamination, such perpetrator's universal successor, the current owner of the property, the party in actual control of the property and, if the title was transferred after March 1999, the previous owner of the property if such owner knew or should have known about the Contamination, or the Liable Persons. The Liable Person that carried out the remediation work may claim indemnification on a pro rata basis from the

other Liable Persons. Independently, from the aforementioned liability, civil law liability for Contaminations can arise from contractual warranty provisions or statutory law.

United Kingdom

For a discussion of the impact of regulations in the United Kingdom, refer to "Risk Factors — Risks Related to our Financing Strategy — We are subject to risks associated with obtaining mortgage financing on our real estate, which could materially adversely affect our business, financial condition and results of operations and our ability to make distributions to stockholders."

France

Commercial Lease Regulation

The contractual conditions applying to commercial leases periods, renewal, rent and rent indexation are heavily regulated. The minimum duration of commercial leases is nine years. We cannot terminate the lease before such period except in very specific cases (such as reconstructing or elevating an existing building). The tenant, on the other hand, has the power to terminate the lease at the end of each three- year period. However, in leases of premises to be used exclusively as office spaces, such power of the tenant can be contractually removed.

The tenant has also a right of renewal of the lease at the end of its initial period and a right to a revision of the rent every three years. The rent variation is capped. Except in the case where the rental value considerably changes (increase by more than 10% in case of a revision upon a three-year period), the variation of the rent, in case of a revision upon a three- year period or in case of a renewal, cannot exceed the variation of the Commercial Rents Index (indice trimestriel des loyers commerciaux) or the Retail Rental Index (indice trimestriel des loyers des activités tertiaires). However, this provision does not apply in case of a renewal of a lease, the initial duration of which exceeded nine years or the effective duration of which exceeded twelve years. In addition, even in the case of a renewed or revised lease where the rental value has considerably changed, the rent increase cannot exceed 10% of the rent paid during the previous year.

Moreover, the tenant has a right of first refusal if the leased premises are offered for sale. However, this right can be contractually removed.

The legal distribution of charges between us and the tenant can be contractually set out. However, articles L. 145- 40- 2 and R. 145- 35 of the French commercial code, which result from French law no. 2014- 626 of June 18, 2014, make it mandatory for the property owner in leases entered into on or after November 3, 2014 to incur expenditures for major repairs, in particular those related to the obsolescence of the properties and those required to meet changing legal regulation. It also forces the property owner to incur certain taxes.

Bankruptcy Law

In France, a safeguarding (sauvegarde), judicial restructuring (redressement judiciaire) or judicial liquidation (liquidation) procedure commencement order against an insolvent tenant does not lead to the automatic termination of the lease. In such cases, we will not be able to get paid directly by the tenant any rent due before the commencement order. Furthermore, the tenant, via the insolvency court appointed receiver, will have the choice to continue or reject any unexpired lease. If the tenant chooses to continue an unexpired lease, but still fails to pay the rent in connection with the occupancy after the issue of the commencement order, we cannot legally request the termination of the lease before the end of a three- month period from the date of issue of the commencement order.

Environmental Law

In France, our investments are subject to regulations regarding the accessibility of buildings to persons with disabilities, public health and the environment, covering a number of areas, including the ownership and use of classified facilities, the use, storage, and handling of hazardous materials in building construction; inspections for asbestos, lead, and termites; inspection of gas and electricity facilities; assessments of energy efficiency; and assessments of technological and natural risks.

Emerging Growth Company Status

We are an "emerging growth company," as defined in the JOBS Act and we are eligible to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies." These exemptions include not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes- Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Although we are still evaluating the JOBS Act, we may take advantage of some or all of the reduced regulatory and reporting requirements that will be available to us as long as we qualify as an emerging growth company, except that we have irrevocably elected not to take advantage of the extension of time to comply with new or revised financial accounting standards available under Section 102(b) of the JOBS Act.

We will, in general, remain as an emerging growth company for up to five full fiscal years following the Distribution. We would cease to be an emerging growth company and, therefore, become ineligible to rely on the above exemptions, if we:

- have more than $1 billion in annual revenue in a fiscal year;
- issue more than $1 billion of non- convertible debt during the preceding three- year period; or
- become a “large accelerated filer” as defined in Exchange Act Rule 12b- 2, which would occur after: (i) we have filed at least one annual report pursuant to the Exchange Act; (ii) we have been an SEC- reporting company for at least 12 months; and (iii) the market value of our Common Stock that is held by non- affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter.

DISTRIBUTION POLICY

We intend to make distributions to holders of our Common Stock on a quarterly basis. Evaluation of our distribution policy and the decision to make a distribution will be made solely at the discretion of our board of directors and will be based on factors including, but not limited to, CAD, NOI, our ability to generate income, availability of existing cash balances, the performance of our business, capital requirements, applicable law, access to cash in the capital markets and other financing sources, distribution requirements necessary to maintain our qualification as a REIT, general economic conditions and economic conditions that more specifically impact our business or prospects and other factors our board of directors deems relevant.

Future distribution levels are subject to adjustment based upon any one or more of the factors set forth above, the matters discussed under "Risk Factors" in this prospectus or any other document we file with the SEC under the Exchange Act and other factors that our board of directors may, from time to time, deem relevant to consider when determining an appropriate common stock distribution. Our board of directors may also determine not to make any distribution.

For more information about our ability to make distributions on the classes and series of stock we are authorized to issue, please refer to the sections entitled "Risk Factors — Risks Related to Our Company" and "Description of Capital Stock" of this prospectus. For more information about distribution requirements in connection with qualifying as and maintaining qualified as a REIT, refer to "Federal Income Tax Consequences of our Status as a REIT— Requirements for Qualification — Distribution Requirements."

SELECTED FINANCIAL DATA

The combined financial information of the NorthStar Europe Predecessor includes:

- Prior Owner Period - The U.K. Complex and an allocation of certain costs and expenses related to the launch of our European Real Estate Business for periods prior to September 16, 2014, which is the date NorthStar Realty acquired the U.K. Complex; and

- NorthStar Owner Period - The U.K. Complex and business activities related to our European Real Estate Business for periods from and subsequent to September 16, 2014.

Collectively, the Prior Owner Period and the NorthStar Owner Period represent the NorthStar Europe Predecessor. We have not presented historical information for NorthStar Europe because we have not engaged in any corporate activity since our formation other than the issuance of shares in connection with our initial capitalization and the issuance of the Senior Notes. The combined financial information of the NorthStar Europe Predecessor does not include our New European Investments.

This selected financial information should be read in conjunction with "Unaudited Pro Forma Financial Information" and corresponding notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations," the audited combined financial statements and the notes thereto and the unaudited interim combined financial statements and the notes thereto included elsewhere in this prospectus. Amounts reported in the combined statements of operations are translated to the U.S. dollar using the average exchange rate for the periods presented. Amounts reported on the combined balance sheets are translated to the U.S. dollar at an exchange rate as of the respective reporting date.

The selected combined balance sheet as of December 31, 2014 and combined statement of operations for the period from September 16, 2014 through December 31, 2014 represent the NorthStar Owner Period. The selected combined balance sheet as of December 31, 2013 and combined statements of operations for the period from January 1, 2014 through September 15, 2014 and the year ended December 31, 2013 represent the Prior Owner Period. This selected financial information is derived from the audited combined financial statements of the NorthStar Europe Predecessor included elsewhere in this prospectus.

The selected combined balance sheet information as of June 30, 2015 and the combined selected combined statements of operations for the six months ended June 30, 2015 and 2014 have been derived from the unaudited interim combined financial statements of the NorthStar Europe Predecessor included elsewhere in this prospectus. Such unaudited interim combined financial statements include all adjustments considered necessary for a fair presentation of the NorthStar Europe Predecessor's financial position and results of operations and are of a normal and recurring nature. The operating results presented for interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the entire year.

The historical results of the NorthStar Europe Predecessor are not necessarily indicative of the historical results of our European Real Estate Business, NorthStar Europe or the future results of NorthStar Europe. The audited combined financial statements of the NorthStar Europe Predecessor do not include all assets and liabilities to be contributed to NorthStar Europe. For instance, the audited combined financial statements of the NorthStar Europe Predecessor do not include our New European Investments. Additionally, the combined statements of operations of the NorthStar Europe Predecessor include an allocation of certain costs and expenses incurred by NorthStar Realty on behalf of the NorthStar Europe Predecessor, which although based on certain assumptions and estimates believed to be reasonable may differ from actual results.

The following tables present selected financial information for NorthStar Europe Predecessor (dollars in thousands):

	NorthStar Owner Period	Prior Owner Period	NorthStar Owner Period	Prior Owner Period	
	Six Months Ended June 30,		Period from September 16 to December 31,	Period from January 1 to September 15,	Year Ended
	2015	2014	2014	2014	2013
Operating Data:					
Rental and escalation income	$ 4,753	$ 5,181	$ 2,722	$ 7,162	$ 9,869
Total expenses	6,465	10,180	7,839	13,569	12,163
Net income (loss)	(1,577)	(2,663)	(5,288)	(3,007)	1,633
Net income (loss) attributable to NorthStar Europe Predecessor	(1,556)	(2,663)	(5,012)	(3,007)	1,633

	NorthStar Owner Period		Prior Owner Period
	June 30, 2015	December 31, 2014	December 31, 2013
Balance Sheet Data:			
Cash	$ 3,265	$ 1,552	$ 1,350
Mortgage notes payable	78,585	77,660	47,895
Total assets	104,692	102,826	90,951
Total liabilities	82,115	81,947	67,367
Total equity	22,577	20,879	23,584

UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following tables present unaudited pro forma combined financial statements of our European Real Estate Business consisting of pro forma combined results of operations for the six months ended June 30, 2015 and year ended December 31, 2014 and a pro forma combined balance sheet as of June 30, 2015, comprised of the following (dollars in millions):

	Acquisition Date	Primary Location(s)	Primary Description	Cost	Properties	Ownership Interest	
NorthStar Europe Predecessor[1]							
U.K. Complex	Sept- 14	Woking, U.K.	Multi- tenant office	$ 100	1	93%	
New European Investments							
SEB Portfolio	April- 15	U.K., France, Germany	Multi- tenant office	1,325	11	95%	(2)
Internos Portfolio	April- 15	Germany, France, Portugal	Office/Hotel/Industrial/Retail	225	12	100%	(3)
IVG Portfolio	April- 15	U.K., France, Germany	Multi- tenant office	212	15	100%	(3)
Deka Portfolio	April- 15	Germany	Multi- tenant office	99	10	100%	(3)
Trianon Tower	July- 15	Frankfurt, Germany	Multi- tenant office	621	3	95%	(2)
Total				$ 2,582	52		

(1) The financial statements for NorthStar Predecessor include an allocation of certain costs and expenses from activities related to the launch of our European Real Estate Business.

(2) We are entitled to 100% of net income (loss) based on the allocation formula, as set forth in the governing documents.

(3) In the near term, we expect to enter into a joint venture arrangement with a third party for an approximate 5% ownership interest in all of the Deka Portfolio, $97 million of the Internos Portfolio and $24 million of the IVG Portfolio.

The unaudited pro forma combined statements of operations represent our European Real Estate Business for the six months ended June 30, 2015 and year ended December 31, 2014 and gives effect to the spin- off of our European Real Estate Business from NorthStar Realty as if it occurred on January 1, 2014. The pro forma combined balance sheet assumes the spin- off of our European Real Estate Business from NorthStar Realty occurred as of June 30, 2015.

The year ended December 31, 2014 is comprised of: (i) the period of our ownership of the U.K. Complex from September 16, 2014 to December 31, 2014, or the NorthStar Owner Period; and (ii) the period from January 1, 2014 to September 15, 2014 represents a period prior to our ownership, or the Prior Owner Period. Therefore, the amounts presented for the year ended December 31, 2014 may not be comparable to future periods.

The unaudited pro forma combined financial statements of our European Real Estate Business are not necessarily indicative of what our financial condition or results of operations would have been for the periods presented, nor are they representative of the future financial condition or results of operations of NorthStar Europe. The unaudited pro forma combined financial statements of our European Real Estate Business should be read in conjunction with the audited combined financial statements and the notes thereto of the NorthStar Europe Predecessor and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” both of which are included elsewhere in this prospectus.

The following table presents the unaudited pro forma combined statements of operations of our European Real Estate Business for the six months ended June 30, 2015 and year ended December 31, 2014 (dollars in thousands, except share and per share data):

	Six Months Ended June 30, 2015			
	NorthStar Europe Predecessor[1]	Pro Forma Adjustments[2]	Other	Pro Forma[3]
Revenues				
Rental and escalation income	$ 4,753	$ 73,816	$ —	$ 78,569
Other revenues	1	1,965	—	1,966
Total revenues	4,754	75,781	—	80,535
Expenses				
Management fee, related party	—	—	7,000 [4]	7,000
Operating expenses	1,770	14,927	—	16,697
Interest expense	1,523	16,674	10,907 [5]	29,104
Equity- based compensation expense	—	—	3,707 [8]	3,707
Other general and administrative expenses	1,358	—	—	1,358
Depreciation and amortization	1,814	37,030	—	38,844
Other expenses	—	3,756	—	3,756
Total expenses	6,465	72,387	21,614	100,466
Other income (loss)				
Unrealized gain (loss) on investments and other	41	—	—	41
Realized gain (loss) on investments and other	(14)	—	—	(14)
Income (loss) before income tax benefit (expense)	(1,684)	3,394	(21,614)	(19,904)
Income tax benefit (expense)[2][vii]	107	(287)	1,864	1,684
Net income (loss)	(1,577)	3,107	(19,750)	(18,220)
Net (income) loss attributable to non- controlling interests	21	—	118 [9]	139
Net income (loss) attributable to NorthStar Europe	$ (1,556)	$ 3,107	$ (19,632)	$ (18,081)
Earnings (loss) per share:				
Basic				$ (0.33)
Diluted				$ (0.33)
Weighted average number of shares:[6]				
Basic				55,147,328
Diluted				55,507,470

	Year ended December 31, 2014			
	NorthStar Europe Predecessor[1]	Pro Forma Adjustments[2]	Other	Pro Forma[3]
Revenues				
Rental and escalation income	$ 9,884	$ 163,822	$ —	$ 173,706
Other revenues	1,329	6,806	—	8,135
Total revenues	11,213	170,628	—	181,841
Expenses				
Management fee, related party	—	—	14,000 [4]	14,000
Operating expenses	4,294	31,488	—	35,782
Transaction costs	4,198	—	(4,198) [7]	—
Interest expense	3,651	31,724	21,446 [5]	56,821
Equity- based compensation expense	—	—	4,977 [8]	4,977
Other general and administrative expenses	5,883	—	—	5,883
Depreciation and amortization	3,382	83,312	394	87,088
Other expenses	—	7,717	—	7,717
Total expenses	21,408	154,241	36,619	212,268
Other income (loss)				
Unrealized gain (loss) on investments and other	1,900	—	—	1,900
Income (loss) before income tax benefit (expense)	(8,295)	16,387	(36,619)	(28,527)
Income tax benefit (expense)[2][vii]	—	(1,386)	3,800	2,414
Net income (loss)	(8,295)	15,001	(32,819)	(26,113)
Net (income) loss attributable to non- controlling interests	276	—	455 [9]	731
Net income (loss) attributable to NorthStar Europe	$ (8,019)	$ 15,001	$ (32,364)	$ (25,382)
Earnings (loss) per share:				
Basic				$ (0.78)
Diluted				$ (0.78)
Weighted average number of shares:[6]				
Basic				32,678,628
Diluted				32,998,409

The following table presents our unaudited pro forma combined balance sheet of our European Real Estate Business as of June 30, 2015 (dollars in thousands):

	NorthStar Europe Predecessor	Pro Forma Adjustments[10]	Other	Pro Forma[3]
Assets				
Cash	$ 3,265	$ 14,662	$ 250,000 [12]	$ 267,927
Restricted cash	6,106	—	—	6,106
Operating real estate, net	54,985	2,156,907	—	2,211,892
Receivables	1,031	—	—	1,031
Unbilled rent receivable, net	694	—	—	694
Derivative assets, at fair value	1,134	30,315	—	31,449
Deferred costs and intangible assets, net	35,232	225,112	9,014 [11]	269,358
Other assets	2,245	572	—	2,817
Total assets	$ 104,692	$ 2,427,568	$ 259,014	$ 2,791,274
Liabilities				
Mortgage and other notes payable	$ 78,585	$ 1,439,869	$ —	$ 1,518,454
Senior notes	—	—	340,000 [11]	340,000
Accounts payable and accrued expenses	824	—	—	824
Other liabilities	2,706	42,150	—	44,856
Total liabilities	82,115	1,482,019	340,000	1,904,134
Equity				
Equity	21,439	943,972	(80,986) [11][12][13]	884,425
Allocation to non- controlling interests	—	—	(8,677) [9]	(8,677)
NorthStar Europe equity	21,439	943,972	(89,663)	875,748
Non- controlling interests	1,138	1,577	8,677 [9]	11,392
Total equity	22,577	945,549	(80,986)	887,140
Total liabilities and equity	$ 104,692	$ 2,427,568	$ 259,014	$ 2,791,274

(1) The year ended December 31, 2014 includes the Prior Owner Period from January 1, 2014 through September 15, 2014 and NorthStar Owner Period from September 16, 2014 through December 31, 2014. The six months ended June 30, 2015 represents the NorthStar Owner Period. NorthStar Predecessor includes allocation of general and administrative expenses, including operating expenses such as corporate overhead, based on the expectation that NorthStar Europe and NorthStar Realty's general and administrative expenses would represent approximately 20% of the aggregate general and administrative expenses of NorthStar Europe, NorthStar Realty and NSAM after the Distribution, as described herein in "Corporate Governance and Management — Management Agreement."

(2) The following summarizes adjustments related to our New European Investments for the six months ended June 30, 2015 and year ended December 31, 2014 (dollars in thousands):

	Six Months Ended June 30, 2015					
	SEB Portfolio		Internos Portfolio		IVG Portfolio	
	Historical[i]	Pro Forma Adjustments	Historical[i]	Pro Forma Adjustments	Historical[i]	Pro Forma Adjustments
Revenues						
Rental and escalation income	$ 39,906	$ 260 [ii]	$ 9,118	$ (304) [ii]	$ 4,970	$ 127 [ii]
Other revenue	—	—	828	—	726	
Total revenues	39,906	260	9,946	(304)	5,696	127
Expenses						
Operating expenses[iv][v]	5,564	719	1,811	(210)	2,127	(169)
Interest expense[iii]	—	9,506	—	1,752	—	1,728
Depreciation and amortization[vi]	—	18,990	—	4,021	—	2,698
Other expenses[v]	—	2,132	—	478	—	274
Total expenses	5,564	31,347	1,811	6,041	2,127	4,531
Income (loss) before income tax benefit (expense)	34,342	(31,087)	8,135	(6,345)	3,569	(4,404)
Income tax benefit (expense)[vii]	—	(275)	—	(151)		71
Net income (loss)	34,342	(31,362)	8,135	(6,496)	3,569	(4,333)
Net (income) loss attributable to non-controlling interests[viii]	—	—	—	—	—	—
Net income (loss) attributable to NorthStar Europe	$ 34,342	$ (31,362)	$ 8,135	$ (6,496)	$ 3,569	$ (4,333)

	Six Months Ended June 30, 2015 (continued)			
	Trianon Tower			
	Historical[i]	Pro Forma Adjustments	Other Pro Forma Adjustments[ix]	Total
Revenues				
Rental and escalation income	$ 18,486	$ (1,221) [ii]	$ 2,473	$ 73,815
Other revenue	—	—	411	1,965
Total revenues	18,486	(1,221)	2,884	75,780
Expenses				
Operating expenses[v]	5,173	(759)	670	14,926
Interest expense[iii]	—	2,826	862	16,674
Depreciation and amortization[vi]	—	9,981	1,341	37,031
Other expenses[v]	—	724	148	3,756
Total expenses	5,173	12,772	3,021	72,387
Income (loss) before income tax benefit (expense)	13,313	(13,993)	(137)	3,393
Income tax benefit (expense)[vii]	—	58	12	(285)
Net income (loss)	13,313	(13,935)	(125)	3,108
Net (income) loss attributable to non- controlling interests[viii]	—	—	—	—
Net income (loss) attributable to NorthStar Europe	$ 13,313	$ (13,935)	$ (125)	$ 3,108

	Year Ended December 31, 2014					
	SEB Portfolio		Internos Portfolio		IVG Portfolio	
	Historical[i]	Pro Forma Adjustments	Historical[i]	Pro Forma Adjustments	Historical[i]	Pro Forma Adjustments
Revenues						
Rental and escalation income	$ 86,117	$ 520 [ii]	$ 21,894	$ (607) [ii]	$ 12,889	$ 254 [ii]
Other revenue	—	—	3,065	—	2,685	
Total revenues	86,117	520	24,959	(607)	15,574	254
Expenses						
Operating expenses[iv][v]	8,400	597	3,114	(290)	5,536	—
Interest expense[iii]	—	17,388	—	3,504	—	3,456
Depreciation and amortization[vi]	—	45,600	—	8,041	—	5,395
Other expenses[v]	—	4,264	—	958	—	598
Total expenses	8,400	67,849	3,114	12,213	5,536	9,449
Income (loss) before income tax benefit (expense)	77,717	(67,329)	21,845	(12,820)	10,038	(9,195)
Income tax benefit (expense)[vii]	—	(879)	—	(764)	—	(71)
Net income (loss)	77,717	(68,208)	21,845	(13,584)	10,038	(9,266)
Net (income) loss attributable to non-controlling interests[viii]	—	—	—	—	—	—
Net income (loss) attributable to NorthStar Europe	$ 77,717	$ (68,208)	$ 21,845	$ (13,584)	$ 10,038	$ (9,266)

	Year Ended December 31, 2014 (continued)			
	Trianon Tower			
	Historical[i]	Pro Forma Adjustments	Other Pro Forma Adjustments[ix]	Total
Revenues				
Rental and escalation income	$ 40,741	$ (2,906) [ii]	$ 4,920	$ 163,822
Other revenue	—	—	1,056	6,806
Total revenues	40,741	(2,906)	5,976	170,628
Expenses				
Operating expenses[v]	13,981	(1,721)	1,871	31,488
Interest expense[iii]	—	5,652	1,724	31,724
Depreciation and amortization[vi]	—	21,594	2,682	83,312
Other expenses[v]	—	1,653	244	7,717
Total expenses	13,981	27,178	6,521	154,241
Income (loss) before income tax benefit (expense)	26,760	(30,084)	(545)	16,387
Income tax benefit (expense)[vii]	—	281	46	(1,387)
Net income (loss)	26,760	(29,803)	(499)	15,000
Net (income) loss attributable to non- controlling interests[viii]	—	—	—	—
Net income (loss) attributable to NorthStar Europe	$ 26,760	$ (29,803)	$ (499)	$ 15,000

(i) Represents audited financial statements of revenues and certain expenses for the year ended December 31, 2014 and unaudited financial statements of revenues and certain expenses for the six months ended June 30, 2015. The SEB Portfolio, the Internos Portfolio and the IVG Portfolio were acquired in April 2015 and the Trianon Tower was acquired in July 2015.

(ii) Represents an adjustment to reflect amortization of above and below market leases.

(iii) Represents interest expense for new borrowings at the contractual rate and includes amortization of deferred financing costs. The estimated amortization period of deferred financing costs ranges from seven to 45 years. In addition, certain of the borrowings related to our Current European Portfolio are subject to interest rate caps. Refer to "Business—Our Properties" for further discussion of the terms of the borrowings and interest rate caps associated with our Current European Portfolio.

(iv) Represents an adjustment for third- party property management and other fees for the SEB Portfolio.

(v) Represents an adjustment and reclassification of third- party asset management and other fees to other expense based on amounts expected to be incurred.

(vi) Represents depreciation and amortization expense based on a preliminary purchase price allocation for our New European Investments. The purchase price allocation is a preliminary estimate and may be adjusted within one year of the acquisition in accordance with U.S. GAAP. The depreciation and amortization periods range from one to 40 years.

(vii) Our Current European Portfolio is owned in various foreign jurisdictions which have different tax laws and rates. We estimate our effective tax rate to be approximately 8.5% on a blended basis. This effective tax rate may not represent our effective tax rate subsequent to the European Spin- off.

(viii) We are entitled to 100% of net income (loss) based on the allocation formula, as set forth in the governing documents. In addition, in the near term, we expect to enter into a joint venture arrangement with a third party for an approximate 5% ownership interest in all of the Deka Portfolio, $97 million of the Internos Portfolio and $24 million of the IVG Portfolio.

(ix) Represents adjustments related to the Deka Portfolio acquired in April 2015.

(3) The functional currency of NorthStar Europe is U.S. dollars and the functional currency of the properties comprising our European Real Estate Business is the local currency where the property is located, predominately the Euro. As such, the operations are translated to U.S. dollar using the average exchange rate during the respective period. Additionally, assets and liabilities of properties denominated in a foreign currency are translated to the U.S. dollar using the currency exchange rate at the end of the period presented. Our New European Investments presented in the unaudited pro forma combined balance sheet are translated using the currency exchange rate as of June 30, 2015. The pro forma adjustments do not include foreign currency forward contracts with a notional amount of $119.3 million and maturities ranging from August 2015 to May 2017 expected to be assumed as part of the Distribution.

(4) Represents an adjustment to reflect the base asset management fee to NSAM in accordance with the management agreemen t , the terms of which are described in "Corporate Governance and Management—Our Manager—Management Agreement" of this prospectus. The current base management fee of $14 million annually is based on our Current European Portfolio and does not include any adjustment related to the NSAM incentive fee.

(5) Represents an adjustment to reflect interest expense (including amortization of related deferred financing costs) related to NorthStar Europe's issuance of $340 million of 4.625% Senior Notes due December 2016, or the Senior Notes, in July 2015 of $ 10.9 million and $21.8 million for the six months ended June 30, 2015 and the year ended December 31, 2014, respectively. The year ended December 31, 2014 also includes an adjustment to reflect interest expense (including amortization of related deferred financing costs) related to NorthStar Europe Predecessor of $(0.4) million during the Prior Owner Period.

(6) Weighted average shares used to compute basic and diluted EPS represents the number of weighted average shares of our Common Stock and LTIP Units, as applicable, assumed to be outstanding based on a distribution ratio of one share of our Common Stock and LTIP Units for every six shares of NorthStar Realty common stock and LTIP Units. The actual number of our basic and diluted shares outstanding will not be known until the Distribution. Excludes the effect of exchangeable senior notes, shares under a forward sale agreement, restricted shares and RSUs outstanding that were not dilutive for the periods presented. These instruments could potentially impact diluted EPS in future periods.

(7) Represents an adjustment to remove transaction costs related to the acquisition of the U.K. Complex. In addition, the pro forma statements of operations do not include transaction costs related to the acquisition of our Current European Portfolio of $97.4 million for the six months ended June 30, 2015 and $9.5 million for the year ended December 31, 2014. Transaction costs include legal, accounting, tax and other professional services that are non- recurring in nature and therefore are not included as part of the pro forma combined statements of operations.

(8) Represents adjustments for equity- based compensation expense related to various equity- based awards granted by NorthStar Realty that will be entitled to one award of NorthStar Europe for every six awards of NorthStar Realty (refer to "Executive Compensation—Outstanding NorthStar Realty Awards").

(9) Represents an adjustment on the pro forma combined balance sheet to establish non- controlling interests related to the holders of LTIP Units in NorthStar Realty OP, structured as profits interests, that will be entitled to one common unit in our Operating Partnership for every six LTIP Units in NorthStar Realty OP. Additionally, the combined statements of operations includes an allocation for net income (loss) attributable to such non- controlling interests. The LTIP Unit holders' interest in NorthStar OP was approximately 1% for the periods presented. In addition, the year ended December 31, 2014 includes a pro forma adjustment related to the non- controlling interest holder in NorthStar Europe Predecessor during the Prior Owner Period.

(10) The following summarizes adjustments related to our New European Investments for the unaudited pro forma combined balance sheet as of June 30, 2015 (dollars in thousands):

	As of June 30, 2015[i][ii]					
	SEB Portfolio	Internos Portfolio	IVG Portfolio	Deka Portfolio	Trianon Tower	Total
Assets						
Cash	$ 3,831	$ —	$ 10,831	$ —	$ —	$ 14,662
Operating real estate, net[iii]	1,131,061	190,327	185,315	84,623	565,581	2,156,907
Derivative assets, at fair value	8,015	—	—	—	22,300	30,315
Deferred costs and intangible assets, net	135,522	18,534	13,371	7,246	50,439	225,112
Other assets	—	—	—	—	572	572
Total assets	$ 1,278,429	$ 208,861	$ 209,517	$ 91,869	$ 638,892	$ 2,427,568
Liabilities						
Mortgage and other notes payable	$ 826,459	$ 101,315	$ 94,066	$ 51,914	$ 366,115	$ 1,439,869
Other liabilities	24,063	525	3,384	—	14,178	42,150
Total liabilities	850,522	101,840	97,450	51,914	380,293	1,482,019
Equity						
NorthStar Europe equity	427,794	107,021	112,067	39,955	257,135	943,972
Non-controlling interests[iv]	113	—	—	—	1,464	1,577
Total equity	427,907	107,021	112,067	39,955	258,599	945,549
Total liabilities and equity	$ 1,278,429	$ 208,861	$ 209,517	$ 91,869	$ 638,892	$ 2,427,568

(i) Represents the preliminary purchase price allocation for each of the properties that comprise our New European Investments. The purchase price allocation is a preliminary estimate and may be adjusted within one year of the acquisition in accordance with U.S. GAAP. The purchase price of each portfolio represents the fair value of the assets acquired and liabilities assumed. The pro forma balance sheet includes an adjustment for transaction costs.

(ii) Our New European Investments are predominantly denominated in Euro and GBP. The initial purchase price allocation is translated based on the exchange rate to the U.S. dollar as of June 30, 2015.

(iii) Includes four properties of $ 18 million classified as held- for- sale.

(iv) In the near term, we expect to enter into a joint venture arrangement with a third party for an approximate 5% ownership interest in all of the Deka Portfolio, $97 million of the Internos Portfolio and $24 million of the IVG Portfolio.

(11) Represents an adjustment to reflect NorthStar Europe's issuance of the Senior Notes, including related deferred financing costs. We loaned the net proceeds from the issuance of the Senior Notes to subsidiaries of NorthStar Realty, which used such amounts for general corporate purposes, including, among other things, the funding of acquisitions, including the Trianon Tower and the repayment of NorthStar Realty's borrowings. The terms of the loan are materially the same as those of the Senior Notes and are deemed to be repaid upon NorthStar Realty's contribution to us of our European Real Estate Business. We may elect, upon satisfaction of certain conditions, to settle all or part of the principal amount of the Senior Notes in our Common Stock in lieu of cash. Refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations — Recent Developments" for further discussion.

(12) Represents the estimated initial capitalization of NorthStar Europe upon completion of the Distribution and excludes cash held in our Current European Portfolio. The initial capitalization is described in the contribution agreement, discussed in "Certain Relationships and Related Party Transactions—Relationship Between NorthStar Realty and Us After the Distribution—Contribution Agreement."

(13) Includes a capital contribution for transaction costs related to the European Spin- off paid by NorthStar Realty on our behalf of approximately $2 million incurred through June 30, 2015. Transaction costs include legal, accounting, tax and other professional services and start- up costs and are factually supportable because such amounts are based on reliable, documented evidence such as invoices for costs incurred to date. We expect total transaction costs to be approximately $10 million based on estimates from third parties for additional costs expected to be incurred until the European Spin- off. Transaction costs are non- recurring in nature and are therefore not included in the unaudited pro forma combined statement of operations. Rather, transaction costs represent a capital contribution and reduction of equity as a result of the expense with a net effect to equity of zero.

CAPITALIZATION TABLE

The following table sets forth our capitalization as of June 30, 2015: (i) on a historical basis of NorthStar Europe Predecessor; and (ii) on an as adjusted basis to give effect to the pro forma adjustments included in our unaudited pro forma combined financial information included elsewhere in this prospectus. The information below is not necessarily indicative of what our capitalization would have been had the Distribution been completed as of June 30, 2015. In addition, this information is not indicative of our future capitalization.

The following table should be read in conjunction with the sections entitled "Selected Financial Data," "Unaudited Pro Forma Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus (dollars in thousands):

	NorthStar Europe Predecessor	Pro Forma Prior to the Distribution	As Adjusted
Liabilities	$ 82,115	$ 1,822,019	$ 1,904,134
Equity			
NorthStar Europe equity	21,439	854,309	875,748
Non- controlling interests	1,138	10,254	11,392
Total equity	22,577	864,563	887,140
Total liabilities and equity	$ 104,692	$ 2,686,582	$ 2,791,274

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

We describe in this prospectus our European Real Estate Business, which includes the NorthStar Europe Predecessor and our New European Investments, to be contributed to NorthStar Europe by NorthStar Realty as if the European Spin- off has already occurred. However, NorthStar Europe is a newly- formed entity that will not have conducted any separate operations prior to the European Spin- off . The financial results of the NorthStar Europe Predecessor or of our New European Investments operated as part of NorthStar Realty may not be indicative of NorthStar Europe's financial results upon consummation of the European Spin- off or of the financial results of NorthStar Europe had it owned the U.K. Complex and our New European Investments as an independent public company for the periods presented.

The following discussion may not contain all of the information that is important to you and should be read in conjunction with the combined financial statements of the NorthStar Europe Predecessor and the notes thereto included in "Financial Statements," the unaudited pro forma financial information included in "Unaudited Pro Forma Financial Information" beginning on page 71 and the risk factors included in "Risk Factors" beginning on page 18 of this prospectus.

Overview

We are a newly- formed European commercial real estate company with approximately $2.6 billion, at cost, of investments located throughout nine countries in Europe. We have the ability to invest in a broad spectrum of European commercial real estate. We are currently predominantly focused on office properties and may expand by acquiring other types of commercial real estate located throughout Europe. We expect to make equity investments, directly or indirectly through joint ventures, in a diversified portfolio of European commercial real estate that offers the opportunity to generate attractive risk- adjusted returns. We seek to generate stable cash flow for distribution to our stockholders and in turn build long- term franchise value.

We will be externally managed and advised by NSAM. We are a Maryland corporation and intend to conduct our operations so as to qualify as a REIT for U.S. federal income tax purposes beginning with the year ending December 31, 2015.

We seek to access a wide range of secured and unsecured debt and public and private equity capital sources to grow and fund our investment activities. We expect to predominantly use investment- level financing as part of our strategy to prudently leverage our investments and seek to deliver attractive risk- adjusted returns to our stockholders. We expect to target overall leverage of 40% to 50%, although there is no assurance that this will be the case. We plan to pursue a variety of financing arrangements such as mortgage notes and bank loans available from the commercial mortgage- backed securities, or CMBS, market, finance companies and banks. In addition, we may use corporate- level financing such as credit facilities and other borrowings. We generally seek to limit our reliance on recourse borrowings. Borrowing levels for our investments may be dependent upon the nature of the investments and the related financing that is available.

The current availability of attractive long- term, non- recourse, non- mark- to- market financing through the European bank markets has bolstered opportunities to acquire real estate. For longer duration, relatively stable cash flow investments, such as those derived from net lease investments, we may use fixed rate financing. For investment cash flow with greater growth potential, we expect to use floating rate financing, which provides prepayment flexibility and may provide a better match between underlying cash flow projections and potential increases in interest rates. Where we use floating rate financing, we expect to generally attempt to mitigate the risk of interest rates rising through hedging arrangements including interest rate swaps and caps. We may vary the mix of fixed and floating rate debt and use a combination of the two when we deem it appropriate. We also may utilize corporate- level financing in the future.

We believe that we maintain a competitive advantage through a combination of deep industry relationships and access to market leading commercial real estate credit underwriting and capital markets expertise which enables us to manage credit risk across our business lines as well as to structure and finance our investments efficiently. Our ability to invest across the spectrum of investments allows us to take advantage of complementary and overlapping sources of investment opportunities based on a common reliance on commercial real estate fundamentals and application of similar underwriting and asset management skills as we seek to maximize stockholder value and to protect our capital.

Sources of Operating Revenues and Cash Flows

We primarily generate revenue from rental and other operating income from our real estate properties. Our income is primarily derived through the difference between revenue and the cost at which we are able to finance our investments. We may also acquire investments which generate attractive returns without any leverage.

Profitability and Performance Metrics

We calculate several metrics to evaluate the profitability and performance of our business but our principal performance metrics are CAD and NOI (refer to "Non- GAAP Financial Measures" for a description of theses metrics).

Outlook and Recent Trends

The global economic and financial crisis of 2008 and 2009 had a dramatic negative impact on the proper functioning of the global capital markets and liquidity across all asset classes and markets. While conditions began to improve in the United States in 2012, recovery in Europe remained slow and uncertain, in particular due to the threat of a widespread sovereign debt crisis. However, European economies have been steadily recovering. We believe that the economic environment in Europe has stabilized and the foundations are in place for a gradual and sustained recovery. Despite the overall positive outlook, regional disparities continue to exist as European economies recover at different speeds. As a result, attractive investment opportunities exist in Europe for investors who are able to take a long- term view on the European recovery. Historically wide spreads between capitalization yields and interest rates, coupled with property values, particularly as compared to the United States, remaining below their historical peaks in many markets within the European Union create a compelling long- term investment environment in Europe. At the same time, the investment market has also continued to improve as investment volumes approach pre- financial crisis levels, with the office sector continuing to drive investment activity. As financial institutions and asset management agencies continue to deleverage, we anticipate that there will be further opportunities to acquire portfolios and investments at an attractive long term basis.

Virtually all commercial real estate property types were adversely impacted by the global economic and financial crisis. Despite improvements in the global economy, uncertainty remains as to the extent and timing of further recovery. Issues with the instability of credit and financial markets, actions by governments or central banks, weak consumer confidence in many markets and geopolitical or economic instability in certain countries continues to put pressure on European economies . Instability or volatility of certain countries in the European Union may create risks for stronger countries within the European Union and globally. A return to weak economic conditions in the future, or a lack of continued recovery in Europe, could reduce a tenant's ability to make payments in accordance with the contractual terms and for companies to lease or occupy new space. To the extent that market rental and occupancy rates are reduced, property- level cash flow could be negatively affected.

Critical Accounting Policies

Basis of Accounting

The combined financial statements and related notes are presented on a carve- out basis and have been prepared from the historical combined balance sheets, statements of operations, comprehensive income (loss) and cash flows attributed to the NorthStar Europe Predecessor in accordance with U.S. GAAP. Historically, financial statements of the NorthStar Europe Predecessor have not been prepared as it has not operated separately from NorthStar Realty. These combined financial statements reflect the revenues and direct expenses of the NorthStar Europe Predecessor and include material assets and liabilities of NorthStar Realty that are specifically identifiable to us. Additionally, the combined financial statements include an allocation of costs and expenses by NorthStar Realty related to the NorthStar Europe Predecessor (primarily compensation and other general and administrative expense) based on an estimate of expenses had the NorthStar Europe Predecessor been run as an independent entity. This allocation method is principally based on relative head count and management's knowledge of our operations. The amounts allocated in the accompanying combined financial statements are not necessarily indicative of the actual amount of such indirect expenses that would have been recorded had we been a separate independent entity. We believe the assumptions underlying its allocation of indirect expenses are reasonable.

NorthStar Europe Predecessor was determined to be the predecessor for accounting purposes and accordingly, followed S- X Rules 3- 01 through 3- 04 and Rule 12- 28. Because the U.K. Complex was acquired from an unrelated third party on September 16, 2014, a "blackline" presentation for the change in basis giving effect to purchase accounting pursuant to U.S. GAAP is presented.

Principles of Consolidation

Our consolidated financial statements will include the accounts of NorthStar Realty Europe Corp. and its consolidated subsidiaries. We will consolidate variable interest entities, or VIEs, where we are the primary beneficiary and voting interest entities which are generally majority owned or otherwise controlled by us. All significant intercompany balances will be eliminated in consolidation.

Variable Interest Entities

A VIE is an entity that lacks one or more of the characteristics of a voting interest entity. A VIE is defined as an entity in which equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk

for the entity to finance its activities without additional subordinated financial support from other parties. The determination of whether an entity is a VIE includes both a qualitative and quantitative analysis. We will base the qualitative analysis on our review of the design of the entity, its organizational structure including decision- making ability and relevant financial agreements and the quantitative analysis on the forecasted cash flow of the entity. We will reassess the initial evaluation of an entity as a VIE upon the occurrence of certain reconsideration events.

A VIE must be consolidated only by its primary beneficiary, which is defined as the party who, along with its affiliates and agents has both the: (i) power to direct the activities that most significantly impact the VIE's economic performance; and (ii) obligation to absorb the losses of the VIE or the right to receive the benefits from the VIE, which could be significant to the VIE. We will determine whether we are the primary beneficiary of a VIE by considering qualitative and quantitative factors, including, but not limited to: which activities most significantly impact the VIE's economic performance and which party controls such activities; the amount and characteristics of its investment; the obligation or likelihood for us or other interests to provide financial support; consideration of the VIE's purpose and design, including the risks the VIE was designed to create and pass through to its variable interest holders and the similarity with and significance to our business activities and the other interests. We will reassess the determination of whether we are the primary beneficiary of a VIE each reporting period. Significant judgments related to these determinations include estimates about the current and future fair value and performance of investments held by these VIEs and general market conditions.

We will evaluate our investments in unconsolidated ventures to determine whether they are a VIE. We will analyze new investments and financings, as well as reconsideration events for existing investments and financings, which vary depending on type of investment or financing.

Voting Interest Entities

A voting interest entity is an entity in which the total equity investment at risk is sufficient to enable it to finance its activities independently and the equity holders have the power to direct the activities of the entity that most significantly impact its economic performance, the obligation to absorb the losses of the entity and the right to receive the residual returns of the entity. The usual condition for a controlling financial interest in a voting interest entity is ownership of a majority voting interest. If we have a majority voting interest in a voting interest entity, the entity will generally be consolidated. We will not consolidate a voting interest entity if there are substantive participating rights by other parties and/or kick- out rights by a single party.

We will perform on- going reassessments of whether entities previously evaluated under the voting interest framework have become VIEs, based on certain events, and therefore subject to the VIE consolidation framework.

Investments in Unconsolidated Ventures

A non- controlling, unconsolidated ownership interest in an entity may be accounted for using the equity method, at fair value or the cost method.

Under the equity method, the investment is adjusted each period for capital contributions and distributions and its share of the entity's net income (loss). Capital contributions, distributions and net income (loss) of such entities are recorded in accordance with the terms of the governing documents. An allocation of net income (loss) may differ from the stated ownership percentage interest in such entity as a result of a preferred return and allocation formulas, if any, as described in such governing documents.

We may account for an investment in an unconsolidated entity at fair value by electing the fair value option where we would record the change in fair value in the combined statements of operations.

We may account for an investment that does not qualify for equity method accounting or for which the fair value option was not elected using the cost method if we determine the investment in the unconsolidated entity is insignificant. Under the cost method, equity in earnings is recorded as dividends are received to the extent they are not considered a return of capital, which is recorded as a reduction of cost of the investment.

Non- controlling Interests

A non- controlling interest is defined as the portion of the equity (net assets) not attributable, directly or indirectly, to us. A non- controlling interest will be required to be presented as a separate component of equity on the combined balance sheets and presented separately as net income (loss) and OCI attributable to controlling and non- controlling interests. An allocation to a non- controlling interest may differ from the stated ownership percentage interest in such entity as a result of a preferred return and allocation formula, if any, as described in such governing documents.

Operating Real Estate

Operating real estate is carried at historical cost less accumulated depreciation. Ordinary repairs and maintenance are expensed as incurred. Major replacements and betterments which improve or extend the life of the asset are capitalized and depreciated over their useful life. Operating real estate is depreciated using the straight- line method over the estimated useful lives of the assets. We follow the purchase method for an acquisition of operating real estate, where the purchase price is allocated to tangible assets such as land, building, tenant and land improvements and other identified intangibles, such as goodwill. Ordinary repairs and maintenance will be expensed as incurred. Major replacements and betterments which improve or extend the life of the asset will be capitalized and depreciated over their useful life. Operating real estate will be depreciated using the straight- line method over the estimated useful lives of the assets. Costs directly related to an acquisition deemed to be a business combination are expensed and included in transaction costs in our combined statements of operations. Any excess upon taking title to collateral between the carrying value of a loan over the estimated fair value of the property will be charged to provision for loan losses.

Operating real estate which has met the criteria to be classified as held for sale, will be separately presented on the combined balance sheets. Such operating real estate is recorded at the lower of its carrying value or its estimated fair value less the cost to sell. Once a property is determined to be held for sale, depreciation is no longer recorded.

Fair Value Measurement

The fair value of financial instruments is categorized based on the priority of the inputs to the valuation technique and categorized into a three- level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded at fair value on our combined balance sheets are categorized based on the inputs to the valuation techniques as follows:

Level 1. Quoted prices for identical assets or liabilities in an active market.

Level 2. Financial assets and liabilities whose values are based on the following:

(a) Quoted prices for similar assets or liabilities in active markets.

(b) Quoted prices for identical or similar assets or liabilities in non- active markets.

(c) Pricing models whose inputs are observable for substantially the full term of the asset or liability.

(d) Pricing models whose inputs are derived principally from or corroborated by observable market data for substantially the full term of the asset or liability.

Level 3. Prices or valuation techniques based on inputs that are both unobservable and significant to the overall fair value measurement.

Revenue Recognition

Operating Real Estate

Rental and escalation income from operating real estate will be derived from leasing of space to various types of tenants. The leases will be for fixed terms of varying length and generally provide for annual rentals and expense reimbursements to be paid in monthly installments. Rental income from leases will be recognized on a straight- line basis over the term of the respective leases. The excess of rents recognized over amounts contractually due pursuant to the underlying leases will be included in unbilled rent receivable on our combined balance sheets. Escalation income represents revenue from tenant leases which provide for the recovery of all or a portion of the operating expenses and real estate taxes paid by us on behalf of the respective property. This revenue will be accrued in the same period as the expenses are incurred.

Impairment on Investments

Operating Real Estate

Our real estate portfolio is reviewed on a quarterly basis, or more frequently as necessary, to assess whether there are any indicators that the value of our operating real estate may be impaired or that its carrying value may not be recoverable. A property’s value is considered impaired if management’s estimate of the aggregate expected future undiscounted cash flow generated by the property is less than the carrying value of the property. In conducting this review, we consider factors including global

macroeconomic factors, real estate sector conditions, together with investment specific and other factors. To the extent an impairment has occurred, the loss will be measured as the excess of the carrying value of the property over the estimated fair value of the property and recorded in impairment on operating real estate in our combined statements of operations.

An allowance for a doubtful account for a tenant receivable will be established based on a periodic review of aged receivables resulting from estimated losses due to the inability of a tenant to make required rent and other payments contractually due.

Investments in Unconsolidated Ventures

We will review our investments in unconsolidated ventures for which we did not elect the fair value option on a quarterly basis, or more frequently as necessary, to assess whether there are any indicators that the value may be impaired or that its carrying value may not be recoverable. An investment will be considered impaired if the projected net recoverable amount over the expected holding period is less than the carrying value. In conducting this review, we consider factors including global macroeconomic factors, real estate sector conditions, together with investment specific and other factors. To the extent an impairment has occurred and is considered to be other than temporary, the loss will be measured as the excess of the carrying value of the investment over the estimated fair value and recorded in provision for loss on equity investment in our combined statements of operations.

Derivatives

Derivatives are used to manage exposure to interest rate risk and foreign currency exchange rate risk. For derivatives that qualify as a cash flow hedge, the effective portion of the change in fair value of derivatives designated as a hedge will be recorded in accumulated OCI and is subsequently reclassified into income in the period that the hedged item affects income. Amounts reported in OCI that relate to the hedge of our floating- rate borrowings will be reclassified to interest expense as interest payments will be made on associated borrowings.

The change in fair value for derivatives that do not qualify as a hedge for U.S. GAAP will be recorded in earnings. If we elect the fair value option for certain of our borrowings, any derivatives designated as a qualifying hedge at the time no longer qualified for hedge accounting given that the underlying borrowing will be remeasured with changes in the fair value recorded in earnings. For such derivatives, the unrealized gain (loss) at that time will remain in accumulated OCI and will be reclassified into earnings over the life of the associated borrowing.

Foreign Currency

Assets and liabilities denominated in a foreign currency for which the functional currency is a foreign currency are translated using the currency exchange rate in effect at the end of the period presented and the results of operations for such entities are translated into U.S. dollars using the average currency exchange rate in effect during the period. The resulting foreign currency translation adjustment is recorded as a component of accumulated OCI.

Assets and liabilities denominated in a foreign currency for which the functional currency is the U.S. dollar are remeasured using the currency exchange rate in effect at the end of the period presented and the results of operations for such entities are remeasured into U.S. dollars using the average currency exchange rate in effect during the period. The resulting foreign currency remeasurement adjustment is recorded in unrealized gain (loss) on investments and other in the combined statements of operations.

Results of Operations

We have not presented historical information for NorthStar Europe because we have not engaged in any corporate activity since our formation other than the issuance of shares in connection with our initial capitalization and the issuance of the Senior Notes. We have presented financial information for our predecessor, NorthStar Europe Predecessor, in this “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” which includes:

- Prior Owner Period - The U.K. Complex and an allocation of certain costs and expenses related to the launch of our European Real Estate Business for periods prior to September 16, 2014, which is the date NorthStar Realty acquired the U.K. Complex; and
- NorthStar Owner Period - The U.K. Complex and business activities related to our European Real Estate Business for periods subsequent to September 16, 2014.

Collectively, the Prior Owner Period and the NorthStar Owner Period represent the NorthStar Europe Predecessor.

The acquisition of the U.K. Complex by NorthStar Realty was accounted for as a business combination. As a result, the financial results presented in this “Management’s Discussion and Analysis of Financial Condition and Results of Operations” have

been presented separately for the Prior Owner Period and the NorthStar Owner Period for the year ended December 31, 2014. Refer to Note 1 to the audited combined financial statements of the NorthStar Europe Predecessor for more detail.

The combined financial information included in this prospectus does not necessarily reflect the financial condition, results of operations or cash flows that we would have achieved as a separate, publicly- traded company during the periods presented or those that we will achieve in the future primarily as a result of the following factors:

- the combined financial information of the NorthStar Europe Predecessor does not include our New European Investments; and
- the combined statements of operations of the NorthStar Europe Predecessor includes an allocation of certain costs and expenses incurred by NorthStar Realty on behalf of the NorthStar Europe Predecessor, which although based on certain assumptions and estimates believed to be reasonable may differ from actual results.

Comparison of the Six Months Ended June 30, 2015 to June 30, 2014 (dollars in thousands) :

	NorthStar Owner Period	Prior Owner Period		
	Six Months Ended June 30,		Increase (Decrease)	
	2015	2014	Amount	%
Revenues				
Rental and escalation income	$ 4,753	$ 5,181	$ (428)	(8.26)%
Other revenues	1	925	(924)	(99.89)%
Total revenues	4,754	6,106	(1,352)	(22.14)%
Expenses				
Operating expenses	1,770	2,212	(442)	(19.98)%
Interest expense	1,523	2,453	(930)	(37.91)%
General and administrative expenses	1,358	3,922	(2,564)	(65.37)%
Depreciation and amortization	1,814	1,593	221	13.87 %
Total expenses	6,465	10,180	(3,715)	(36.49)%
Other income (loss)				
Unrealized gain (loss)	41	1,414	(1,373)	(97.10)%
Realized gain (loss)	(14)	—	(14)	— %
Income (loss) before income tax benefit (expense)	(1,684)	(2,660)	976	(36.69)%
Income tax benefit (expense)	107	(3)	110	(3,666.67)%
Net income (loss)	$ (1,577)	$ (2,663)	$ 1,086	(40.78)%

Revenues

Rental and Escalation Income

Rental and escalation income consists of rental revenue and tenant recoveries. Rental and escalation income decreased $0.4 million primarily due to a reduction in recoverable service charges during the NorthStar Owner Period.

Other Revenue

Other revenue for the six months ended June 30, 2014 is related to the Prior Owner Period and was attributable to sundry income.

Expenses

Operating Expenses

Operating expenses decrease of $0.4 million was primarily attributable to lower nonrecoverable operating expenses and other professional fees incurred in the Prior Owner Period.

Interest Expense

Interest expense decrease of $0.9 million was primarily attributable to a new mortgage notes payable associated with NorthStar Realty's acquisition of the U.K. Complex in September 2014.

General and Administrative Expenses

General and administrative expenses are principally incurred at the corporate level. General and administrative expenses represents an allocation of certain costs and expenses related to activities for the launch of our European Real Estate Business. The six months ended June 30, 2015 also includes $0.2 million related to an allocation of general and administrative expenses, primarily salaries and other professional fees, had NorthStar Europe Predecessor been a stand alone company. Decrease of $2.6 million was primarily attributable to a lower allocation of certain costs and expenses due to higher costs to launch European Real Estate Business for the six months ended June 30, 2014.

Depreciation and Amortization

Depreciation and amortization expense increased $0.2 million primarily due to a preliminary purchase price allocation of the U.K. Complex acquired by NorthStar Realty in September 2014.

Other Income (Loss)

Unrealized Gain (Loss)

Unrealized gain (loss) was related to foreign currency remeasurement on assets and liabilities denominated in foreign currencies during the Prior Owner Period. Translation adjustments for the NorthStar Owner Period are recorded to OCI.

Income Tax Benefit (Expense)

The income tax benefit for the six months ended June 30, 2015 related to a deferred tax benefit for the NorthStar Owner Period related to the U.K. Complex.

Comparison of the Year Ended December 31, 2014 to December 31, 2013 (dollars in thousands) :

	NorthStar Owner Period	Prior Owner Period		Increase (Decrease)	
	Period from September 16, 2014 to December 31, 2014	Period from January 1, 2014 to September 15, 2014	Year Ended 2013	Amount	%
Revenues					
Rental and escalation income	$ 2,722	$ 7,162	$ 9,869	$ 15	0.15 %
Other revenues	39	1,290	1,129	200	17.71 %
Total revenues	2,761	8,452	10,998	215	1.95 %
Expenses					
Operating expenses	1,181	3,113	4,002	292	7.30 %
Transaction costs	4,198	—	—	4,198	— %
Interest expense	165	3,486	4,666	(1,015)	(21.75)%
General and administrative expenses	1,207	4,676	340	5,543	1,630.29 %
Depreciation and amortization	1,088	2,294	3,155	227	7.19 %
Total expenses	7,839	13,569	12,163	9,245	76.01 %
Other income (loss)					
Unrealized gain (loss)	(210)	2,110	2,798	(898)	(32.09)%
Net income (loss)	$ (5,288)	$ (3,007)	$ 1,633	$ (9,928)	(607.96)%

Revenues

Rental and Escalation Income

Rental and escalation income consists of rental revenue and tenant recoveries.

Other Revenue

Other revenue is principally related to the Prior Owner Period and was attributable to sundry income.

Expenses

Operating Expenses

Property operating expenses increased $0.3 million due to a slight increase in consumption related costs.

Transaction Costs

Transaction costs primarily represented expenses such as professional fees related to NorthStar Realty's acquisition of the U.K. Complex in September 2014.

Interest Expense

Interest expense decrease of $1.0 million was primarily attributable to new mortgage notes payable associated with NorthStar Realty's acquisition of the U.K. Complex in September 2014.

General and Administrative Expenses

General and administrative expenses are principally incurred at the corporate level. General and administrative expenses represents an allocation of certain costs and expenses related to activities for the launch of our European Real Estate Business. The NorthStar Owner Period also includes $0.1 million related to an allocation of management fees for NSAM services had NorthStar Europe Predecessor been a stand alone company.

Depreciation and Amortization

Depreciation and amortization expense increased $0.2 million primarily due to a preliminary purchase price allocation of the U.K. Complex acquired by NorthStar Realty in September 2014.

Other Income (Loss)

Unrealized Gain (Loss)

Unrealized gain (loss) was related to foreign currency remeasurement on assets and liabilities denominated in foreign currencies during the Prior Owner Period. Translation adjustments for the NorthStar Owner Period are recorded to OCI.

Liquidity and Capital Resources

We require capital to fund our investment activities and operating expenses. Our capital sources may include cash flow from operations, financings secured by our assets such as mortgage notes, borrowings under credit facilities, long- term senior and subordinate corporate capital such as revolving credit facilities, senior term loans, senior notes, senior exchangeable notes and perpetual preferred and common stock.

We seek to meet our long- term liquidity requirements, including the repayment of borrowings and our investment funding needs, through existing cash resources, issuance of debt or equity capital, return of capital from investments and the liquidation or refinancing of assets. Nonetheless, our ability to meet a long- term (beyond one year) liquidity requirement may be subject to obtaining additional debt and equity financing. Any decision by our lenders and investors to provide us with financing will depend upon a number of factors, such as our compliance with the terms of our existing credit arrangements, our financial performance, industry or market trends, the general availability of and rates applicable to financing transactions, such lenders' and investors' resources and policies concerning the terms under which they make capital commitments and the relative attractiveness of alternative investment or lending opportunities.

As a REIT, we will be required to distribute at least 90% of our annual REIT taxable income to our stockholders, including taxable income where we do not receive corresponding cash, and we intend to distribute all or substantially all of our REIT taxable income in order to comply with the REIT distribution requirements of the Code and to avoid federal income tax and the non- deductible excise tax. On a quarterly basis, our board of directors will determine an appropriate common stock distribution based upon numerous factors, including CAD, NOI, REIT qualification requirements, availability of existing cash balances, borrowing capacity under existing credit agreements, access to cash in the capital markets and other financing sources, our view of our ability to realize gains in the future through appreciation in the value of our assets, general economic conditions and economic conditions that more specifically impact our business or prospects. Future distribution levels are subject to adjustment based upon our evaluation of the factors described above, as well as other factors that our board of directors may, from time- to- time, deem relevant to consider when determining an appropriate common stock distribution .

We currently believe that our existing sources of funds should be adequate for purposes of meeting our short- term liquidity needs. We expect our initial capitalization plus contractual rental income expected in our first year of operations is sufficient to meet our expected capital expenditures, interest, property operating and general and administrative expenses and common dividends that may be declared by the Company. We may seek to raise additional capital in order to finance new acquisitions.

In July 2015, we issued $340 million principal amount of Senior Notes. We received aggregate net proceeds of $331 million, after deducting the underwriters' discount and other expenses. We may elect to settle all or part of the principal amount

of the Senior Notes in our Common Stock in lieu of cash. Refer to "Recent Developments" for further discussion of the Senior Notes.

Cash Flows

The following presents a summary of our combined statements of cash flows for the six months ended June 30, 2015 (NorthStar Owner Period) and 2014 (Prior Owner Period) and for the years ended December 31, 2014 and 2013 (dollars in thousands). The combined statement of cash flows for the period from September 16, 2014 through December 31, 2014 represent the NorthStar Owner Period and the combined statements of cash flows for the period from January 1, 2014 through September 15, 2014 and the year ended December 31, 2013 represent the Prior Owner Period.

	NorthStar Owner Period	Prior Owner Period	NorthStar Owner Period	Prior Owner Period	
	Six Months Ended June 30,		Period From September 16, 2014 to December 31,	Period From January 1, 2014 to September 15,	Year Ended December 31,
Cash flow provided by (used in):	**2015**	**2014**	**2014**	**2014**	**2013**
Operating activities	$ 1,265	$ 2,554	$ (6,728)	$ (2,681)	$ 7,245
Investing activities	(338)	(2,020)	(89,645)	(2,307)	(7,263)
Financing activities	746	(348)	100,608	(46)	(656)
Effect of foreign currency translation on cash	40	(10)	(2,683)	3,722	545
Net increase (decrease) in cash	$ 1,713	$ 176	$ 1,552	$ (1,312)	$ (129)

Six Months Ended June 30, 2015 Compared to June 30, 2014

Net cash provided by operating activities was $1.3 million for the six months ended June 30, 2015 compared to $2.6 million for the six months ended June 30, 2014. The net cash flow provided by operating activities for the six months ended June 30, 2015 was higher than the six months ended June 30, 2014 due to lower operating costs and lower costs and expenses from activities related to the launch of our European Real Estate Business in 2014.

Net cash used in investing activities was immaterial for the six months ended June 30, 2015. Net cash used in investing activities for the six months ended June 30, 2014 related to improvements of operating real estate.

Net cash provided by financing activities was $0.7 million for the six months ended June 30, 2015 due to the financing by NorthStar Realty for the acquisition of the U.K. Complex in September 2014. There was immaterial cash activity in financing activities for the six months ended June 30, 2014.

Year Ended December 31, 2014 Compared to December 31, 2013

Net cash used in operating activities was $9.4 million for the year ended December 31, 2014 compared to cash provided by operating activities of $7.2 million for the year ended December 31, 2013. The increase in net cash flow used in operating activities was primarily related to a decrease in net cash flow from operating activities, offset by costs and expenses from activities related to the launch of our European Real Estate Business in 2014.

Net cash used in investing activities was $92.0 million for the year ended December 31, 2014 compared to $7.3 million for the year ended December 31, 2013. The increase in net cash used in investing activities related to NorthStar Realty's acquisition of the U.K. Complex in September 2014.

Net cash provided by financing activities was $100.6 million for the year ended December 31, 2014 compared to net cash used in financing activities of $0.7 million for the year ended December 31, 2013. The net cash provided by financing activities in 2014 relates to the financing by NorthStar Realty for the acquisition of the U.K. Complex in September 2014.

Contractual Obligations and Commitments

The following table presents contractual obligations and commitments as of December 31, 2014 (dollars in thousands):

	Payments Due by Period				
	Total[1]	**Less than 1 year**	**1- 3 years**	**3- 5 years**	**More than 5 years**
NorthStar Europe Predecessor[2]					
Mortgage and other note payable	$ 77,660	$ —	$ —	$ 77,660	$ —
Estimated interest payments[3]	13,664	2,763	5,526	5,375	—
Subtotal	91,324	2,763	5,526	83,035	—
Pro Forma Contractual Obligations[4]					
Mortgage and other notes payable	1,439,869	—	—	—	1,439,869
Senior Notes	340,000	—	340,000	—	—
Estimated interest payments[3]	345,372	29,898	59,796	59,796	195,882
Subtotal	2,125,241	29,898	399,796	59,796	1,635,751
Total	$ 2,216,565	$ 32,661	$ 405,322	$ 142,831	$ 1,635,751

(1) Amounts denominated in foreign currencies are translated to the U.S. dollar using the currency exchange rate at the end of the period presented for the U.K. Complex and the exchange rate as of the respective acquisition or commitment date for our New European Investments included in the Pro Forma Contractual Obligations.

(2) Excludes immaterial amounts related to an operating ground lease.

(3) Applicable LIBOR benchmark plus the respective spread and foreign currency exchange rate as of June 30, 2015 was used to estimate payments for our floating- rate liabilities.

(4) Represents pro forma contractual obligations related to our New European Investments and the Senior Notes. Refer to "Unaudited Pro Forma Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations — Recent Developments" for further discussion of our pro forma borrowings.

The table above does not include the amounts payable to NSAM under the management agreement. The annualized fee payable to NSAM is approximately $14 million based on our Current European Portfolio. Refer to "Corporate Governance and Management—Our Manager—Management Agreement" of this prospectus for a discussion of the management agreement with NSAM, the terms of which are described therein. In addition, the table above does not include foreign currency forward contracts with a notional amount of $119.3 million and maturities ranging from August 2015 to May 2017.

Off- Balance Sheet Arrangements

We currently do not have any off- balance sheet arrangements.

Related Party Arrangements

For purposes of governing the ongoing relationships between NorthStar Realty and us after the Distribution and to provide for an orderly transition, prior to the Distribution, we and NorthStar Realty will enter into a separation agreement and a contribution agreement, each of which is or will be included as an exhibit to the registration statement of which this prospectus forms a part. These agreements will govern our relationship with NorthStar Realty subsequent to the Distribution and will also provide that all liabilities and obligations attributable to periods prior to the Distribution will remain with NorthStar Realty except for the liabilities for which NorthStar Realty agrees to contribute cash to the Company to enable the Company to pay such liabilities. For a description of the other agreements governing our ongoing relationship with NorthStar Realty, refer to "Certain Relationships and Related Party Transactions."

In connection with the Distribution, we will enter into a management agreement with NSAM pursuant to which NSAM will manage the Company for an initial term of 20 years. The management agreement provides for: (i) an annual base management fee equal to the sum of: (a) $14 million; and (b) an additional annual base management fee equal to 1.5% per annum of the sum of: (1) any equity we issue in exchange or conversion of exchangeable or stock- settleable notes; (2) any other issuances of common equity, preferred equity or other forms of equity, including but not limited to LTIP Units in our Operating Partnership (excluding units issued to us and equity- based compensation, but including issuances related to an acquisition, investment, joint venture or partnership); and (3) cumulative CAD, if any, in excess of cumulative distributions paid on common stock, LTIP Units or other equity awards beginning the first full calendar quarter after completion of the Distribution; and (ii) an incentive fee determined as described under "Corporate Governance and Management — Our Manager — Management Agreement" with each of the fees set forth in clauses (i) and (ii) being calculated and payable quarterly in arrears in cash. The current base management fee of $14 million is based on our Current European Portfolio.

Recent Developments

Trianon Tower

In July 2015, we acquired the Trianon Tower, a Class A office tower located in Frankfurt, Germany for an approximate €560 million ($621 million). The Trianon Tower is approximately 68,700 square meters, 98.5% occupied and has a weighted average lease term of approximately seven years , with 70% of the gross rents at the Trianon Tower coming from Dekabank Deutsche Girozentrale, which has an investment grade credit rating, and from Deutsche Bundesbank, the central bank of Germany. We financed the Trianon Tower with an approximate €330 million ($366 million) senior mortgage note.

Senior Notes

In July 2015, NRE, a current wholly- owned subsidiary of NorthStar Realty, issued $340 million principal amount of 4.625% Senior Notes due December 2016. We received aggregate net proceeds of $331 million, after deducting the underwriters' discount and other expenses. We loaned the net proceeds from the issuance of the Senior Notes to subsidiaries of NorthStar Realty, which used such amounts for general corporate purposes, including, among other things, the funding of acquisitions, including the Trianon Tower and the repayment of NorthStar Realty's borrowings. The terms of the loan are materially the same as those of the Senior Notes and are deemed to be repaid upon NorthStar Realty's contribution to us of our European Real Estate Business. We expect to enter into an agreement with NorthStar Realty at the time of the Distribution providing that we will reimburse NorthStar Realty if any principal or interest payments on the Senior Notes are made by NorthStar Realty after the Distribution. The sale of the Senior Notes to the underwriters was effected in reliance upon an exemption from registration provided by Section 4(a)(2) of the Securities Act because the issuance of such securities did not involve a public offering as contemplated by Section 4(a)(2) under the Securities Act. In addition, the underwriters agreed not to offer or sell the Senior Notes in any manner involving a public offering within the meaning of Section 4(a)(2) under the Securities Act. The Senior Notes are senior unsubordinated and unsecured obligations of NorthStar Europe and NorthStar Realty and NorthStar Realty OP will guarantee payments on the Senior Notes. Subject to specified conditions being met, including completion of the Distribution, the listing of our Common Stock and public notice at least 60 days prior to maturity, NorthStar Europe may elect to settle all or part of the principal amount of the Senior Notes in our Common Stock in lieu of cash, in which case the number of shares delivered per note will be based on our Common Stock prices during a measurement period immediately preceding the maturity date.

Non- GAAP Financial Measures

Management will use CAD and NOI, each a non- GAAP measure, to evaluate our profitability and our board of directors will consider CAD and NOI in determining our quarterly cash distributions.

We believe that CAD is useful because it adjusts net income (loss) for a variety of non- cash items. We calculate CAD by subtracting from or adding to net income (loss) attributable to common stockholders, non- controlling interests, if any, and the following items: depreciation and amortization items, including depreciation and amortization (excluding amortization of second generation tenant improvements and leasing commissions), straight- line rental income or expense (excluding amortization of rent free periods), amortization of above/below market leases, amortization of deferred financing costs, amortization of discount on financing and amortization of equity- based compensation; maintenance capital expenditures; unrealized gain (loss) from the change in fair value; realized gain (loss) on investments and other; impairment on depreciable property; bad debt expense; deferred tax benefit (expense); acquisition gains or losses (excluding accelerated amortization related to the sale of investments); provision for loan losses, net; distributions and adjustments related to joint venture partners; transaction costs; foreign currency gains (losses); impairment on goodwill and other intangible assets; gains (losses) on sales; and one- time events pursuant to changes in U.S. GAAP and certain other non- recurring items. These items, if applicable, include any adjustments for unconsolidated ventures. The definition of CAD may be adjusted from time to time for our reporting purposes in our discretion, acting through our audit committee or otherwise.

We believe NOI is a useful metric of the operating performance of our real estate portfolio in the aggregate. NOI is equal to total property revenue less property operating expenses which includes real estate taxes and third- party property management fees. However, the usefulness of NOI is limited because it excludes general and administrative costs, interest expense, transaction costs, depreciation and amortization expense, realized gains (losses) from the sale of properties and other items under U.S. GAAP and capital expenditures and leasing costs necessary to maintain the operating performance of properties, all of which may be significant economic costs. NOI may fail to capture significant trends in these components of U.S. GAAP net income (loss) which further limits its usefulness.

CAD and NOI should not be considered as an alternative to net income (loss), determined in accordance with U.S. GAAP, as indicators of operating performance. In addition, our methodology for calculating CAD and NOI may differ from the methodologies used by other comparable companies, including other REITs, when calculating the same or similar supplemental financial measures and may not be comparable with these companies. For example, our calculation of CAD per share will not

take into account any potential dilution from any Senior Notes or restricted stock units subject to performance metrics not yet achieved.

Quantitative and Qualitative Disclosures about Market Risk

We are primarily subject to interest rate risk, foreign currency exchange rate risk and credit risk. These risks are dependent on various factors beyond our control, including monetary and fiscal policies, domestic and international economic conditions and political considerations. Our market risk sensitive assets, liabilities and related derivative positions will be held for investment and not for trading purposes.

Interest Rate Risk

Changes in interest rates affect our net income, which is the difference between the income earned on our investments and the interest expense incurred in connection with our borrowings and derivatives. Our operating results depend in large part on differences between the income from our investments less our operating costs, reduced by any credit losses and financing costs. Income from our investments may respond more slowly to interest rate fluctuations than the cost of our borrowings. Consequently, changes in interest rates, particularly short- term interest rates, may influence our net income. Increases in these rates may decrease our net income. Interest rate fluctuations resulting in our interest expense exceeding the income from our investments could result in losses for us and may limit our ability to make distributions to stockholders. In addition, if we need to repay existing borrowings during periods of rising interest rates, we could be required to liquidate one or more of our investments at times that may not permit realization of the maximum return on those investments, which would adversely affect our profitability.

For longer duration, relatively stable investment real estate cash flows such as those derived from net lease assets, we may use fixed rate financing. For real estate cash flows with greater growth potential, we may use floating rate financing, which provides prepayment flexibility and may provide a better match between underlying cash flow projections and potential increases in interest rates. We may vary the mix of fixed and floating rate debt and use a combination of the two when we deem it appropriate. Based on our Current European Portfolio a hypothetical 1%, 2% and 3% increase in the applicable index (EURIBOR and GBP LIBOR) applied to our floating- rate liabilities and related derivatives would result in an increase in net interest expense of approximately $10.1 million, $14.3 million and $14.5 million, respectively, annually. However, this does not reflect the potential increase in rental cash flow associated with economic growth that may be typical in a rising interest rate environment.

A change in interest rates affects the value of our real estate investments. For example, increasing interest rates could result in a higher required yield on investments, which could decrease the value on existing fixed- rate investments in order to adjust their yields to current market levels. In addition, the value of our real estate properties may be influenced by changes in interest rates and credit spreads (as discussed below) because value is typically derived by discounting expected future cash flow generated by the property using interest rates plus a risk premium based on the property type and creditworthiness of the tenants. A lower risk- free rate generally results in a lower discount rate and, therefore, a higher valuation, and vice versa; however, an increase in the risk- free rate would not impact our net income.

We use derivative instruments to manage interest rate exposure. These derivatives are typically in the form of interest rate swap agreements or interest rate cap agreements and the primary objective is to minimize interest rate risks associated with our investments and financing activities. The counterparties to these arrangements are major financial institutions with which we may also have other financial relationships.

As of June 30, 2015, none of our interest rate derivative instruments qualify for hedge accounting treatment. In addition, we may in the future be subject to additional expense based on the notional amount of the derivative and a specified spread over the applicable LIBOR. Because the fair value of these instruments can vary significantly between periods, we may experience significant fluctuations in the amount of our unrealized gain (loss) in any given period.

Foreign Currency Exchange Rate Risk

We are subject to risks related to change in foreign currency exchange rates as a result of our ownership of properties throughout Europe, predominantly the U.S. dollar/Euro exchange rate and U.S. dollar/U.K. Pounds Sterling exchange rate. All of the rent payments under our leases are denominated in Euro or U.K. Pounds Sterling and we expect that substantially all of our future leases will be denominated in the local currency of the nation in which the underlying property is located. A significant portion of our operating expenses and borrowings are also transacted in local currency. We report our results of operations and consolidated financial information in U.S. dollars. As a result, our results of operations as reported in U.S. dollars is impacted by fluctuations in the value of the local currencies in which we conduct our business.

In an effort to mitigate the risk of fluctuations in foreign currency exchange rates, we, our Operating Partnership and its subsidiaries, actively manage our revenues and expenses so that we incur a significant portion of our expenses, including our

operating costs and borrowings, in the same local currencies in which we receive our revenues. In addition, subject to satisfying the requirements for qualification as a REIT, we engage in various hedging strategies, which may include currency futures, swaps, forwards and options. We expect that these strategies and instruments may allow us to reduce, but not eliminate, the risk of fluctuations in foreign currency exchange rates. The counterparties to these arrangements are major financial institutions with which we may also have other financial relationships.

Based on our Current European Portfolio, a hypothetical 10% increase in applicable exchange rate to the U.S dollar applied to our assets and liabilities and related derivatives would result in an increase of net equity of approximately $107.7 million. Such amount would be recorded in OCI. In addition, we enter into derivative instruments to manage foreign currency exposure of our operating income. Based on our Current European Portfolio, a hypothetical 10% increase in in applicable exchange rate to the U.S dollar applied to projected CAD would increase net income by $1.7 million.

Credit Spread Risk

We expect the value of our fixed and floating- rate investments to change with market credit spreads. This means that when market- demanded risk premium, or credit spread, increases, the value of our fixed- and floating- rate assets will decrease and vice versa. Fixed- rate assets are valued based on a market credit spread over the rate payable on the applicable fixed rate instrument of like maturity. This means that their value is dependent on the yield demanded on such assets by the market, based on their credit relative to certain instruments. Demand for a higher yield on investments results in higher or “wider” spread over the benchmark rate to value these assets. Under these conditions, the value of our portfolio should decrease. Conversely, if the spread used to value these assets were to decrease or “tighten,” the value of these assets should increase.

Credit Risk

We are subject to the credit risk of the tenant of our properties. We seek to undertake a rigorous credit evaluation of each tenant prior to acquiring properties. This analysis includes an extensive due diligence investigation of the tenant’s business as well as an assessment of the strategic importance of the underlying real estate to the tenant’s core business operations. Where appropriate, we may seek to augment the tenant’s commitment to the facility by structuring various credit enhancement mechanisms into the underlying leases. These mechanisms could include security deposit requirements or guarantees from entities we deem creditworthy. Additionally, we perform ongoing monitoring of creditworthiness of our tenants which is a key component of our portfolio management process. Such monitoring may include, to the extent available, a review of financial statements and operating statistics, delinquencies, third party ratings and market data.

CORPORATE GOVERNANCE AND MANAGEMENT

General

We expect to list our Common Stock on the NYSE under the symbol "NRE." As a result, we expect that we will be subject to NYSE corporate governance listing standards.

Corporate Governance Guidelines

Our board of directors adopted our Corporate Governance Guidelines to assist in the exercise of its responsibilities. These guidelines set forth our practices and policies with respect to among other things, board composition, board member qualifications, responsibilities and education, management succession and self- evaluation. The full text of our Corporate Governance Guidelines will be available on our website at www.nrecorp.com on or prior to the date of Distribution. A copy will also be able to be obtained by writing to NorthStar Realty Europe Corp., Attn: General Counsel, 399 Park Avenue, 18th Floor, New York, New York 10022.

Board Leadership Structure; Meetings of Independent Directors

Our board of directors believes it is important to select its chairman and our chief executive officer in the manner it considers in our best interests at any given point in time. The members of our board of directors possess considerable business experience and in- depth knowledge of the issues we face and are therefore in the best position to evaluate our needs and how best to organize our leadership structure to meet those needs. Accordingly, the chairman and chief executive officer positions may be filled by one individual or by two different individuals.

To promote the independence of our board of directors and appropriate supervision of management, our Lead Non- Management Director has been selected to facilitate free and open discussion and communication among the independent directors of our board of directors and management. On or prior to the date of the Distribution, Ms. Judith A. Hannaway will serve as our Lead Non- Management Director. The Lead Non- Management Director will preside at all executive sessions at which only non- management directors are present. These meetings will be held in conjunction with the regularly scheduled quarterly meetings of our board of directors, but may be called at any time by our Lead Non- Management Director or any of our other independent directors. Our Lead Non- Management Director will set the agenda for these meetings held in executive session and will discuss issues that arise during those meetings with our chairman. Our Lead Non- Management Director will have discussions with our chairman and secretary regarding board of directors meeting agendas and may request inclusion of additional agenda items for meetings of our board of directors. It is expected that the individual who serves as the Lead Non- Management Director will rotate every two years.

Communicating with Our Directors

Our board of directors adopted a process to receive communications from interested parties, including stockholders. Interested parties may contact the Lead Non- Management Director, any member or all members of our board of directors by mail. To communicate with our board of directors, any individual director, any group of directors or committee, correspondence should be addressed to our board of directors or any such individual director, group of directors or committee by either name or title. All such correspondence should be sent to NorthStar Realty Europe Corp., Attn: General Counsel, 399 Park Avenue, 18th Floor, New York, New York 10022.

All communications received as set forth in the preceding paragraph will be opened by the office of our General Counsel for the sole purpose of determining whether the contents represent a message to our directors. Any contents that are not in the nature of advertising, promotions of a product or service or patently offensive material will be forwarded promptly to the addressee. In the case of communications to our board of directors or any group of directors or committee, the office of the General Counsel will make sufficient copies of the contents to send to each director who is a member of the group or committee to which the envelope is addressed.

Code of Business Conduct and Ethics

We adopted a code of business conduct and ethics relating to the conduct of our business by our directors and officers. We intend to maintain high standards of ethical business practices and compliance with all laws and regulations applicable to our business, in Europe and elsewhere. Specifically, among other things, our code of business conduct and ethics prohibits employees from providing gifts, meals or anything of value to government officials or employees or members of their families without prior written approval from our general counsel. The code will be available on our website at www.nrecorp.com on or prior to the date of the Distribution and will also be available without charge to stockholders upon written request to NorthStar Realty Europe Corp., Attn: General Counsel, 399 Park Avenue, 18th Floor, New York, New York 10022.

Our Directors

Our sole director is currently David T. Hamamoto. The following individuals are expected to be appointed by our sole director prior to the Distribution to serve as our directors commencing on or prior to the Distribution date:

Name	Age	Position
David T. Hamamoto	55	Chairman
Albert Tylis	41	Director Nominee
Mario Chisholm	32	Independent Director Nominee
Judith A. Hannaway	63	Independent Director Nominee
Oscar Junquera	61	Independent Director Nominee
Wesley D. Minami	58	Independent Director Nominee
Charles W. Schoenherr	55	Independent Director Nominee

Set forth below is biographical information regarding our director and director nominees.

David T. Hamamoto. Mr. Hamamoto has served as our sole director since June 2015, has served as Executive Chairman of NSAM since August 2015 and served as Chief Executive Officer of NSAM from January 2014 to August 2015. Mr. Hamamoto has been Chairman of NorthStar Realty since October 2007 and has served as one of its directors since October 2003. Mr. Hamamoto served as Chief Executive Officer of NorthStar Realty from October 2004 to August 2015 and was its President from October 2004 to April 2011. Mr. Hamamoto also served as Chairman of NorthStar Real Estate Income Trust, Inc., or NorthStar Income, from February 2009 until August 2015, and served as its Chief Executive Officer from February 2009 until January 2013. Mr. Hamamoto also served as Chairman of NorthStar Healthcare Income, Inc., or NorthStar Healthcare, from January 2013 until January 2014. Mr. Hamamoto also served as Chairman of NorthStar Real Estate Income II, Inc., or NorthStar Income II, from December 2012 until August 2015. Mr. Hamamoto further served as Co- Chairman of NorthStar/RXR New York Metro Income, Inc., or NorthStar/RXR New York Metro, from March 2014 until August 2015. Additionally, Mr. Hamamoto serves as a member of the advisory committee of RXR Realty LLC, or RXR Realty, a leading real estate operating and investment management company focused on high- quality real estate investments in the New York Tri- State area and the co- sponsor of NorthStar/RXR New York Metro, a position he has held since December 2013. Mr. Hamamoto also serves as a member of the executive committee of Island Hospitality Management Inc., a position he has held since January 2015. Mr. Hamamoto served as Executive Chairman from March 2011 until November 2012, and as Chairman, from February 2006 until March 2011, of the board of directors of Morgans Hotel Group Co. (NASDAQ: MHGC). In July 1997, Mr. Hamamoto co- founded NorthStar Capital Investment Corp., the predecessor to NorthStar Realty, for which he served as Co- Chief Executive Officer until October 2004. From 1983 to 1997, Mr. Hamamoto worked for Goldman, Sachs & Co. where he was co- head of the Real Estate Principal Investment Area and general partner of the firm between 1994 and 1997. During Mr. Hamamoto's tenure at Goldman, Sachs & Co., he initiated the firm's effort to build a real estate principal investment business under the auspices of the Whitehall Funds. Mr. Hamamoto holds a Bachelor of Science from Stanford University in Palo Alto, California and a Master of Business Administration from the Wharton School of Business at the University of Pennsylvania in Philadelphia, Pennsylvania.

Consideration for Recommendation: As a founder and Executive Chairman of NSAM, founder and Chairman of NorthStar Realty and as our founder, Mr. Hamamoto offers our board an intuitive perspective of our business and operations as a whole. Mr. Hamamoto also has significant experience in all aspects of the commercial real estate markets, which he gained initially as co- head of the Real Estate Principal Investment Area at Goldman, Sachs & Co. Mr. Hamamoto is able to draw on his extensive knowledge to develop and articulate sustainable initiatives, operational risk management and strategic planning, which qualifies him to serve as our director.

Albert Tylis. Mr. Tylis, a director nominee, has been the Chief Executive Officer and President of NSAM since August 2015 and January 2014, respectively. Mr. Tylis has also served as a member of the board of directors of NSAM since August 2015. In addition, since August 2015, Mr. Tylis has served as a member of the board of directors of NorthStar Realty. Previously, Mr. Tylis served as an officer of NorthStar Realty in the following capacities: President from January 2013 until August 2015, Co- President from April 2011 until January 2013, Chief Operating Officer from January 2010 until January 2013, Secretary from April 2006 until January 2013, and Executive Vice President and General Counsel from April 2006 until April 2011. Mr. Tylis has served as a member of the advisory committee of RXR Realty LLC since December 2013. Mr. Tylis also served as Chief Operating Officer of NorthStar Income from October 2010 until January 2013 and as General Counsel and Secretary of NorthStar Income from October 2010 until April 2011. He has further served as Chairman of the board of directors of NorthStar Healthcare from April 2011 until January 2013 and as General Counsel and Secretary of NorthStar Healthcare from October 2010 until April 2011. Prior to joining NorthStar Realty in August 2005, Mr. Tylis was the Director of Corporate Finance and General Counsel of ASA Institute and, from September 1999 through February 2005, Mr. Tylis was a senior attorney at the law firm of Bryan Cave LLP, where he was a member of the Corporate Finance and Securities Group, the Transactions Group, the Banking, Business and Public Finance Group and supported the firm's Real Estate Group. Additionally, Mr. Tylis has served as a member of the advisory committee

of RXR Realty since December 2013. Mr. Tylis holds a Bachelor of Science from the University of Massachusetts at Amherst and a Juris Doctor from Suffolk University Law School.

Consideration for Recommendation : As the Chief Executive Officer and President of NSAM and a director of NorthStar Realty, Mr. Tylis's senior executive experience and deep knowledge of our operations and business strengthen our board of directors' collective qualifications, skills and experience, which qualifies him to serve as our director.

Mario Chisholm. Mr. Chisholm, an independent director nominee, is the Founding Principal of SVS Real Estate, or SVS RE, which he founded in July 2014. SVS RE is a London based company specializing in real estate and hospitality assets and acts as an investor, advisor, asset manager and/or operating partner in real estate related transactions across the world. In addition, in August 2014, Mr. Chisholm co- founded UNIQ Residential, a real estate development company focused on residential and hospitality developments in Spain, and continues to serve as a board member. Prior to SVS RE's founding, Mr. Chisholm served as a real estate investor at Och- Ziff Capital Management from July 2011 to June 2014, during which time he negotiated and completed various pan- European real estate transactions across a wide array of asset classes, multiple geographies and across the capital structure. From March 2009 to June 2011, Mr. Chisholm served as a real estate professional at Benson Elliot Services Ltd, where he managed various real estate development projects in the Iberian Region and in Hungary. Mr. Chisholm also served as a real estate finance banker at Goldman Sachs International from September 2007 to March 2009. Before joining Goldman Sachs International, Mr. Chisholm served as a real estate finance/securitization analyst at Citigroup Global Markets Ltd, or Citigroup, from July 2006 to September 2007. Prior to working at Citigroup, between September 2005 and January 2006, Mr. Chisholm carried out a real estate related study for the European Central Bank monetary policy division in Frankfurt, Germany. Mr. Chisholm also holds a position as a board member and investor representative of EnergyDeck, a technology startup headquartered in London and focused on providing a web- based platform to drive effective tracking and management of building performance. Mr. Chisholm has a Bachelor of Economic Science, with Honours, and a Masters of Science in Economics and Econometrics with Merit, each received from the University of Manchester.

Consideration for Recommendation : Mr. Chisholm has acquired a deep knowledge of the international investment market through his substantial experience in pan- European real estate development and finance transactions across a wide array of asset classes, multiple geographies and across the capital structure. Mr. Chisholm's significant international real estate experience and strong finance and banking background qualify him to serve as our director.

Judith A. Hannaway. Ms. Hannaway, an independent director nominee, also serves as a director of NorthStar Realty, a position she has held since September 2004, and as a director of NSAM, a position she has held since June 2014. Currently and during the past five years, Ms. Hannaway has acted as a consultant to various financial institutions. Prior to acting as a consultant, Ms. Hannaway was previously employed by Scudder Investments, a wholly- owned subsidiary of Deutsche Bank Asset Management, as a Managing Director. Ms. Hannaway joined Scudder Investments in 1994 and was responsible for Special Product Development including closed- end funds, off shore funds and REIT funds. Prior to joining Scudder Investments, Ms. Hannaway was employed by Kidder Peabody as a Senior Vice President in Alternative Investment Product Development. She joined Kidder Peabody in 1980 as a Real- Estate Product Manager. Ms. Hannaway holds a Bachelor of Arts from Newton College of the Sacred Heart and a Master of Business Administration from Simmons College Graduate Program in Management.

Consideration for Recommendation: Ms. Hannaway has had significant experience at major financial institutions and has broad ranging financial services expertise and experience in the areas of financial reporting, risk management and alternative investment products. Ms. Hannaway's financial- related experience qualifies her to serve as our director.

Oscar Junquera. Mr. Junquera, an independent director nominee, also serves as a director of NSAM, a position he has held since June 2014. Additionally, Mr. Junquera is on the board of directors of HF2 Financial Management Inc. and Toroso Investments LLC. Mr. Junquera is the founder of PanMar Capital llc., a private equity firm specializing in the financial services industry and has been a Managing Partner since its formation in January 2008. Mr. Junquera worked on matters related to the formation of PanMar Capital llc. from July 2007 until December 2008. From 1980 until June 2007, Mr. Junquera was at PaineWebber, which was sold to UBS AG in 2000. He began at PaineWebber in the Investment Banking Division and was appointed Managing Director in 1988, Group Head- Financial Institutions in 1990 and a member of the Investment Banking Executive Committee in 1995. Following the sale of PaineWebber to UBS in 2000, Mr. Junquera was appointed Global Head of Asset Management Investment Banking at UBS and was responsible for establishing and building the bank's franchise with mutual fund, institutional, high net worth and alternative asset management firms, as well as banks, insurance and financial services companies active in asset management. Mr. Junquera has served on the Board of Trustees of the Long Island Chapter of the Nature Conservancy and is a supporter of various other charitable organizations. He holds a Bachelor of Science from the University of Pennsylvania's Wharton School and a Master of Business Administration from Harvard Business School.

Consideration for Recommendation: Mr. Junquera has over 25 years of investment banking experience, most recently as a Managing Director in the Global Financial Institutions Group at UBS Investment Bank and Global Head of Asset Management Investment Banking. Mr. Junquera's experience covers a unique cross- section of strategic advisory and capital markets activities,

including the structuring and distribution of investment funds and permanent capital vehicles, which qualifies him to serve as our director.

Wesley D. Minami. Mr. Minami, an independent director nominee, also serves as a director of NSAM, a position he has held since June 2014, and as a director of NorthStar Realty, a position he has held since September 2004. Mr. Minami serves as Principal of Bill Casper Golf LLC, a position he has held since March 2012, and served as President of Billy Casper Golf LLC from 2003 until March 2012. From 2001 to 2002, he served as President of Charles E. Smith Residential Realty, Inc., a REIT that was listed on the NYSE. In this capacity, Mr. Minami was responsible for the development, construction, acquisition and property management of over 22,000 high- rise apartments in five major U.S. markets. He resigned from this position after completing the transition and integration of Charles E. Smith Residential Realty, Inc. from an independent public company to a division of Archstone- Smith Trust, an apartment company that was listed on the NYSE. From 1997 to 2001, Mr. Minami worked as Chief Financial Officer and then Chief Operating Officer of Charles E. Smith Residential Realty, Inc. Prior to 1997, Mr. Minami served in various financial service capacities for numerous entities, including Ascent Entertainment Group, Comsat Corporation, Oxford Realty Services Corporation and Satellite Business Systems. Mr. Minami holds a Bachelor of Arts in Economics, with honors, from Grinnell College and a Master of Business Administration in Finance from the University of Chicago.

Consideration for Recommendation: Mr. Minami, who has served as president of a publicly- traded REIT, chief financial officer and chief operating officer of a real estate company and in various financial service capacities, brings corporate finance, operations, public company and executive leadership expertise to our Board. Mr. Minami's diverse experience, real estate background and understanding of financial statements qualify him to serve as our director.

Charles W. Schoenherr. Mr. Schoenherr, an independent director nominee, also serves as a director of NorthStar Realty, a position he has held since June 2014. Mr. Schoenherr serves as Managing Director of Waypoint Residential, LLC which invests in multifamily properties in the Sunbelt. He has served in this capacity since January 2011 and is responsible for sourcing acquisition opportunities and raising capital. Mr. Schoenherr is also an independent director and a member of the audit committee of each of NorthStar Income and NorthStar Income II, positions he has held since January 2010 and December 2012, respectively. From June 2009 until January 2011, Mr. Schoenherr served as President of Scout Real Estate Capital, LLC, a full service real estate firm that focuses on acquiring, developing and operating hospitality assets, where he was responsible for managing the company's properties and originating new acquisition and asset management opportunities. Prior to joining Scout Real Estate Capital, LLC, Mr. Schoenherr was the managing partner of Elevation Capital, LLC, where he advised real estate clients on debt and equity restructuring and performed due diligence and valuation analysis on new acquisitions between November 2008 and June 2009. Between September 1997 and October 2008, Mr. Schoenherr served as Senior Vice President and Managing Director of Lehman Brothers' Global Real Estate Group, where he was responsible for originating debt, mezzanine and equity transactions on all major property types throughout the United States. During his career he has also held senior management positions with GE Capital Corporation, GE Investments, Inc. and KPMG LLP, where he also practiced as a certified public accountant. Mr. Schoenherr currently serves on the Board of Trustees of Iona College and is on its Real Estate and Investment Committees. Mr. Schoenherr holds a Bachelor of Business Administration in Accounting from Iona College and a Master of Business Administration in Finance from the University of Connecticut.

Consideration for Recommendation: Mr. Schoenherr's knowledge of the real estate investment and finance industries, including extensive experience originating debt, mezzanine and equity transactions, qualify him to serve as our director.

Director Compensation

Each director who is not an employee of ours or NSAM (i.e., following the Distribution, each director other than Messrs. Hamamoto and Tylis), whom we refer to collectively as non- management directors, will receive an annual fee for his or her services of $75,000 and an annual equity award of $75,000. We will grant an equity award to each non- management director upon completion of the Distribution in the amount of $200,000, subject to annual vesting over a three- year period. We will also automatically grant an equity award to any person who becomes a non- management director in the amount of $75,000 on the first business day following each annual meeting of stockholders. Non- management directors will also receive the following compensation for service as members of committees of our board of directors: (i) the chairperson of the Audit Committee receives an annual fee of $25,000; (ii) the chairpersons of the Compensation Committee and the Nominating and Corporate Governance Committee receive an annual fee of $15,000; (iii) members of the Audit Committee (other than the chairperson) receive an annual fee of $15,000; and (iv) members of the Compensation Committee and Nominating and Corporate Governance Committee (other than the chairpersons) receive an annual fee of $7,500. The Lead Non- Management Director of our board of directors will receive an additional annual fee of $40,000. The Company generally does not pay meeting fees to the directors; however, each non- management director will receive $1,000 per meeting for each board meeting that exceeds ten meetings per year and, as applicable, $1,000 per meeting for each committee meeting that exceeds six meetings per year. We will also reimburse each of our directors for his or her reasonable out- of- pocket expenses incurred in connection with his or her service on the board of directors. We have not made any payments to any of our non- management directors or director nominees to date.

Board Committees

Our board of directors will appoint an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee and each of these standing committees will adopt a written charter. Each of these committees will be composed exclusively of independent directors, as defined by the listing standards of the stock exchange on which our Common Stock will be listed, which we expect to be the NYSE. Moreover, the Compensation Committee will be composed exclusively of individuals referred to as "non- employee directors" in Rule 16b- 3 of the Exchange Act and as "outside directors" in Section 162(m) of the Code.

Audit Committee

At the time of the Distribution, our Audit Committee will consist of at least three members, each of whom will be independent and financially literate under the rules of the stock exchange on which our Common Stock will be listed, which we expect to be the NYSE, and at least one of whom will be an "audit committee financial expert," as that term is defined by the SEC. The initial members of our Audit Committee will be Messrs. Charles W. Schoenherr (Chairman), Mario Chisholm and Oscar Junquera. The Audit Committee will be responsible for, among other things, engaging an independent registered public accounting firm, reviewing with the independent registered public accounting firm the plans and results of the audit engagement, approving professional services provided by the independent registered public accounting firm, reviewing the independence of the independent registered public accounting firm, considering the range of audit and non- audit fees and assisting our board of directors in its oversight of our internal controls over financial reporting. For more information, refer to "Certain Relationships and Related Party Transactions — Policy for Review of Related Party Transactions."

On or prior to the date of Distribution, a copy of the Audit Committee charter will be available on our website at www.nrecorp.com under the heading "Investor Relations — Corporate Governance" and will also be available without charge to stockholders upon written request to NorthStar Realty Europe Corp., Attn: General Counsel's office, 399 Park Avenue, 18th Floor, New York, New York 10022.

Compensation Committee

At the time of the Distribution, our Compensation Committee will consist of members that are independent under the rules of the stock exchange on which our Common Stock will be listed, which we expect to be the NYSE. The initial members of our Compensation Committee will be Messrs. Charles W. Schoenherr (Chairman) and Oscar Junquera and Ms. Judith A. Hannaway. The Compensation Committee will be responsible for, among other things, determining compensation for our executive officers, administering and monitoring our equity compensation plans, evaluating the performance of our executive officers and producing an annual report on executive compensation for inclusion in the proxy statement for our annual meeting of stockholders. The Compensation Committee may delegate some or all of its duties to a subcommittee comprising one or more members of the Compensation Committee.

On or prior to the date of the Distribution, a copy of the Compensation Committee charter will be available on our website at www.nrecorp.com under the heading "Investor Relations — Corporate Governance" and will also be available without charge to stockholders upon written request to NorthStar Realty Europe Corp., Attn: General Counsel's office, 399 Park Avenue, 18th Floor, New York, New York 10022.

Nominating and Corporate Governance Committee

At the time of the Distribution, our Nominating and Corporate Governance Committee will be independent under the rules of the stock exchange on which our Common Stock will be listed, which we expect to be the NYSE. The initial members of our Nominating and Corporate Governance Committee will be Messrs. Wesley D. Minami (Chairman) and Mario Chisholm and Ms. Judith A. Hannaway. The Nominating and Corporate Governance Committee will be responsible for, among other things, seeking, considering and recommending to our board of directors qualified candidates for election as directors and recommending a slate of nominees for election as directors at the annual meeting. It will also periodically prepare and submit to our board of directors for adoption the Nominating and Corporate Governance Committee's selection criteria for director nominees. It will review and make recommendations on matters involving the general operation of our board of directors, including director compensation plans and practices and our corporate governance and annually recommend to our board of directors nominees for each committee of our board of directors. In addition, the Nominating and Corporate Governance Committee will annually facilitate the assessment of our board of directors' performance as a whole and of the individual directors and report thereon to our board of directors.

On or prior to the date of the Distribution, a copy of the Nominating and Corporate Governance Committee charter will be available on our website at www.nrecorp.com under the heading "Investor Relations — Corporate Governance" and will also be available without charge to stockholders upon written request to NorthStar Realty Europe Corp., Attn: General Counsel, 399 Park Avenue, 18th Floor, New York, New York 10022.

2016 Annual Meeting of Stockholders

Our annual meeting of stockholders will be held on January 8, 2016 at 10:00 a.m., New York City time. The record date for record holders entitled to vote at our 2016 annual meeting is October 15, 2015. Therefore, NorthStar Realty will be the only stockholder entitled to vote at our annual meeting, including in the election of directors and in any other matters that come before the 2016 annual meeting of stockholders.

We expect to hold our 2017 annual meeting of stockholders in April or May 2017. Stockholders of record on a record date to be established, which we expect will be in March or April 2017, will be entitled to vote, including in the election of directors, at our 2017 annual meeting of stockholders.

At our 2017 annual meeting, proposals received from stockholders in accordance with Rule 14a- 8 under the Exchange Act will be eligible for consideration for inclusion in the proxy statement for the 2017 annual meeting of stockholders if they are received by us on or before September 10, 2016. Stockholder proposals must be directed to the General Counsel, NorthStar Realty Europe Corp., at 399 Park Avenue, 18th Floor, New York, New York 10022. In order for a stockholder proposal submitted outside of Rule 14a- 8 or a director nomination to be considered "timely," such proposal must be received by us within the timeframe for submission of stockholder proposals and director nominations under our current bylaws. In order for a proposal to be "timely" under our current bylaws, proposals of stockholders made outside of Rule 14a- 8 under the Exchange Act and director nominations must be submitted, in accordance with the requirements of our current bylaws, not later than 5:00 p.m., Eastern Time, on September 10, 2016 and not earlier than August 11, 2016. However, given that 2017 annual meeting of stockholders is expected to occur more than 30 days after January 8, 2017, a proposal by a stockholder to be timely must be delivered not earlier than the 150th day prior to the date of such annual meeting and not later than 5:00 p.m., Eastern Time, on the later of: (1) the 120th day prior to the date of such annual meeting, as originally convened; or (2) the tenth day following the date on which public announcement of the date of such meeting is first made.

Our Executive Officers

Set forth below is information regarding the individuals who serve as our executive officers.

Name	Age	Position
Mahbod Nia	39	Chief Executive Officer
Debra A. Hess	51	Interim Chief Financial Officer[1]
Trevor K. Ross	37	General Counsel and Secretary

(1) We have chosen Scott A. Berry, age 36, to be named our Chief Financial Officer upon the commencement of his employment with NSAM, which is expected to occur in November 2015. At that time, Ms. Hess will no longer serve as our interim Chief Financial Officer. Mr. Berry currently serves as the co- chief financial officer of Eurocastle Investment Limited, a publicly traded closed- ended investment firm that is managed by Fortress Investment Group, which he joined in September 2011. Mr. Berry also serves on the audit committee, management boards and transaction approval panel of Eurocastle Investment Limited. Prior to his employment with Eurocastle Investment Limited, he served as the financial controller for CBS Outdoor Limited from November 2007 until September 2011 and served on its operating board and deal board. Mr. Berry held management positions in finance at Airwave Solutions Limited from August 2006 to November 2007 and Ford Motor Car Company Limited from March 2006 to August 2006. Mr. Berry qualified as a chartered accountant with Deloitte Touche Tohmatsu Limited (Deloitte) in 2003 and is registered with the South African Institute of Chartered Accountants. He holds a Bachelor of Commerce and a Bachelor of Accounting from the University of the Witwatersrand, South Africa.

Set forth below is biographical information regarding each of our current executive officers.

Mahbod Nia. Mr. Nia has served as our Chief Executive Officer and President since June 2015. Mr. Nia also serves as Managing Director and Head of European Investments at NSAM, a position he has held since July 2014. Prior to joining NSAM, Mr. Nia worked for PanCap Investment Partners, a European real estate investment and advisory firm with clients including the Goldman Sachs Whitehall funds/Archon, Tishman Speyer and Münchener Hypothekenbank. From 2007 to 2009, Mr. Nia was a Senior Executive Director in the Real Estate Banking Group at Goldman Sachs. Prior to 2007, Mr. Nia served in various positions at Citigroup Inc. (formerly Salomon Brothers, where Mr. Nia began his career). Mr. Nia holds a Masters in Economics and Finance from the University of Warwick and a First Class Honors degree in Economics for Business.

Debra A. Hess. Ms. Hess has served as our interim Chief Financial Officer since June 2015, a position she is expected to hold until the commencement of Mr. Berry's employment, expected to occur in November 2015. Ms. Hess also serves as Chief Financial Officer of NorthStar Realty, a position she has held since July 2011, and as Chief Financial Officer of NSAM, a position she has held since January 2014. Ms. Hess served as Chief Financial Officer and Treasurer of NorthStar Income, a public non- traded REIT sponsored by NSAM, a position she held from October 2011 to August 2015. Ms. Hess served as Chief Financial Officer and Treasurer of NorthStar Healthcare a second public non- traded REIT sponsored by NSAM, a position she held from March 2012 to August 2015. Ms. Hess also served as Chief Financial Officer and Treasurer of NorthStar Income II, a third public

non- traded REIT sponsored by NSAM, a position she held from December 2012 to August 2015. Ms. Hess further served as Chief Financial Officer and Treasurer of NorthStar/RXR New York Metr o, a public non- traded REIT co- sponsored by NSAM, a position she held from March 2014 to August 2015. Ms. Hess has significant financial, accounting and compliance experience at public companies. Prior to joining NorthStar Realty, Ms. Hess served as Chief Financial Officer and Compliance Officer of H/2 Capital Partners, where she was employed from August 2008 to June 2011. From March 2003 to July 2008, Ms. Hess was a managing director at Fortress Investment Group, where she also served as Chief Financial Officer of Newcastle Investment Corp., a Fortress portfolio company and a NYSE- listed alternative investment manager. From 1993 to 2003, Ms. Hess served in various positions at Goldman, Sachs & Co., including as Vice President in Goldman Sachs's Principal Finance Group and as a Manager of Financial Reporting in Goldman Sachs' Finance Division. Prior to 1993, Ms. Hess was employed by Chemical Banking Corporation in the corporate credit policy group and by Arthur Andersen & Company as a supervisory senior auditor. Ms. Hess holds a Bachelor of Science in Accounting from the University of Connecticut in Storrs, Connecticut and a Master of Business Administration in Finance from New York University in New York, New York.

Trevor K. Ross. Mr. Ross has served as our General Counsel and Secretary since September 2015. Prior to joining us, Mr. Ross was a partner in the Real Estate Capital Markets practice at the law firm of Hunton & Williams LLP. Mr. Ross practiced at Hunton & Williams from September 2002 until August 2015 where he advised numerous REITs and other specialty finance companies and specialized in capital markets transactions, mergers and acquisitions, securities law compliance and corporate governance matters. Mr. Ross holds a Bachelor of Business Administration and Juris Doctor, each from Mercer University.

Limitation of Liability and Indemnification

Maryland law permits a Maryland corporation to include in its charter a provision eliminating the liability of its directors and officers to the corporation and its stockholders for money damages except for liability resulting from: (i) actual receipt of an improper benefit or profit in money, property or services; or (ii) active and deliberate dishonesty that is established by a final judgment and is material to the cause of action. Our charter will contain such a provision which eliminates directors' and officers' liability to the maximum extent permitted by Maryland law.

Our charter will authorize and our bylaws will obligate us, to the maximum extent permitted by Maryland law, to indemnify any present or former director or officer or any individual who, while a director or officer of the Company and at our request, serves or has served another corporation, real estate investment trust, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise as a director, officer, member, manager, partner or trustee, from and against any claim or liability to which that person may become subject or which that person may incur by reason of his or her status as a present or former director or officer of the Company and to pay or reimburse their reasonable expenses in advance of final disposition of a proceeding. Our charter and bylaws also will permit us to indemnify and advance expenses to any person who served a predecessor of the Company in any of the capacities described above and any employee or agent of the Company or a predecessor of the Company.

Maryland law requires a corporation (unless its charter provides otherwise, which our charter will not) to indemnify a director or officer who has been successful in the defense of any proceeding to which he or she is made a party by reason of his or her service in that capacity. Maryland law permits a corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made, or threatened to be made, a party to, or witness in, by reason of their service in those or other capacities unless it is established that: (a) the act or omission of the director or officer was material to the matter giving rise to the proceeding and (i) was committed in bad faith or (ii) was the result of active and deliberate dishonesty, (b) the director or officer actually received an improper personal benefit in money, property or services or (c) in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful. A Maryland corporation may not indemnify a director or officer with respect to a proceeding by or in the right of the corporation in which the director or officer was adjudged liable to the corporation or a proceeding charging improper personal benefit to the director or officer in which the director or officer was adjudged liable on the basis that personal benefit was improperly received. A court may order indemnification if it determines that the director or officer is fairly and reasonably entitled to indemnification, even though the director or officer did not meet the prescribed standard of conduct or was adjudged liable on the basis that personal benefit was improperly received. However, indemnification for an adverse judgment in a suit by or in the right of the corporation, or for a judgment of liability on the basis that personal benefit was improperly received, is limited to expenses. In addition, Maryland law permits a corporation to advance reasonable expenses to a director or officer upon the corporation's receipt of: (i) a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by the corporation; and (ii) a written undertaking by him or on his behalf to repay the amount paid or reimbursed by the corporation if it is ultimately determined that the standard of conduct was not met.

We intend to enter into indemnification agreements with each of our directors and executive officers which will require that we indemnify such directors and officers to the maximum extent permitted by Maryland law and that we pay such persons' expenses in defending any civil or criminal proceeding in advance of final disposition of such proceeding.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the registrant pursuant to the foregoing provisions, we have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Further, the separation agreement between us and NorthStar Realty provides for indemnification by us of NorthStar Realty and its directors, officers and employees and by NorthStar Realty of us and our directors, officers and employees for some liabilities, including liabilities under the Exchange Act. The amount of these indemnity obligations is unlimited.

Our Manager

General

Upon completion of our separation from NorthStar Realty, we will enter into a management agreement with NSAM for an initial term of 20 years, which will be automatically renewed for additional 20- year terms each anniversary thereafter unless earlier terminated. The management agreement may not be terminated during its initial term, during any renewal term or at the end of any term, unless we have cause to terminate, as described under "— Management Agreement — Termination" below. Pursuant to the management agreement, NSAM will be the exclusive provider of the services set forth in the management agreement and will be responsible for managing, operating, directing and supervising the operations and administration of the Company, our subsidiaries and our real estate investments. A form of the management agreement will be filed as an exhibit to the registration statement of which this prospectus forms a part and the following description of the management agreement is qualified in its entirety by reference to the management agreement as so filed.

The services for which NSAM will receive fees and reimbursements include, but are not limited to, the following:

Acquisition Services

- serving as our investment and financial advisor and obtain certain market research and economic and statistical data in connection with our investments and investment objectives and policies;
- subject to the investment objectives and limitations set forth in our charter and the investment guidelines approved by our board of directors: (i) locating, analyzing and selecting potential investments; (ii) structuring and negotiating the terms and conditions of approved investments; and (iii) acquiring approved investments on our behalf;
- overseeing the due diligence process related to prospective investments;
- conducting a thorough due diligence process for prospective investments;
- preparing reports regarding prospective investments which include recommendations and supporting documentation necessary for our board of directors to evaluate the proposed investments;
- obtaining reports (which may be prepared by NSAM or its affiliates), where appropriate, concerning the value of proposed investments; and
- negotiating and executing approved investments and other transactions.

Asset Management Services

- investigating, selecting and, on our behalf, engaging and conducting business with such persons as NSAM deems necessary to the proper performance of its obligations under our management agreement, including but not limited to consultants, accountants, lenders, technical advisors, attorneys, brokers, underwriters, corporate fiduciaries, escrow agents, depositaries, custodians, agents for collection, insurers, insurance agents, developers, construction companies and any and all persons acting in any other capacity deemed by NSAM necessary or desirable for the performance of any of the services under our management agreement;
- monitoring applicable markets and obtaining reports (which may be prepared by NSAM or its affiliates) where appropriate, concerning the value of our investments;
- monitoring and evaluating the performance of our investments, providing daily management services to us and performing and supervising the various management and operational functions related to our investments;

- formulating and overseeing the implementation of strategies for the administration, promotion, management, operation, maintenance, improvement, financing and refinancing, marketing, leasing and disposition of investments on an overall portfolio basis;
- coordinating and managing relationships between any joint venture partners and us; and
- providing financial and operational planning services and investment portfolio management functions.

Accounting and Other Administrative Services

- managing and performing the various administrative functions necessary for our day- to- day operations;
- from time- to- time, or at any time reasonably requested by our board of directors, reporting to our directors on NSAM's performance of services to us under the management agreement;
- coordinating with our independent accountants and auditors to prepare and deliver to the company's audit committee an annual report covering NSAM's compliance with certain aspects of the management agreement;
- providing or arranging for administrative services, legal services, office space, office furnishings, personnel and other overhead items necessary and incidental to our business and operations;
- providing financial and operational planning services and portfolio management functions;
- maintaining accounting data and any other information concerning our activities as shall be required to prepare and to file all periodic financial reports and returns required to be filed with the SEC and any other regulatory agency, including annual financial statements;
- maintaining all of our appropriate books and records;
- overseeing tax and compliance services and risk management services and coordinating with appropriate third parties, including independent accountants and other consultants, on related tax matters;
- supervising the performance of such ministerial and administrative functions as may be necessary in connection with our daily operations;
- providing us with all necessary cash management services;
- managing and coordinating with the transfer agent the process of making distributions and payments to stockholders;
- consulting with our officers and board of directors and assisting in evaluating and obtaining adequate insurance coverage based upon risk management determinations;
- providing our officers and board of directors with timely updates related to the overall regulatory environment affecting the company, as well as managing compliance with regulatory matters;
- consulting with our officers and board of directors relating to the corporate governance structure and appropriate policies and procedures related thereto; and
- overseeing all reporting, recordkeeping, internal controls and similar matters in a manner to allow us to comply with applicable law.

Stockholder Services

- managing communications with our stockholders, including answering phone calls, preparing and sending written and electronic reports and other communications; and
- establishing technology infrastructure to assist in providing stockholder support and services.

Financing Services

- identifying and evaluating potential financing and refinancing sources, engaging a third party broker if necessary;
- negotiating terms of, arrange and execute financing agreements;
- managing relationships between the company and its lenders; and
- monitoring and overseeing the service of our debt facilities and other financings.

Disposition Services

- consulting with our board of directors and providing assistance with the evaluation and approval of potential asset disposition, sales or liquidity transactions; and
- structuring and negotiating the terms and conditions of transactions pursuant to which our investments may be sold.

Officers of NSAM

Our manager is managed by the following individuals:

Name	Age	Position
David T. Hamamoto	55	Executive Chairman
Albert Tylis	41	Chief Executive Officer and President
Daniel R. Gilbert	45	Chief Investment and Operating Officer of NorthStar Asset Management Group, Ltd, NSAM's wholly owned subsidiary
Debra A. Hess	51	Chief Financial Officer
Ronald J. Lieberman	45	Executive Vice President, General Counsel and Secretary

Set forth below is biographical information regarding each of NSAM's executive officers, other than Messrs. Hamamoto and Tylis, whose biographical information is provided under "—Our Directors" and Ms. Hess, whose biographical information is provided under "—Our Executive Officers."

Daniel R. Gilbert. Mr. Gilbert has served as Chief Investment and Operating Officer of NorthStar Asset Management Group, Ltd, a wholly- owned subsidiary of NSAM, since June 2014. Mr. Gilbert has served as NorthStar Realty's Chief Investment and Operating Officer since January 2013. Prior to his current position at NorthStar Realty, Mr. Gilbert served as Co- President of NorthStar Realty from April 2011 until January 2013 and in various other senior management positions since its initial public offering in October 2004. Mr. Gilbert serves as the Chairman, a position he has held since August 2015, and Chief Executive Officer and President of NorthStar Income, a position he has held since January 2013, and served as its President since March 2011 and its Chief Investment Officer from January 2009 through January 2013. Mr. Gilbert serves as the Executive Chairman of NorthStar Healthcare, a position he has held since January 2014, and served as its Chief Executive Officer from August 2012 to January 2014 and Chief Investment Officer from October 2010 through February 2012. Mr. Gilbert also serves as the Chairman, a position he has held since August 2015, and Chief Executive Officer and President of NorthStar Income II, a position he has held since October 2010. Mr. Gilbert further serves as the Co- Chairman, a position he has held since August 2015, and Chief Executive Officer and President of NorthStar/RXR New York Metro, a position he has held since March 2014. Mr. Gilbert served as an Executive Vice President and Managing Director of Mezzanine Lending of NorthStar Capital Investment Corp., the predecessor of NorthStar Realty. Prior to that role, Mr. Gilbert was with Merrill Lynch & Co. in its Global Principal Investments and Commercial Real Estate Department and prior to joining Merrill Lynch, held accounting and legal- related positions at Prudential Securities Incorporated. Mr. Gilbert holds a Bachelor of Arts degree from Union College in Schenectady, New York.

Ronald J. Lieberman. Mr. Lieberman has served as Executive Vice President, General Counsel and Secretary of NSAM since January 2014. Mr. Lieberman has served as Executive Vice President, General Counsel and Secretary of NorthStar Realty since January 2013. Prior to his current position at NorthStar Realty, Mr. Lieberman served as its General Counsel since April 2011, an Executive Vice President since April 2012 and as Assistant Secretary from April 2011 until January 2013. Mr. Lieberman served as NorthStar Income's Executive Vice President (a position he held from January 2013 to August 2015), General Counsel and Secretary (positions he held from October 2011 to August 2015). Mr. Lieberman serves as NorthStar Healthcare's Executive Vice President (a position he has held since January 2013), General Counsel and Secretary (positions he held since April 2011). Mr. Lieberman also served as NorthStar Income II's Executive Vice President (a position he held since March 2013), General Counsel and Secretary (positions he held since December 2012) until August 2015. Mr. Lieberman further serves as Executive Vice President, General Counsel and Secretary for NorthStar/RXR New York Metro, positions he has held since March 2014. Mr. Lieberman also currently serves on the Executive Committee of American Healthcare Investors, LLC. Prior to joining NorthStar Realty, Mr. Lieberman was a partner in the Real Estate Capital Markets practice at the law firm of Hunton & Williams LLP. Mr. Lieberman practiced at Hunton & Williams from September 2000 until March 2011 where he advised numerous REITs, including mortgage REITs and specialized in capital markets transactions, mergers and acquisitions, securities law compliance, corporate governance and other board advisory matters. Prior to joining Hunton & Williams, Mr. Lieberman was the associate general counsel at Entrade, Inc., during which time Entrade was a public company listed on the NYSE. Mr. Lieberman began his legal career at Skadden, Arps, Slate, Meagher and Flom LLP. Mr. Lieberman holds a Bachelor of Arts, Master of Business Administration and Juris Doctor, each from the University of Michigan in Ann Arbor, Michigan.

Management Agreement

Duties of Asset Manager

As asset manager, NSAM will be responsible for our day- to- day operations, subject to the supervision of our board of directors. Through its global network of subsidiaries and branch offices, NSAM will perform (or will cause to be performed) services and activities relating to, among other things, investments and financing, portfolio management and other administrative services, such as accounting and investor relations, to us and our subsidiaries. NSAM will not be obligated to dedicate any of its executives or other personnel exclusively to us, nor to dedicate any specific amounts of time to fulfilling its obligations and NSAM may contract with and provide services to an unlimited number of additional managed companies.

Compensation Under the Management Agreement

In connection with the Distribution, we will enter into a management agreement with NSAM pursuant to which NSAM will manage the Company for an initial term of 20 years. The management agreement provides for:

(i) an annual base management fee equal to the sum of:

(a) $14 million; and

(b) an additional annual base management fee equal to 1.5% per annum of the sum of:

(1) any equity we issue in exchange or conversion of exchangeable or stock- settleable notes;

(2) any other issuances of common equity, preferred equity or other forms of equity, including but not limited to LTIP Units in our Operating Partnership (excluding units issued to us and equity- based compensation, but including issuances related to an acquisition, investment, joint venture or partnership); and

(3) cumulative CAD, if any, in excess of cumulative distributions paid on common stock, LTIP Units or other equity awards beginning the first full calendar quarter after completion of the Distribution; and

(ii) an incentive fee equal to:

(a) the product of: (a) 15% and (b) CAD before such incentive fee, divided by the weighted average shares outstanding for the calendar quarter, of any amount in excess of $ 0.300 per share and up to $ 0.360 per share; plus

(b) the product of: (a) 25% and (b) CAD before such incentive fee, divided by the weighted average shares outstanding for the calendar quarter, of any amount in excess of $ 0.360 per share;

(c) multiplied by the weighted average shares outstanding for the calendar quarter,

Each of the fees set forth in clauses (i) and (ii) are calculated and payable quarterly in arrears in cash.

Weighted average shares represents the number of shares of our Common Stock, LTIP Units or other equity- based awards (with some exclusions), outstanding on a daily weighted average basis. With respect to the base management fee, all issuances shall be allocated on a daily weighted average basis during the fiscal quarter of issuances. With respect to the incentive fee, such amounts will be appropriately adjusted from time to time to take into account the effect of any stock split, reverse stock split, stock dividend, reclassification, recapitalization or other similar transaction.

The current base management fee of $14 million is based on our Current European Portfolio.

Furthermore, if we were to spin- off any investment or business in the future, such entity would be managed by NSAM on terms substantially similar to those set forth in the management agreement between NSAM and us. The management agreement further provides that the aggregate base management fee in place immediately after such future spin- off will not be less than the aggregate base management fee in place at the Company immediately prior to such spin- off.

Payment of Costs and Expenses and Expense Allocation

We are responsible for all of our direct costs and expenses and will reimburse NSAM for costs and expenses incurred by NSAM on our behalf. NSAM allocates, in good faith, indirect costs to us related to employees, including our named executive officers, occupancy and other general and administrative costs and expenses in accordance with the terms of, and subject to the limitations contained in, our management agreement with our manager. The indirect costs include our allocable share of our manager’s compensation and benefit costs associated with dedicated or partially dedicated personnel who spend all or a portion of their time managing our affairs, based upon the percentage of time devoted by such personnel to our affairs. The indirect costs also include rental and occupancy, technology, office supplies and other general and administrative costs and expenses. NSAM

allocates these costs to us relative to its other managed companies in good faith. Pursuant to the terms of our management agreement with our manager, we are obligated to reimburse NSAM, in NSAM's discretion, for costs and expenses incurred by NSAM for an amount not to exceed the following: (i) 20% of the combined total of (a) the general and administrative expenses as reported in the consolidated financial statements of each of NorthStar Europe, NorthStar Realty and any new entity spun- off from NorthStar Realty or NorthStar Europe after making certain adjustments described below, or the Managed Company G&A and (b) NSAM's general and administrative expenses as reported in its consolidated financial statements, excluding equity- based compensation expense and adding back any costs or expenses allocated to any other managed company of NSAM; less (ii) the Managed Company G&A, or the Maximum Allocable G&A; provided, however, that NorthStar Europe will not be required to reimburse NSAM for any portion of the Maximum Allocable G&A for which NSAM receives reimbursement from NorthStar Realty or any company spun- off from NorthStar Realty or NorthStar Europe. Subject to the foregoing limitation and the limitations contained in the applicable management agreements between NSAM and NorthStar Realty or any company spun- off from NorthStar Realty or NorthStar Europe, the amount of the Maximum Allocable G&A paid by NorthStar Europe, NorthStar Realty and any company spun- off from NorthStar Realty or NorthStar Europe will be determined by NSAM in its discretion. In determining the reimbursement described above, the reported general and administrative expenses of each of NorthStar Europe, NorthStar Realty and any company spun- off from NorthStar Realty or NorthStar Europe will be adjusted to exclude (1) equity- based compensation expenses, (2) non- recurring expenses, (3) fees payable to NSAM under the terms of the applicable management agreement entered into by such entity with NSAM and (4) any allocation of expenses from NSAM.

In addition, we, together with NorthStar Realty and any company spun- off from NorthStar Realty or NorthStar Europe, will pay directly or reimburse NSAM for up to 50% of any long- term bonus or other compensation that its compensation committee determines shall be paid and/or settled in the form of equity and/or equity- based compensation to executives (including our named executive officers), employees, service providers and staff of NSAM during any year. Subject to the foregoing limitation and the limitations contained in any applicable management agreement between NSAM and NorthStar Realty or any company spun- off from NorthStar Realty or NorthStar Europe, the amount paid by NorthStar Europe, NorthStar Realty and any company spun- off from NorthStar Realty or NorthStar Europe will be determined by NSAM in its discretion. At the discretion of NSAM's compensation committee, the foregoing compensation may be granted in shares of NorthStar Europe restricted stock, restricted stock units, long- term incentive plan units or other forms of equity compensation or stock- based awards. The NorthStar Europe equity compensation for each year may be allocated on an individual- by- individual and award- by- award basis at the discretion of the NSAM compensation committee and, as long as the aggregate amount of the equity compensation for such year does not exceed the limits set forth in the management agreement, the proportion of any particular individual's equity compensation may be greater or less than 50%. We will also pay directly or reimburse NSAM for an allocable portion of any severance paid pursuant to any employment, consulting or similar service agreements in effect between NSAM and any of its executives, employees or other service providers.

Termination

We may terminate the management agreement for cause at any time, including during the initial term, without the payment of any termination fee, with at least 60 days prior written notice to NSAM, upon the occurrence of any of the following:

- NSAM engages in any material act of fraud, misappropriation of funds or embezzlement against us or any of our subsidiaries;
- NSAM's breach, in bad faith, of any provision of the management agreement or gross negligence that has a "material adverse effect" on us, in each case, if the effects of such breach in bad faith or gross negligence cannot be reversed, or such effects are not reversed within a period of 60 days (or 90 days if NSAM takes steps to reverse such effects within 30 days of the written notice);
- there is a commencement of any proceeding relating to NSAM's bankruptcy or insolvency, including an order for relief in an involuntary bankruptcy case or NSAM authorizing or filing a voluntary bankruptcy petition that is not dismissed in 60 days;
- there is a determination by a court of competent jurisdiction in a non- appealable binding order, or by the IRS in a closing agreement made under Section 7121 of the Code, that a provision of the management agreement caused or will cause us to fail to satisfy a requirement for qualification as a REIT and, within 60 days of such determination, NSAM has not agreed to amend or modify the management agreement in a manner that would allow us to qualify as a REIT, unless our board of directors determines that qualification as a REIT is no longer necessary or desirable; or
- NSAM's dissolution.

Under the management agreement, a material adverse effect means a material adverse effect on the business, results of operations, financial condition and assets of the Company and our subsidiaries, taken as a whole. The following, either alone or in combination, shall be excluded from consideration when evaluating the existence of a material adverse effect: (i) changes or effects in general economic conditions; (ii) changes or effects in general market conditions, including the securities, credit, currency, interest rate or financial markets; (iii) fluctuations in the market value of our Common Stock (or other debt or equity securities) on the NYSE, any other market or otherwise; (iv) changes in U.S. GAAP; (v) changes or effects, including legal, tax or regulatory changes, that generally affect the industry in which the Company operates; (vi) any failure by us to meet internal projections, plans or forecasts for any period; (vii) changes or effects that directly arise out of or are directly attributable to the negotiation, execution, public announcement or performance of the management agreement or the compliance with provisions thereof; (viii) changes or effects that arise out of or are attributable to the commencement, occurrence, continuation or intensification of any war, sabotage, armed hostilities or acts of terrorism; and (ix) the effects of earthquakes, hurricanes or other natural disasters. Notice of termination of the management agreement must be provided within 90 days from the date we first became aware of the act of gross negligence, breach or other event that gave rise to the termination event.

Indemnification

We will agree to indemnify, defend and protect NSAM as asset manager and its directors, officers, employees, partners, managers, members, controlling persons and any other person or entity affiliated with NSAM as asset manager and hold NSAM harmless from and against all damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) incurred by reason of any pending, threatened or completed action, suit, investigation or other proceeding (including an action or suit by or in the right of the Company, our stockholders or our subsidiaries) arising out of or otherwise based upon the performance of any of NSAM's duties or obligations under the management agreement or otherwise as an asset manager of the Company or any of our subsidiaries.

Additional Covenants

In consideration of the services that NSAM will provide under the management agreement, we will grant NSAM a right to appoint one individual to serve as a non- voting observer of our board of directors and any committee thereof. This individual will be entitled to receive copies of all notices, correspondence and materials directed to the members of our board of directors, except in limited circumstances.

EXECUTIVE COMPENSATION

Executive Officers

Our named executive officers are expected to be:

Name	Position
Mahbod Nia	Chief Executive Officer
Debra A. Hess	Interim Chief Financial Officer[1]
Trevor K. Ross	General Counsel and Secretary

(1) We have chosen Scott A. Berry to be named our Chief Financial Officer upon the commencement of his employment with NSAM, which is expected to occur in November 2015. At that time, Ms. Hess will no longer serve as our interim Chief Financial Officer. See "Corporate Governance and Management—Our Executive Officers" for additional information about Mr. Berry.

For all periods prior to December 31, 2014 and prior to the European Spin- off , we did not conduct business and our named executive officers have been employees of NorthStar Realty and/or NSAM and we did not pay compensation to any of our named executive officers. Accordingly, we did not have compensation policies or objectives governing our named executive officer compensation and we have not adopted compensation policies with respect to, among other things, setting base salaries, awarding bonuses or making future grants of equity awards to our executive officers. Following the European Spin- off , pursuant to the management agreement, NSAM will assume principal responsibility for managing our affairs and our officers, in their capacity as such, will not receive compensation directly from us other than as may be provided under the equity incentive plan described below pursuant to the terms of the management agreement or otherwise.

Equity Incentive Plan

Summary of Equity Incentive Plan

In October 2015, our board of directors adopted our 2015 Omnibus Stock Incentive Plan, or the 2015 Plan, which was subsequently approved by our sole stockholder. Our 2015 Plan provides flexibility to use various equity- based and cash incentive awards as compensation tools to motivate our workforce.

Initially, 10 million shares of our Common Stock have been reserved for the issuance of awards under the 2015 Plan ; provided that this number will automatically increase each January 1, beginning on January 1, 2017, by 2% of the outstanding number of shares of Common Stock on the immediately preceding December 31. The number of shares of our Common Stock reserved under the 2015 Plan was based on the aggregate number of outstanding shares of common stock of NorthStar Realty on the date the 2015 Plan was adopted. The number of shares reserved under the 2015 Plan is subject to adjustment in the event of a stock split, stock dividend or other change in our capitalization.

The shares we issue under the 2015 Plan will be authorized but unissued shares or shares that we reacquire. The shares of our Common Stock underlying any awards that are forfeited, canceled, held back upon exercise or settlement of an award to satisfy the exercise price or tax withholding, reacquired by us prior to vesting, satisfied without any issuance of stock, expire or are otherwise terminated (other than by exercise) under the 2015 Plan will be added back to the shares of our Common Stock available for issuance under the 2015 Plan.

Stock options and stock appreciation rights with respect to no more than 10 million shares of stock may be granted to any one individual in any one calendar year and the maximum "performance- based award" payable to any one individual under the 2015 Plan is 10 million shares of stock or $100 million in the case of awards payable in cash. The maximum aggregate number of shares that may be issued in the form of incentive stock options shall not exceed 10 million shares of our Common Stock.

The 2015 Plan is currently administered by the compensation committee of the board of directors of NorthStar Realty. Following the completion of the European Spin- off , the 2015 Plan will be administered by our compensation committee. The administrator has full power to select, from among the individuals eligible for awards, the individuals to whom awards will be granted and to determine the specific terms and conditions of each award, subject to the provisions of the 2015 Plan. Persons eligible to participate in the 2015 Plan are those executive officers, employees, co- employees, directors (including non- management directors), consultants and advisors of the Company or any parent or subsidiary of the Company who provides services to the Company as selected from time to time by the administrator in its discretion.

The 2015 Plan permits the granting of both options to purchase our Common Stock intended to qualify as incentive stock options under Section 422 of the Code and options that do not so qualify. The exercise price of each stock option will be determined by the administrator but may not be less than 100% of the fair market value of our Common Stock on the date of grant or, in the case of an incentive stock option granted to a 10% owner, less than 110% of the fair market value of our Common Stock on the

date of grant. The term of each stock option will be fixed by the administrator and may not exceed ten years from the date of grant (or five years in the case of an incentive stock option granted to a 10% owner). The administrator will determine at what time or times each option may be exercised.

The administrator may award stock appreciation rights subject to such conditions and restrictions as it may determine. Stock appreciation rights entitle the recipient to shares of our Common Stock, or cash, equal to the value of the appreciation in our stock price over the exercise price. Stock appreciation rights may be granted either alone or in conjunction with all or part of any stock option granted under the 2015 Plan. The exercise price of each stock appreciation right may not be less than 100% of the fair market value of our Common Stock on the date of grant and the term of each stock appreciation right may not exceed ten years from the date of grant.

The administrator may award restricted shares of our Common Stock and restricted stock units to participants subject to such conditions and restrictions as it may determine. These conditions and restrictions may include the achievement of certain performance goals and/or continued employment with us through a specified vesting period.

The administrator may grant dividend equivalent rights to participants either as a freestanding award or as a component of another award. Dividend equivalent rights entitle the recipient to receive credits for dividends that would be paid if the recipient held a specified number of shares of our Common Stock.

The administrator may grant other awards that are valued in whole or in part by reference to, or are otherwise calculated by reference to or based on, shares of our Common Stock including, without limitation: (i) operating partnership units and other membership interests in our Operating Partnership; (ii) other convertible, exchangeable or redeemable securities or equity interests; (iii) membership interests in a subsidiary or operating partnership; and (iv) awards valued by reference to book value, fair value or performance parameters relative to the Company or any subsidiary or group of subsidiaries. The terms of any other awards will be determined by the administrator. The administrator may also grant cash- based awards to participants subject to such conditions and restrictions as it may determine.

The administrator may grant awards of restricted stock, restricted stock units, other awards or cash- based awards under the 2015 Plan that are intended to qualify as “performance- based compensation” under Section 162(m) of the Code. These awards will only vest or become payable upon the attainment of performance goals that are established by the administrator and related to one or more performance criteria. The performance criteria that could be used with respect to any such awards include: total stockholder return; cash available for distribution; earnings before interest, taxes, depreciation and amortization; net income (loss) (either before or after interest, taxes, depreciation and/or amortization or any other adjustment); changes in the market price of our Common Stock or stock of our manager; economic value- added; funds from operations or similar measure, including adjusted funds from operations and equity adjusted funds from operations; sales or revenue; acquisitions or strategic transactions; operating income (loss); cash flow (including, but not limited to, operating cash flow and free cash flow); return on capital, assets, equity, or investment; return on sales; liquidity; balance sheet liquidity; discounted payoff; gross or net profit levels; productivity; expense; margins; operating efficiency; working capital; earnings (loss) per share of our Common Stock or stock of our manager; sales or market share and assets under management, any of which may be measured either in absolute terms or as compared to any incremental increase or as compared to results of a peer group. The maximum award that is intended to qualify as “performance- based compensation” under Section 162(m) of the Code that may be made to any one employee during any one calendar year period is 10 million shares of our Common Stock with respect to a stock- based award and $ 100 million with respect to an award payable in cash.

The 2015 Plan provides that in the case of, and subject to, the consummation of: (i) a merger, share exchange, reorganization or consolidation; or (ii) the sale of all or substantially all of the assets of the Company on a consolidated basis to an unrelated person, all outstanding awards may be assumed, substituted or otherwise continued by the successor entity. To the extent that the successor entity does not assume, substitute or otherwise continue such awards: (i) except as otherwise provided in the applicable award agreement, all stock options and stock appreciation rights that are not exercisable immediately prior to the effective time of such transaction will become fully exercisable as of the effective time, the restrictions and conditions on all other awards with time- based vesting, conditions or restrictions will become fully vested and nonforfeitable as of the effective time and awards with conditions and restrictions relating to the attainment of performance goals may become vested and non- forfeitable in connection with such transaction in the administrator’s discretion; and (ii) upon the effectiveness of such transaction, the 2015 Plan and all outstanding awards thereunder will terminate. In the event of such termination, we may make or provide for a cash payment to participants holding options and stock appreciation rights, in exchange for the cancellation thereof, equal to the difference between the per share cash consideration in the transaction and the exercise price of the options or stock appreciation rights or each participant shall be permitted, within a specified period of time prior to the consummation of the sale event, as determined by the administrator, to exercise all outstanding options and stock appreciation rights held by such participant. In addition, in connection with such a transaction in which our Common Stock is exchanged for or converted into the right to receive cash, the parties to such transaction may provide that some or all outstanding awards that would otherwise not be fully vested and exercisable after giving effect to

the transaction will be converted into the right to receive the per share cash consideration in the transaction multiplied by the number of shares subject to such awards (net of the applicable exercise price), subject to any remaining vesting provisions relating to such awards and other terms and conditions of such transaction to the extent provided by the parties thereto.

Our board of directors may at any time amend or discontinue the 2015 Plan and the administrator may at any time amend or cancel any outstanding award for the purpose of satisfying changes in the law or for any other lawful purpose. However, no such action may adversely affect any rights under any outstanding award without the holder's consent. Our board of directors, in its discretion, may determine to make any amendments subject to approval by our stockholders for purposes of complying with applicable stock exchange requirements, ensuring the qualified status of incentive options or ensuring that compensation earned under the 2015 Plan qualifies as performance- based compensation under Section 162(m) of the Code. In no event may the administrator reduce the exercise price of outstanding stock options or stock appreciation rights or effect the repricing of stock options or stock appreciation rights through cancellation and re- grants or cancellation in exchange for cash, other awards or stock options or stock appreciation rights with a lower exercise price without stockholder approval.

No awards may be granted under the 2015 Plan after the date that is ten years from the date of stockholder approval.

Initial Equity Awards under 2015 Plan

We will not grant any equity awards under the 2015 Plan prior to the European Spin- off. However, in connection with and following the European Spin- off, we expect our Compensation Committee to establish an aggregate pool of up to 1.0 million shares of our Common Stock available under the 2015 Plan for initial equity awards that will be subject to time based vesting and an aggregate pool of performance based shares having a value equal to approximately 1.5 times the value of the time based vesting shares. The awards would be made to our executive officers and other employees of NSAM and its subsidiaries who are expected to provide services to us pursuant to the management agreement. We expect our Compensation Committee to establish the vesting and other terms of these initial equity awards and to allocate these initial equity awards shortly after the completion of the European Spin- off.

Outstanding NorthStar Realty Awards

Equity- based awards under the NorthStar Realty Executive Incentive Bonus Plan, as amended, or the NRF Incentive Plan, the NSAM Executive Incentive Bonus Plan, or the NSAM Incentive Plan, and/or NorthStar Realty's equity plans have historically been granted to employees, directors and other service providers of NorthStar Realty and NSAM, including our named executive officers in connection with their employment with NorthStar Realty and the services they provide to NorthStar Realty in their capacity as employees of NSAM (or its subsidiaries). All of the vested and unvested equity- based awards granted by NorthStar Realty or relating to equity of NorthStar Realty or NorthStar Realty OP prior to the European Spin- off, including those granted to our named executive officers, will remain outstanding following the European Spin- off and will be adjusted to reflect the European Spin- off. The following adjustments, among others, will be made to these outstanding equity- based awards to reflect the European Spin- off:

- Holders of shares of NorthStar Realty common stock subject to outstanding equity awards will receive one share of our Common Stock in the European Spin- off for each six shares of NorthStar Realty common stock and holders of LTIP Units in NorthStar Realty OP, or NorthStar Realty LTIP Units, will receive one common unit in our Operating Partnership for each six NorthStar Realty LTIP Units in connection with the European Spin- off, all of which generally will remain subject to the same vesting and other terms that applied prior to the European Spin- off, subject to the other adjustments described herein;

- Other equity- based awards relating to NorthStar Realty common stock or LTIP Units, including restricted stock units and awards under the NSAM Incentive Plan, will be adjusted to also relate to one share of our Common Stock or LTIP Unit in our Operating Partnership for each six shares of NorthStar Realty common stock or NorthStar Realty LTIP Units, but otherwise generally will remain subject to the same vesting and other terms that applied prior to the European Spin- off, subject to the other adjustments described herein;

- Performance- based vesting conditions based on total stockholder return of NorthStar Realty or NorthStar Realty and NSAM will be adjusted to refer to combined total stockholder return of NorthStar Realty and us or NorthStar Realty, NSAM and us, respectively, with respect to periods after the European Spin- off; and

- All references to a change of control or similar term in outstanding awards, which refers to a change of control of either NorthStar Realty or NSAM, will be adjusted, to the extent such awards relate to our Common Stock or common

units or LTIP Units in our Operating Partnership after the European Spin- off, to refer to a change of control of either us or NSAM.

In addition, appropriate adjustments to all NorthStar Realty awards will be made to reflect the NRF Reverse Stock Split. The descriptions below reflect any adjustments relating to the NRF Reverse Stock Split.

Following the European Spin- off, NorthStar Realty and the compensation committee of its board of directors or NSAM and the compensation committee of its board of directors will continue to administer all of these awards, but we will be obligated to issue shares of our Common Stock, cause the issuance of LTIP Units in our Operating Partnership or make cash payments in lieu thereof or with respect to dividend or distribution equivalent obligations to the extent required by these awards. These awards will continue to be governed by the NRF Incentive Plan, NSAM Incentive Plan and/or NorthStar Realty's equity plans, as applicable, and shares of our Common Stock or LTIP Units in our Operating Partnership issued pursuant to these awards will not be issued pursuant to, or reduce availability under, the 2015 Plan.

The material terms of these outstanding awards that will be held by one or more of our named executive officers following the European Spin- off and the NRF Reverse Stock Split, as adjusted to reflect the European Spin- off and the NRF Reverse Stock Split, are described below.

NRF Incentive Plan

Under the NRF Incentive Plan, NorthStar Realty issued equity awards to certain of its executive officers for each of 2013 and 2012, a portion of which will remain unvested as of the date of the European Spin- off.

2013 Awards

Prior to the European Spin- off, unvested restricted stock units and NorthStar Realty LTIP Units granted by NorthStar Realty to certain of its executive officers for 2013 remained outstanding, which will be adjusted in connection with the European Spin- off to also relate to our Common Stock or common units in our Operating Partnership.

The restricted stock units will vest based upon the achievement of established total stockholder return, or TSR, targets for the four- year performance period ending December 31, 2016 and subject to continued employment with NSAM, NorthStar Realty or any of their subsidiaries through the end of this performance period. In order to earn 100% of the restricted stock units, TSR from January 1, 2013 through December 31, 2016 must exceed 12%, compounded annually. An amount equal to at least 25% but less than 100% of the restricted stock units will vest if the TSR for this period equals or exceeds 6% and is less than 12%, compounded annually, which amount shall be determined through linear interpolation. No restricted stock units will vest if the TSR for this period is less than 6%, compounded annually. TSR will be measured based on the TSR of NorthStar Realty for the period prior to the NSAM Spin- off the combined TSR of NorthStar Realty and NSAM for the period after the NSAM Spin- off and prior to the European Spin- off and the combined TSR of us, NorthStar Realty and NSAM for the period after the European Spin- off. If and to the extent these restricted stock units vest, the holders of these restricted stock units will receive a payout, if any, equal to the value at the time of such payout for each restricted stock unit that vests of: (i) one share of NorthStar Realty common stock, paid in the form of shares of NorthStar Realty common stock or NorthStar Realty LTIP Units if permitted by NorthStar Realty and elected by the holder, to the extent shares of common stock are available under NorthStar Realty's equity compensation plans or, if sufficient shares are not available, in cash; (ii) two shares of NSAM's common stock, paid in the form of shares of NSAM's common stock or LTIP Units in NSAM's operating partnership if permitted by NorthStar Realty and NSAM and elected by the holder; and (iii) one- third of a share of our Common Stock, paid in the form of shares of our Common Stock or LTIP Units in our Operating Partnership if permitted by NorthStar Realty and us and elected by the holder. Each of the holders will also receive, for each restricted stock unit actually earned, the distributions that would have been paid during the second, third and fourth year of such four- year performance period with respect to: (i) prior to the NSAM Spin- off and the NRF Reverse Stock Split, four shares of NorthStar Realty common stock; (ii) following the NSAM Spin- off and prior to the European Spin- off and the NRF Reverse Stock Split, two shares of NorthStar Realty common stock and a share of NSAM's common stock; and (iii) following the European Spin- off and the NRF Reverse Stock Split, a share of NorthStar Realty common stock, a share of NSAM's common stock and one- third of a share of our Common Stock. Following the European Spin- off, a maximum of 83,393 shares of our Common Stock will be issuable in connection with these outstanding restricted stock units, including the following number of shares of our Common Stock issuable to our named executive officers: Ms. Hess - 4,834.

NorthStar Realty LTIP Units that were granted under the NRF Incentive Plan for 2013 that remain unvested include NorthStar Realty LTIP Units that will vest based on continued employment through December 31, 2015 and NorthStar Realty LTIP Units that will vest in equal annual installments on January 29, 2016 and 2017, subject to the holder's continued employment

with NSAM, NorthStar Realty or any of their subsidiaries through the applicable vesting date. As a result of the European Spin- off, a total of 43,594 and 41,695 common units in our Operating Partnership, respectively, will be distributed with respect to these NorthStar Realty LTIP Units and remain subject to vesting pursuant to the same terms, including the following common units that will be held by our named executive officers: Ms. Hess - 4,725 common units and 2,147 common units, respectively.

2012 Awards

Prior to the European Spin- off, unvested restricted stock units and shares of NorthStar Realty common stock granted by NorthStar Realty to certain of its executive officers for 2012 remained outstanding, which will be adjusted in connection with the European Spin- off to also relate to our Common Stock.

The restricted stock units will vest based upon the achievement of established TSR targets for the four- year performance period ending December 31, 2015 and subject to continued employment with NSAM, NorthStar Realty or any of their subsidiaries through the end of this performance period. In order to earn 100% of the restricted stock units, TSR from January 1, 2012 through December 31, 2015 must exceed 12%, compounded annually. An amount equal to at least 25% but less than 100% of the restricted stock units will vest if the TSR for this period equals or exceeds 6% and is less than 12%, compounded annually, which amount shall be determined through linear interpolation. No restricted stock units will vest if the TSR for this period is less than 6%, compounded annually. TSR will be measured based on the TSR of NorthStar Realty for the period prior to the NSAM Spin- off, the combined TSR of NorthStar Realty and NSAM for the period after the NSAM Spin- off and prior to the European Spin- off and the combined TSR of us, NorthStar Realty and NSAM for the period after the European Spin- off. If and to the extent these restricted stock units vest, the holders of these restricted stock units will receive a payout, if any, equal to the value at the time of such payout for each restricted stock unit that vests of: (i) one share of NorthStar Realty common stock, paid in the form of shares of NorthStar Realty common stock or NorthStar Realty LTIP Units if permitted by NorthStar Realty and elected by the holder, to the extent shares of common stock are available under NorthStar Realty's equity compensation plans or, if sufficient shares are not available, in cash; (ii) two shares of NSAM's common stock, paid in the form of shares of NSAM's common stock or LTIP Units in NSAM's operating partnership if permitted by NorthStar Realty and NSAM and elected by the holder; and (iii) one-third of a share of our Common Stock, paid in the form of shares of our Common Stock or LTIP Units in our Operating Partnership if permitted by NorthStar Realty and us and elected by the holder. Each of the holders will also receive, for each restricted stock unit actually earned, the distributions that would have been paid during the second, third and fourth year of such four- year performance period with respect to: (i) prior to the NSAM Spin- off and the NRF Reverse Stock Split, four shares of NorthStar Realty common stock; (ii) following the NSAM Spin- off and prior to the European Spin- off and the NRF Reverse Stock Split, two shares of NorthStar Realty common stock and a share of NSAM's common stock; and (iii) following the European Spin- off and the NRF Reverse Stock Split, a share of NorthStar Realty common stock, a share of NSAM's common stock and one- third of a share of our Common Stock. Following the European Spin- off, a maximum of 117,472 shares of our Common Stock will be issuable in connection with these outstanding restricted stock units, including the following number of shares of our Common Stock issuable to our named executive officers: Ms. Hess - 6,810.

There are restricted shares of NorthStar Realty common stock that remain unvested that were issued upon conversion of the LTIP Units in NorthStar Realty OP that were granted under the NRF Incentive Plan for 2012, which will vest on January 29, 2016, subject to the holder's continued employment with NSAM, NorthStar Realty or any of their subsidiaries through the applicable vesting date. As a result of the European Spin- off, a total of 21,706 shares of our Common Stock will be distributed with respect to these restricted shares of NorthStar Realty common stock and remain subject to vesting pursuant to the same terms, including the following shares of our Common Stock that will be held by our named executive officers: Ms. Hess - 1,702 shares.

NSAM Incentive Plan

Under the NSAM Incentive Plan, NorthStar Realty issued restricted stock units and NorthStar Realty LTIP Units to certain of its executive officers for 2014, a portion of which will remain unvested as of the date of the European Spin- off. These awards will be adjusted in connection with the European Spin- off to also relate to our Common Stock and common units in our Operating Partnership, respectively.

The restricted stock units will vest based upon the achievement of established TSR targets for the four- year performance period ending December 31, 2017 and subject to continued employment with NSAM, NorthStar Realty or any of their subsidiaries through the end of this performance period. In order to earn 100% of the restricted stock units, TSR from January 1, 2014 through December 31, 2017 must exceed 12%, compounded annually. An amount equal to 25% but less than 100% of the restricted stock units will vest if the TSR for this period equals or exceeds 6% and is less than 12%, compounded annually, which amount shall be determined through linear interpolation. No restricted stock units will vest if the TSR for this period is less than 6%, compounded annually. TSR will be measured based on the TSR of NorthStar Realty for the period prior to the NSAM Spin- off and the combined

TSR of NorthStar Realty and us for the period after the NSAM Spin- off. If and to the extent these restricted stock units vest, the holders of these restricted stock units will receive a payout, if any, equal to the value at the time of such payout for each restricted stock unit that vests of: (i) one share of NorthStar Realty common stock, paid in the form of shares of NorthStar Realty common stock or NorthStar Realty LTIP Units if permitted by NorthStar Realty and elected by the holder, to the extent shares of common stock are available under NorthStar Realty's equity compensation plans or, if sufficient shares are not available, in cash; and (ii) one- third of a share of our Common Stock, paid in the form of shares of our Common Stock or NorthStar Realty LTIP Units if permitted by NorthStar Realty and us and elected by the holder. Each of the holders will also receive, for each restricted stock unit actually earned, the distributions that would have been paid during the second, third and fourth year of such four- year performance period with respect to: (i) prior to the European Spin- off and the NRF Reverse Stock Split, two shares of NorthStar Realty common stock; and (ii) following the European Spin- off, a share of NorthStar Realty common stock and one- third of a share of our Common Stock. Following the European Spin- off, a maximum of 97,478 shares of our Common Stock will be issuable in connection with these outstanding restricted stock units, including the following number of shares of our Common Stock issuable to our named executive officers: Ms. Hess - 6,859.

There are outstanding unvested NorthStar Realty LTIP Units that were granted pursuant to the NSAM Incentive Plan for 2014, which will vest in equal annual installments on December 31, 2015, 2016 and 2017, subject to the holder's continued employment with NSAM, NorthStar Realty or any of their subsidiaries through the applicable vesting date. As a result of the European Spin- off, a total of 129,776 common units in our Operating Partnership will be distributed with respect to these NorthStar Realty LTIP Units and remain subject to vesting pursuant to the same terms, including the following common units in our Operating Partnership that will be held by our named executive officers: Ms. Hess - 9,131 common units.

Treatment of NRF Incentive Plan and NSAM Incentive Plan Awards upon Termination or Change of Control

Following the European Spin- off, the NRF Incentive Plan, NSAM Incentive Plan and the awards granted thereunder, to the extent they relate to our Common Stock or common units or LTIP Units in our Operating Partnership, will provide for full or partial acceleration of vesting of such awards upon a termination of employment in certain circumstances or a change of control of us or NSAM. The discussion below describes these provisions.

Following the European Spin- off, in the event the employment of one of our named executive officers who holds equity awards granted pursuant to the NRF Incentive Plan or the NSAM Incentive Plan is terminated without cause or by the executive for good reason or as a result of death or disability, then:

- the equity awards granted to the executive pursuant to the NRF Incentive Plan and the NSAM Incentive Plan that were scheduled to vest based solely on continued employment through a future date will vest in full; and

- with respect to the restricted stock units granted pursuant to the NRF Incentive Plan and the NSAM Incentive Plan that were subject to performance- based vesting criteria, the number of restricted stock units that will vest, if any, will continue to be determined at the end of the applicable performance period but the number of restricted stock units earned will be pro- rated based on the number of days that the executive was employed during such performance period and will not be subject to continued employment through the end of the such performance period.

Termination of employment refers, under the NRF Incentive Plan, to the termination of employment from NorthStar Realty and its subsidiaries and/or NSAM and its subsidiaries and, under the NSAM Incentive Plan, to the termination of employment from NSAM. The vesting of awards described above is subject to the executive's execution of a general release of claims in favor of NorthStar Realty or NSAM, as applicable, and related persons and entities.

Following the European Spin- off, in the event of a change of control of us or NSAM:

- the equity awards granted pursuant to the NRF Incentive Plan and the NSAM Incentive Plan that were scheduled to vest based solely on continued employment through a future date will vest in full to the extent they relate to our Common Stock or common units in our Operating Partnership; and

- with respect to the restricted stock units granted pursuant to the NRF Incentive Plan and the NSAM Incentive Plan that were subject to performance- based vesting criteria, the number of restricted stock units that will vest, to the extent they relate to our Common Stock, will be equal to the greater of: (i) a pro- rated portion of such restricted stock units based on the percentage of the applicable performance period that elapsed from the first day of such period through the date of the change of control; or (ii) the number of restricted stock units that would have been earned if the stock price of our Common Stock, the common stock of NorthStar Realty and, if applicable, the common stock

of NSAM as of the end of the applicable performance period equaled the stock price as of the date of the change of control.

Other Outstanding NorthStar Realty Awards

Certain of our named executive officers also hold unvested shares of NorthStar Realty common stock and/or NorthStar Realty LTIP Units that were not granted pursuant to the NRF Incentive Plan or NSAM Incentive Plan, which will vest subject to the holder's continued employment with NorthStar Realty or its subsidiaries and/or NSAM or its subsidiaries through the applicable vesting dates. These awards will be adjusted in connection with the European Spin- off to also relate to our Common Stock and common units in our Operating Partnership, respectively. Following the European Spin- off, our named executive officers will hold such awards with respect to the following number of shares of our Common Stock and/or common units in our Operating Partnership, which will vest based on continued employment through various vesting dates extending to July 29, 2018 (as adjusted for anticipated vesting events prior to the European Spin- off): Mr. Nia - 939 restricted shares of our Common Stock and Mr. Ross - 1,626 common units. Following the European Spin- off, these awards, to the extent they relate to our Common Stock or common units in our Operating Partnership, will vest in full in the event of a change of control of us or NSAM.

Compensation Committee Interlocks and Insider Participation

Upon completion of the European Spin- off , we do not anticipate that any of our executive officers will serve as a member of a compensation committee, or other committee serving an equivalent function, of any other entity that has one or more of its executive officers serving as a member of our compensation committee.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Relationship Between NorthStar Realty, NSAM and Us After the Distribution

Following the Distribution, we will be an independent public company and NorthStar Realty will have no continuing ownership interest in us.

For purposes of governing the ongoing relationships between NorthStar Realty, NSAM and us after the Distribution and to provide for an orderly transition, NorthStar Realty, NSAM and we have entered or will enter into the agreements described in this section prior to the Distribution. In addition, we will be party to a management agreement with NSAM, which is further described above in "Corporate Governance and Management — Our Manager — Management Agreement."

Certain of the agreements summarized in this section are or will be included as exhibits to the registration statement of which this prospectus forms a part and the following summaries of those agreements are qualified in their entirety by reference to the agreements as so filed.

Separation Agreement

We will enter into a separation agreement with NorthStar Realty which will set forth, among other things, our agreements with NorthStar Realty regarding the principal transactions necessary for NorthStar Realty to distribute our Common Stock. Under the separation agreement, NorthStar Realty will distribute our Common Stock to its common stockholders and our management and certain NorthStar Realty employees as a result of their ownership of certain equity awards of NorthStar Realty entitling them to the same benefits as holders of NorthStar Realty common stock.

The separation agreement will also set forth the other agreements that govern certain aspects of our relationship with NorthStar Realty after the Distribution date. These other agreements are described in additional detail below. A form of the separation agreement will be filed as an exhibit to the registration statement of which this prospectus forms a part and the following description of the separation agreement is qualified in its entirety by reference to the separation agreement as so filed.

Conditions to the Distribution

The separation agreement will provide that the Distribution is subject to the satisfaction of certain material conditions, including the following:

- the SEC declaring effective our registration statement and no stop order suspending the effectiveness of the registration statement in effect and no proceedings for such purpose pending before or threatened by the SEC;
- the transaction agreements relating to the Distribution having been duly executed and delivered by the parties;
- no order, injunction or decree issued by any court of competent jurisdiction or other legal restraint or prohibition preventing consummation of the Distribution or any of the related transactions in effect;
- the receipt by us of an opinion from Hunton & Williams LLP to the effect that, beginning with our taxable year ending December 31, 2015, we will be organized in conformity with the requirements for qualification as a REIT under the Code and our proposed method of operation will enable us to satisfy the requirements for qualification and taxation as a REIT under the U.S. federal income tax laws for our taxable year ending December 31, 2015 and subsequent taxable years; and
- no event or development having occurred or existing that, in the judgment of the NorthStar Realty Board, in its sole discretion, makes it inadvisable to effect the Distribution and other related transactions.

Transfer of Assets and Assumption of Liabilities

The separation agreement will identify assets to be transferred, liabilities to be assumed and contracts to be performed by each of us and NorthStar Realty as part of the Distribution and it will provide for when and how these transfers, assumptions and assignments will occur.

Legal Matters

In general, NorthStar Realty will assume liability for all pending, threatened and unasserted legal claims relating to actions or omissions occurring prior to the Distribution and we will be responsible for all claims relating to actions or omissions occurring after the Distribution that relate to our business. To the extent a claim relates to a series of actions relating to our business occurring both before and after the Distribution, we will allocate liability for such claims between us and NorthStar Realty on a pro rata basis. In the event of any third- party claims that name both companies as defendants but that do not primarily relate to either our

business or NorthStar Realty's business, each party will cooperate with the other party to defend against such claims. Each party will cooperate in defending any claims against the other for events that are related to the Distribution, but may have taken place prior to, on or after such date.

Insurance

The separation agreement will provide for all pre- Distribution claims to be made under NorthStar Realty's existing insurance policies and post-Distribution claims to be made under our insurance policies. In addition, the separation agreement will allocate between the parties the right to proceeds and the obligation to incur certain deductibles under certain insurance policies. On or prior to the Distribution date, we will be required to have in place all insurance programs to comply with our contractual obligations and as reasonably necessary for our business. NorthStar Realty will be required, subject to the terms of the agreement, to obtain certain director and officer insurance policies to apply against pre- Distribution claims.

Tax Matters

We have agreed to use our reasonable best efforts to qualify for taxation as a REIT for our taxable year ending December 31, 2015. NorthStar Realty has agreed to use its reasonable best efforts to maintain its REIT status for its taxable year ending December 31, 2015, unless NorthStar Realty obtains an opinion from a nationally recognized tax counsel or a private letter ruling from the IRS, on which we can rely, substantially to the effect that NorthStar Realty's failure to maintain its REIT status will not prevent us from making a valid REIT election for any taxable year, or otherwise cause us to fail to qualify for taxation as a REIT for any taxable year, pursuant to Section 856(g)(3) of the Code. We have also agreed to use commercially reasonable efforts to cooperate with NorthStar Realty as necessary to enable NorthStar Realty to qualify for taxation as a REIT and receive customary legal opinions concerning our qualification and taxation as a REIT, including by providing information and representations to NorthStar Realty and its tax counsel with respect to the composition of our income and assets, the composition of the holders of our stock and our organization, operation and qualification as a REIT for our taxable year ending December 31, 2015.

We have also agreed to indemnify NorthStar Realty against all taxes attributable to the Distribution (other than taxes incurred by NorthStar Realty under Code section 311(b)). Additionally, we have agreed to indemnify NorthStar Realty against all taxes due with respect to NorthStar Realty, its subsidiaries, business or assets that are attributable to our failure to qualify as a REIT for our taxable year ending December 31, 2015, unless such failure was wholly or primarily attributable to NorthStar Realty, its subsidiaries, its business or its assets. NorthStar Realty has agreed to indemnify us against all taxes due with respect to us, our subsidiaries, our business and our assets relating to periods prior to the Distribution and for any taxes due with respect to us, our subsidiaries, our business and our assets that are attributable to NorthStar Realty's failure to qualify as a REIT for its taxable year ending December 31, 2015 unless such failure was wholly or primarily attributable to us, our subsidiaries, our business or our assets.

Other Matters

Other matters governed by the separation agreement will include, but are not limited to, access to financial and other records and information, intellectual property, legal privilege, confidentiality, access to and provision of records and treatment of outstanding guarantees and the Senior Notes. Pursuant to the separation agreement, we have also agreed to issue shares of our Common Stock or LTIP Units in our Operating Partnership that may be issuable in the future as a result of equitable adjustments made to outstanding restricted stock units issued by NorthStar Realty prior to the Distribution and pay any dividend equivalents owed with respect to such shares or LTIP Units. Refer to "Executive Compensation—Outstanding NorthStar Realty Awards" and "Shares Eligible for Future Sale" for additional information.

The separation agreement will also provide that NorthStar Realty will have the sole and absolute discretion to determine whether to proceed with the Distribution, including the form, structure and terms of any transactions to effect the Distribution and the timing of and satisfaction of conditions to the consummation of the Distribution.

Contribution Agreement

As part of the series of transactions described above under " — Separation Agreement," we will enter into a contribution agreement and related agreements with NorthStar Realty pursuant to which NorthStar Realty will contribute to our Operating Partnership, on or prior to the effective date of the contribution agreement, as the case may be, our European Real Estate Business, as set forth in the contribution agreement and $ 250 million in cash (in addition to any cash currently at the underlying entities to be contributed to the Company) . Any additional expenses incurred in connection with the European Spin- off will be paid by NorthStar Realty. A form of the contribution agreement will be filed as an exhibit to the registration statement of which this prospectus forms a part and the preceding description of the contribution agreement is qualified in its entirety by reference to the contribution agreement as so filed.

Indemnification and Limitation of Directors' and Officers' Liability

Our charter and bylaws provide certain indemnification rights for our directors and officers and we intend to enter into an indemnification agreement with each of our directors and executive officers. These agreements will require that we indemnify such directors and officers to the maximum extent permitted by Maryland law and that we pay such persons' expenses in defending any civil or criminal proceeding in advance of final disposition of such proceeding. See "Corporate Governance and Management—Limitation of Liability and Indemnification."

Conflicts of Interest

As a result of the European Spin- off , our directors and executive officers may also be serving as directors, officers, employees, consultants or agents of NorthStar Realty, NSAM or any of its other managed companies and we may engage in material business transactions with such entities. Members of our board of directors and our executive officers may have conflicts of interest, or the appearance of conflicts of interest, with respect to matters, including business opportunities or legal proceedings, involving or affecting more than one of the companies to which they serve. Refer to "— Policy for Review of Related Party Transactions" below for a discussion of the policy that will be in place for dealing with potential conflicts of interest that may arise from our ongoing relationship with NorthStar Realty, NSAM and any of its other managed companies.

We will renounce our rights to certain business opportunities and our board of directors will enact resolutions that will provide that no director or officer of ours who is also serving as a director, officer, employee, consultant or agent of NorthStar Realty, NSAM or any of its other managed companies and their subsidiaries will be liable to us or our stockholders for breach of any duty that would otherwise exist by reason of the fact that any such individual directs a corporate opportunity (other than certain limited types of opportunities to be set forth in our charter or by resolution) to NorthStar Realty, NSAM or any of its other sponsored or managed companies and any of their subsidiaries instead of us, or does not refer or communicate information regarding such corporate opportunities to us. These resolutions will also expressly validate certain contracts, agreements, assignments and transactions (and amendments, modifications or terminations thereof) between us and NorthStar Realty, NSAM and its other sponsored or managed companies and any of their subsidiaries and, to the fullest extent permitted by law, provide that the actions of the overlapping directors or officers in connection therewith are not breaches of duties owed to us, any of our subsidiaries or our respective stockholders. There can be no assurance that the terms of any such transactions will be as favorable to NorthStar Europe as would be the case where there is no overlapping director or executive officer. Refer to "Risk Factors — Risks Related to Our Manager — There will be conflicts of interest in our relationship with NSAM that could result in decisions that are not in the best interests of our stockholders" and "Certain Provisions of Maryland Law and of Our Charter and Bylaws — Certain Corporate Opportunities and Conflicts."

Policy for Review of Related Party Transactions

Our current policy for the review of related party transactions is that all "disinterested" directors of our audit committee shall evaluate and consider for approval arrangements and relationships that may occur or exist between us, on the one hand, and our directors, our officers and certain persons or entities associated with such persons, on the other hand. Under the written policy, any transaction between us and any such related party (other than de minimis transactions), including, without limitation, any transaction that is required to be disclosed by us in any of our filed periodic reports or proxy statements, will be deemed to be a related party transaction. When reviewing and evaluating a related party transaction, each "disinterested" director of our audit committee may consider, among other things, any effect a transaction may have upon a director's independence, whether the transaction involves terms and conditions that are no less favorable to us than those that could be obtained in a transaction between us and an unrelated third party and the nature of any director or officer's involvement in the transaction. Our general counsel will notify the members of our audit committee promptly of new potential related party transactions and any material changes to previously approved or conditionally approved related party transactions.

INVESTMENT POLICIES AND POLICIES WITH RESPECT TO CERTAIN ACTIVITIES

Our Investment, Credit and Monitoring Process

Our investment process will combine intensive underwriting with a disciplined decision- making process. We intend to apply fundamental real estate analysis to credit decisions in each of our business lines. Our real estate analysis will be supplemented by financial modeling and stress testing to assess the performance of each specific investment under adverse conditions.

All investment opportunities will be evaluated based on the impact on aggregate portfolio composition and aggregate exposure, real estate market and economic conditions affecting the underlying properties, stability of the underlying property, cash flow and ability to cover debt service and/or expenses, attractiveness compared to alternative investment opportunities and ability to finance the investment with term funding and to minimize interest rate risk. If the investment is deemed to be appropriate, the specialists for the relevant business line will proceed with asset- level analysis, documentation review and financial modeling. They will be encouraged to seek input with respect to market information and pricing from their counterparts in other business lines.

The results of our analysis will be summarized in a memorandum and provided to an investment committee. All members of the investment committee will review prospective investments and may provide input into the investment decision. The specific approval level that is required will depend upon the size and type of the investment being made. After an investment is made, it will be monitored through our surveillance process. Our objective is to anticipate credit changes so that steps can be taken to protect our position or to liquidate investments prior to significant credit deterioration. Asset- level performance information will be updated regularly on our portfolio management system, which will incorporate both proprietary and third- party databases. Overall portfolio composition will be monitored to manage exposure to particular markets, sectors or credits. Each business line will produce a quarterly surveillance report that will be reviewed by the investment committee. If necessary, the committee may meet more frequently to discuss emerging issues within the portfolio and authorize specific actions.

Investment Policies

Investment Objectives

Our investment objective is to make real estate investments that produce attractive risk- adjusted returns and predictable cash flow for distribution to our stockholders. We expect to pursue our investment objectives primarily through the ownership by our Operating Partnership of interests in real estate investments. We intend to pursue diverse real estate investments that have the potential to generate favorable risk- adjusted returns, consistent with the maintenance of our status as a REIT for federal income tax purposes.

Investment Guidelines

Our board of directors will adopt general guidelines for our investments and borrowings to the effect that:

- no investment shall be made which would cause us to fail to qualify as a REIT; and
- no investment shall be made which would cause us to be regulated as an investment company.

These investment guidelines may be changed by our board of directors without the approval of our stockholders.

Investment in Real Estate

We have the ability to invest in a broad spectrum of European commercial real estate. We are currently predominantly focused on office properties and may expand by acquiring other types of commercial real estate located throughout Europe. We expect to make equity investments, directly or indirectly through joint ventures, in a diversified portfolio of European commercial real estate that offers the opportunity to generate attractive risk-adjusted returns. We seek to generate stable cash flow for distribution to our stockholders and in turn build long- term franchise value. We primarily purchase or lease income- producing commercial properties, but we may also acquire other types of properties for long- term investment and sell properties, in whole or in part, when circumstances warrant.

We may also participate with third parties in property ownership, through joint ventures or other forms of co- ownership. These investments may permit us to own interests in larger investments without unduly restricting diversification and, therefore, add flexibility in structuring our portfolio. We will not, however, enter into a joint venture or partnership to make an investment that would not otherwise meet our investment policies. Equity investments may be subject to existing mortgage financing and other indebtedness or other financing or indebtedness as may be incurred in connection with acquiring or refinancing these investments. Debt service on such financing or indebtedness will have a priority over any distributions with respect to our Common Stock. Investments are also subject to our policy not to be treated as an investment company under the Investment Company Act.

Financing Policies

Our investment guidelines will not restrict the amount of borrowings that we may incur. We intend to use leverage in order to enhance our overall investment returns, while maintaining appropriate levels of leverage relative to our investments and the cost and structure of available financing. We intend to seek, where possible, to match the terms and interest rates of a substantial part of our assets and liabilities to minimize the differential between overall asset and liability maturities.

We seek to access a wide range of secured and unsecured debt and public and private equity capital sources to grow and fund our investment activities. We expect to predominantly use investment- level financing as part of our strategy to prudently leverage our investments and seek to deliver attractive risk- adjusted returns to our stockholders. We expect to target overall leverage of 40% to 50%, although there is no assurance that this will be the case.

We plan to pursue a variety of financing arrangements such as mortgage notes and bank loans available from the CMBS market, finance companies and banks. In addition, we may use corporate- level financing such as credit facilities and other borrowings. We generally seek to limit our reliance on recourse borrowings. Borrowing levels for our investments may be dependent upon the nature of the investments and the related financing that is available.

For longer duration, relatively stable cash flow investments, such as those derived from net lease investments, we may use fixed rate financing. For investment cash flow with greater growth potential, we expect to use floating rate financing, which provides prepayment flexibility and may provide a better match between underlying cash flow projections and potential increases in interest rates. Where we use floating rate financing, we expect to generally attempt to mitigate the risk of interest rates rising through hedging arrangements including interest rate swaps and caps. We may vary the mix of fixed and floating rate debt and use a combination of the two when we deem it appropriate. We also may utilize corporate- level financing in the future.

We intend to take advantage of differences in the monetary performance of the various European jurisdictions, which we expect to provide us lower cost to capital and to enable us to fund investments located in economies that are at a more advanced stage of recovery at artificially low financing costs.

We anticipate that the process of raising, investing and deploying equity capital will give rise to short- term fluctuations in the levels of leverage within each of our business lines and on an overall basis. Our objectives in utilizing leverage are to improve risk- adjusted returns and, where possible, to lock in, on a long- term non- recourse basis, a spread between the yield on our investments and the cost of their financing. For further information regarding our financing, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Sources of Operating Revenues and Cash Flows.”

Our financing policies may be changed by our board of directors and executive officers without the approval of our stockholders.

Hedging Policies

We may use derivative instruments primarily to manage the risk of interest rate and foreign currency fluctuations. We may use forward or option foreign currency purchase contracts, interest rate swaps, interest rate caps, short sales of securities, options or other hedging instruments in order to implement our hedging strategy. The counterparties to these arrangements are major financial institutions with which we may also have other financial relationships.

Creating an effective strategy for dealing with interest rate and foreign currency movements is complex and no strategy can completely insulate us from risks associated with such fluctuations. There can be no assurance that our hedging activities will have the intended impact on our results. A more detailed discussion of our hedging policy is provided in “Management’s Discussion and Analysis of Financial Conditions and Results of Operations — Quantitative and Qualitative Disclosures About Market Risk.”

Policies with Respect to Other Activities

We will have the authority to offer our Common Stock, preferred stock or options to purchase stock in exchange for property and to repurchase or otherwise acquire our Common Stock or other securities in the open market or otherwise, and we may engage in such activities in the future. We expect, but are not obligated, to issue shares of our Common Stock to holders of operating partnership units in our Operating Partnership upon exercise of their redemption rights. We may issue preferred stock from time to time, in one or more series, as authorized by our board of directors without the need for stockholder approval. We have not engaged in trading, underwriting or agency distribution or sale of securities of other issuers other than our Operating Partnership and do not intend to do so. We have not in the past, but we may in the future, invest in the securities of other issuers for the purpose of exercising control over such issuers. At all times, we intend to make investments in such a manner as to qualify as a REIT, unless because of circumstances or changes in the Code or the regulations of the U.S. Department of the Treasury, our board of directors determines that it is no longer in our best interest to qualify as a REIT. Except as described in this prospectus, we have not made any loans to third parties, although we may in the future make loans to third parties, including, without limitation,

to joint ventures in which we participate. We intend to make investments in such a way that we will not be treated as an investment company under the Investment Company Act. We also intend to furnish our stockholders with annual reports containing consolidated financial statements audited by our independent certified public accountants and with quarterly reports containing unaudited consolidated financial statements for each of the first three quarters of each fiscal year. Our policies with respect to such activities may be reviewed and modified or amended from time to time by our board of directors without a vote of our stockholders.

OUR OPERATING PARTNERSHIP

Our Operating Partnership, NorthStar Realty Europe Limited Partnership, has been organized as a Delaware limited partnership. We are the general partner. The purpose of our Operating Partnership includes the conduct of any business that may be lawfully conducted by a limited partnership formed under the Delaware Revised Uniform Limited Partnership Act, or the DRULPA, except that the partnership agreement of our Operating Partnership requires the business of our Operating Partnership to be conducted in such a manner that will permit us to qualify as a REIT under federal tax laws. The following summary of material provisions of our Operating Partnership agreement is subject to, and is qualified in its entirety by reference to, all the provisions of our operating partnership agreement and applicable provisions of the DRULPA. We have incorporated by reference the partnership agreement as an exhibit to the registration statement of which this prospectus is a part.

General

Pursuant to the operating partnership agreement, the general partner, as the sole general partner of our Operating Partnership, has full, exclusive and complete responsibility and discretion in the management and control of our Operating Partnership. The limited partners of our Operating Partnership have no authority in their capacity as limited partners to transact business for, or participate in the management activities or decisions of, our Operating Partnership except as required by applicable law. Consequently, we, by virtue of our position as the general partner, control the assets and business of our Operating Partnership. However, any amendment to the operating partnership agreement that would: (i) affect the redemption rights; (ii) adversely affect the limited partners' rights to receive cash distributions; (iii) convert a limited partner interest into a general partner interest; or (iv) modify the limited liability of a limited partner, will require the consent of each partner adversely affected thereby or else shall be effective against only those partners who shall have consented thereto.

Operations

The operating partnership agreement requires that our Operating Partnership be operated in a manner that will enable us to satisfy the requirements for being classified as a REIT for federal tax purposes, to avoid any federal income or excise tax liability imposed by the Code, and to ensure that our Operating Partnership will not be classified as a "publicly traded partnership" for purposes of section 7704 of the Code.

In addition to the administrative and operating costs and expenses incurred by our Operating Partnership, it is anticipated that our Operating Partnership will pay all of our administrative costs and expenses and our expenses will be treated as expenses of our Operating Partnership. Our expenses generally will include: (i) expenses relating to the ownership of interests in and management and operation of, or for the benefit of, our Operating Partnership; (ii) compensation of our officers; (iii) fees and expenses of our directors; and (iv) all costs and expenses of us being a public company, including costs of filings with the SEC reports and other distributions to our stockholders.

Distributions

The operating partnership agreement provides that our Operating Partnership shall distribute cash from operations (including net sale or refinancing proceeds, but excluding net proceeds from the sale of our Operating Partnership's property in connection with the liquidation of our Operating Partnership) on a quarterly (or, at the election of the general partner, more frequent) basis, in amounts determined by the general partner in its sole discretion, to the partners in accordance with their respective percentage interests in our Operating Partnership. Upon liquidation of our Operating Partnership, after payment of, or adequate provision for, debts and obligations of our Operating Partnership, including any partner loans, it is anticipated that any remaining assets of our Operating Partnership will be distributed to all partners with positive capital accounts in accordance with their respective positive capital account balances. If the general partner has a negative balance in its capital account following a liquidation of our Operating Partnership, it will be obligated to contribute cash to our Operating Partnership equal to the negative balance in its capital account.

Allocations

It is anticipated that income, gain and loss of our Operating Partnership for each fiscal year generally will be allocated among the partners in accordance with their respective interests in our Operating Partnership, subject to compliance with the provisions of sections 704(b) and 704(c) of the Code and Treasury regulations promulgated thereunder.

Capital Contributions and Borrowings

The partnership agreement provides that if the partnership requires additional funds at any time in excess of funds available to the partnership from borrowing or capital contributions, we may borrow such funds from a financial institution or other lender and lend such funds to the partnership. Under the partnership agreement, we are obligated to contribute the proceeds of any offering of shares of our Common Stock as additional capital to our Operating Partnership.

Issuance of Additional Limited Partnership Interests

We are authorized, without the consent of the limited partners, to cause our Operating Partnership to issue additional units to us, to the limited partners or to other persons for such consideration and on such terms and conditions as we deem appropriate. If additional units are issued to us, then we must: (i) issue additional shares of common stock and must contribute to our Operating Partnership the entire proceeds received by us from such issuance; or (ii) issue additional units to all partners in proportion to their respective interests in our Operating Partnership. In addition, we may cause our Operating Partnership to issue to us additional partnership interests in different series or classes, which may be senior to the units, in conjunction with an offering of our securities having substantially similar rights, in which the proceeds thereof are contributed to our Operating Partnership. Consideration for additional partnership interests may be cash or other property or assets. No person, including any partner or assignee, has preemptive, preferential or similar rights with respect to additional capital contributions to our Operating Partnership or the issuance or sale of any partnership interests therein.

Our Operating Partnership may issue units of limited partnership interest that are common units or LTIP Units. Our Operating Partnership also has the authority to issue additional units of limited partnership interest that are preferred as to distributions and upon liquidation to the Operating Partnership units which we refer to as preferred operating partnership units.

LTIP Units

Our Operating Partnership is also authorized to issue LTIP Units. In general, an LTIP Unit will receive the same quarterly per unit distributions as a common unit. Initially, each LTIP Unit will have a capital account balance of zero and, therefore, will not have full parity with common units with respect to liquidating distributions. However, the partnership agreement provides that "book gain," or economic appreciation, in our assets realized by our Operating Partnership as a result of the actual sale of all or substantially all of our Operating Partnership's assets or the revaluation of our Operating Partnership's assets as provided by applicable Treasury regulations, will be allocated first to the LTIP Unit holders until the capital account per LTIP Unit is equal to the average capital account per- unit of our common units in our Operating Partnership. The partnership agreement provides that our Operating Partnership's assets will be revalued upon the occurrence of certain events, specifically additional capital contributions by us or other partners, the redemption of a partnership interest, a liquidation (as defined in the Treasury regulations) of our Operating Partnership or the issuance of a partnership interest (including LTIP Units) to a new or existing partner as consideration for the provision of services to, or for the benefit of, our Operating Partnership.

Upon equalization of the capital accounts of the LTIP Units with the average per- unit capital account or our common units, the LTIP Units will achieve full parity with the common units for all purposes, including with respect to liquidating distributions. If such parity is reached and the LTIP Units have vested under the terms of the agreement granting the LTIP Units, then the LTIP Units, subject to the terms and conditions of the partnership agreement, may be converted into an equal number of common units at any time, and thereafter enjoy all the rights of common units. If a sale or revaluation of assets occurs at a time when our Operating Partnership's assets have appreciated sufficiently since the last revaluation, the LTIP Units would achieve full parity with the common units upon such sale or revaluation. In the absence of sufficient appreciation in the value of our Operating Partnership's assets at the time of a sale or revaluation, full parity would not be reached.

Consequently, an LTIP Unit may never become convertible because the value of our Operating Partnership's assets has not appreciated sufficiently between revaluation dates to equalize capital accounts. Until and unless parity is reached, the value for a given number of vested LTIP Units will be less than the value of an equal number of shares of our Common Stock.

Redemption Rights

Pursuant to our operating partnership agreement, the limited partners have the right to cause our Operating Partnership to redeem their common units for cash or, at the election of the general partner, shares of our Common Stock on a one- for- one basis on or after the later of: (i) one year after the issuance of such common units ; or (ii) 14 months after the date of the Distribution. We expect, but are not obligated, to issue shares of our Common Stock to holders of common units in our Operating Partnership upon exercise of their redemption rights. The redemption price will be paid in cash in our discretion or in the event that the issuance of shares of our Common Stock to the redeeming limited partner would: (i) result in any person owning, directly or indirectly, shares of our Common Stock in excess of 9.8% in value or number of shares, whichever is more restrictive, of the aggregate of the outstanding shares of our Common Stock, or more than 9.8% in value of the aggregate of the outstanding shares of our stock; (ii) result in shares of our securities being owned by fewer than 100 persons (determined without reference to any rules of attribution); (iii) result in our being "closely held" within the meaning of section 856(h) of the Code; (iv) cause us to own, actually or constructively, 9.9% or more of the ownership interests in a tenant of our Operating Partnership's real property, within the meaning of section 856(d)(2)(B) of the Code; or (v) cause the acquisition of shares of our Common Stock by such redeeming limited partner to be "integrated" with any other distribution of shares of our Common Stock for purposes of complying with the Securities Act. Specifically, the partnership agreement prohibits all limited partners from redeeming their common units before the later of: (i) one year from the date of issuance ; and (ii) 14 months after the date of the Distribution .

No Removal of the General Partner

We may not be removed as general partner by the partners with or without cause, except with the consent of the general partner.

Withdrawal of General Partner; Transfer of General Partner's Interests

The general partner may not withdraw from our Operating Partnership or transfer or assign its interest in our Operating Partnership unless: (i) the interests are transferred to a qualified REIT subsidiary; (ii) the limited partners holding a majority of the outstanding partnership interests held by all limited partners consent; or (iii) the general partner merges with another entity and, immediately after such merger, the surviving entity contributes substantially all of its assets, other than the general partner's interests in our Operating Partnership, to our Operating Partnership in exchange for operating partnership units.

Restrictions on Transfer of Operating Partnership Units by Limited Partners

The operating partnership agreement imposes certain restrictions on the transfer of units. The operating partnership agreement provides that a limited partner may, at any time without the consent of the general partner: (i) transfer all or part of its partnership interest to any family member, any controlled entity or any affiliate, provided that the transferee is, in any such case, a qualified transferee; (ii) transfer all or part of its partnership interest to a family member in a transaction that constitutes a bona fide gift; or (iii) pledge all or any portion of its partnership interest to a lending institution, which is not an affiliate of such limited partner, as collateral or security for a bona fide loan or other extension of credit, and transfer such partnership interest to such lending institution in connection with the exercise of remedies under such loan or extension or credit (each, a "permitted transfer"). Other than in the context of a permitted transfer, consent of the general partner is required to transfer all or any portion of a partnership interest unless the transfer is made to a person who is a qualified transferee and satisfies certain other provisions of our operating partnership agreement.

No limited partner shall have the right to substitute a transferee as a limited partner in its place. A transferee of the interest of a limited partner may be admitted as a substituted limited partner only with the consent of the general partner which consent may be given or withheld by the general partner in its sole and absolute discretion.

Term

We formed our Operating Partnership on September 25, 2015 and expect it to continue until terminated as provided in our operating partnership agreement or by operation of law.

Tax Matters

Pursuant to our operating partnership agreement, the general partner is the tax matters partner of our Operating Partnership and, as such, has authority to handle tax audits and to make tax elections under the Code on behalf of our Operating Partnership.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Beneficial Ownership of Stock

The following table shows the number and percentage of shares of our Common Stock that will be owned of record and beneficially immediately following the time of the Distribution with respect to:

- each director and director nominee;
- each of our named executive officers;
- each person or group of affiliated persons that is the beneficial owner of 5% or more of our Common Stock; and
- all of our directors, director nominees and executive officers as a group.

All information in the table is based upon information available to us as of September 30 , 2015 as to the ownership of our Common Stock and is presented as if the Distribution has occurred prior to the dates of ownership information used in the table.

	Amount and Nature of Beneficial Ownership[1]	
Name and Address of Beneficial Owner	**Number**	**Percentage**
Principal Stockholders:		
The Vanguard Group	6,837,105 [2]	11.2%
Directors, Director Nominees and Executive Officers:[3]		
David T. Hamamoto	196,676 [4]	*
Albert Tylis	37,772 [5]	*
Mario Chisholm	— [6]	*
Judith A. Hannaway	7,841 [6] [7]	*
Oscar Junquera	4,927 [6]	*
Wesley D. Minami	10,143 [6] [8]	*
Charles W. Schoenherr	3,614 [6] [9]	*
Mahbod Nia	1,189 [10]	*
Debra A. Hess	14,788 [11]	*
Trevor K. Ross	— [12]	*
All directors and executive officers as a group	276,950	*

*Less than one percent.

(1) Each listed person's beneficial ownership includes: all shares of our Common Stock and vested common units in our Operating Partnership over which the person has or shares direct or indirect voting or dispositive control and all other shares of our Common Stock over which the person has the right to acquire direct or indirect voting or dispositive control within 60 days. Unless otherwise described in a footnote below, each person has sole voting and dispositive control over the securities beneficially owned.

(2) Based on information included in the Schedule 13G/A filed by The Vanguard Group, or the Vanguard Group, on June 10, 2015, or the Vanguard 13G, relating to its beneficial ownership of NorthStar Realty common stock. According to the Vanguard 13G, Vanguard Group beneficially owns an aggregate of 41,022,634 shares of NorthStar Realty common stock and has sole voting power, sole dispositive power and shared dispositive power over 187,999, 40,863,209 and 159,425, respectively, of such shares of common stock. The principal business address of Vanguard Group is 100 Vanguard Blvd., Malvern, PA 19355.

(3) The address of each of the directors and executive officers is 399 Park Avenue, 18th Floor, New York, NY 10022.

(4) Includes: (i) 11,492 restricted shares of our Common Stock to be distributed with respect to equity awards granted by NorthStar Realty prior to the European Spin- off that have not yet vested; (ii) 90,398 vested common units to be distributed with respect to vested NorthStar Realty LTIP Units in connection with the European Spin- off; (iii) 1,087 shares of our Common Stock held by DTH Investment Holdings LLC, of which Mr. Hamamoto is the managing member; and (iv) 41,666 shares of our Common Stock held by The David T. Hamamoto GRAT I- 2014- NRF, a grantor trust for the benefit of Mr. Hamamoto's children and of which Mr. Hamamoto is the trustee. Excludes: (i) 81,839 unvested common units in our Operating Partnership to be distributed with respect to unvested NorthStar Realty LTIP Units in connection with the European Spin- off; and (ii) 116,011 shares of our Common Stock subject to RSUs previously issued by NorthStar Realty, which will only be issued if and to the extent future performance conditions are met.

(5) Includes 37,772 vested common units in our Operating Partnership to be distributed with respect to vested NorthStar Realty LTIP Units in connection with the European Spin- off. Excludes: (i) 54,560 unvested common units in our Operating Partnership to be distributed with respect to unvested NorthStar Realty LTIP Units in connection with the European Spin- off; and (ii) 77,341 shares of our Common Stock subject to RSUs previously issued by NorthStar Realty, which will only be issued if and to the extent future performance conditions are met.

(6) Excludes an equity award of $200,000 to be issued to each of our non- management directors upon their election to our board of directors on the first trading day following the Distribution date. The equity award is expected to be issued based on the closing trading price of our Common Stock on the first day of trading following the Distribution date.

(7) Includes 2,384 vested common units in our Operating Partnership to be distributed with respect to vested NorthStar Realty LTIP Units in connection with the European Spin- off.

(8) Includes 2,384 vested common units in our Operating Partnership to be distributed with respect to vested NorthStar Realty LTIP Units in connection with the European Spin- off.

(9) Includes 2,781 vested common units in our Operating Partnership to be distributed with respect to vested NorthStar Realty LTIP Units in connection with the European Spin- off. Excludes 794 unvested common units in our Operating Partnership to be distributed with respect to unvested NorthStar Realty LTIP Units in connection with the European Spin- off.

(10) Includes 991 restricted shares of our Common Stock to be distributed with respect to equity awards granted by NorthStar Realty prior to the European Spin- off that have not yet vested.

(11) Includes: (i) 1,702 restricted shares of our Common Stock to be distributed with respect to equity awards granted by NorthStar Realty prior to the European Spin- off that have not yet vested; and (ii) 12,428 vested common units in our Operating Partnership to be distributed with respect to vested NorthStar Realty LTIP Units in connection with the European Spin- off. Excludes: (i) 16,274 unvested common units in our Operating Partnership to be distributed with respect to unvested NorthStar Realty LTIP Units in connection with the European Spin- off; and (ii) 18,503 shares of our Common Stock subject to RSUs previously issued by NorthStar Realty, which will only be issued if and to the extent future performance conditions are met.

(12) Excludes 1,773 unvested common units in our Operating Partnership to be distributed with respect to unvested NorthStar Realty LTIP Units in connection with the European Spin- off.

SHARES ELIGIBLE FOR FUTURE SALE

Sales or the availability for sale of substantial amounts of our Common Stock in the public market could adversely affect the prevailing market price for such stock. As of September 30 , 2015, there were approximately 4,085 record holders of NorthStar Realty common stock. Upon completion of the Distribution, we estimate we will have outstanding an aggregate of approximately 63.0 million shares of our Common Stock based upon the approximately 377.9 million shares of NorthStar Realty common stock expected to be outstanding on October 22, 2015 (based on the total shares outstanding on September 30, 2015 plus additional shares expected to be issued pursuant to NorthStar Realty's forward sale agreement prior to the record date). In addition, upon completion of the Distribution, we estimate 623,526 shares of our Common Stock will be reserved for issuance upon exchange of common units in our Operating Partnership held by persons other than us and 381,676 shares of our Common Stock will be reserved for issuance pursuant to restricted stock units issued by NorthStar Realty prior to the Distribution (based on outstanding common units and LTIP Units in NorthStar Realty OP and other outstanding equity awards as of September 30, 2015). We have also initially reserved 10 million shares of our Common Stock for issuance under the 2015 Plan.

All of the outstanding shares of our Common Stock will be freely tradable without restriction, subject to the limitations on ownership set forth in our charter and any applicable vesting restrictions, and without further registration under the Securities Act unless the shares are owned by our "affiliates" as that term is defined in the rules under the Securities Act. For a more detailed discussion of restrictions on transfer of our Common Stock, refer to "Description of Capital Stock — Restrictions on Transfer and Ownership of our Common Stock." Shares of our Common Stock held by "affiliates" may be sold in the public market only if registered or if they qualify for an exemption from registration or in compliance with Rule 144 under the Securities Act, which is summarized below.

Rule 144

In general, under Rule 144 of the Securities Act as currently in effect, an affiliate would be entitled to sell within any three- month period a number of shares of our Common Stock that does not exceed the greater of:

- one percent of the number of shares of our Common Stock then outstanding; or
- the average weekly trading volume of our Common Stock on the stock exchange on which our Common Stock will be listed, which we expect to be the NYSE, during the four calendar weeks preceding the filing of a notice of Form 144 with respect to such sale.

Sales under Rule 144 are also subject to certain holding period requirements, manner of sale provisions and notice requirements and to the availability of current public information about us.

Stock Awards

We intend to adopt the 2015 Plan pursuant to which we may grant equity incentive awards to our executive officers, employees, co- employees, directors (including non- management directors), consultants and advisors. We have initially reserved 10 million shares of our Common Stock for issuance under the 2015 Plan.

We intend to file with the SEC a registration statement on Form S- 8 covering the shares of our Common Stock issuable under the 2015 Plan. Shares of our Common Stock issued under this registration statement will be eligible for transfer or resale without restriction under the Securities Act unless held by affiliates.

In addition, all of the vested and unvested equity awards granted by NorthStar Realty or relating to equity of NorthStar Realty or NorthStar Realty OP prior to the European Spin- off will remain outstanding following the European Spin- off and will be adjusted to reflect the European Spin- off. As a result, based on equity awards outstanding as of September 30, 2015 (adjusted for anticipated vesting events prior to the European Spin- off), we estimate 381,676 shares of our Common Stock will be subject to potential issuance upon settlement of outstanding restricted stock units, 623,526 shares of our Common Stock will be reserved for issuance upon exchange of common units in our Operating Partnership, including approximately 373,422 common units subject to vesting and potential forfeiture pursuant to these awards and approximately 27,128 shares of our Common Stock that are issued in the Distribution will be subject to vesting and potential forfeiture pursuant to these awards.

Refer to "Executive Compensation—Equity Incentive Plan," "Executive Compensation—Outstanding NorthStar Realty Awards" and "Description of Capital Stock" for additional information.

Operating Partnership Unit Redemption Rights

In connection with the Distribution, NorthStar Realty OP will distribute all of the common units in our Operating Partnership to the holders of its common units and LTIP Units, including NorthStar Realty. The common units in our Operating Partnership distributed to NorthStar Realty will be contributed to us in connection with the Distribution. As a result of this distribution of common units in our Operating Partnership, we estimate persons other than us will hold an aggregate of 623,526 common units, or approximately 1%, in our Operating Partnership following the Distribution (based on outstanding common units and LTIP Units in NorthStar Realty OP as of September 30, 2015). Beginning on or after the date which is 14 months after the Distribution, each limited partner of our Operating Partnership, other than us, will have the right to require our Operating Partnership to redeem part or all of its common units for cash, based upon the value of an equivalent number of shares of our Common Stock at the time of the election to redeem, or, at our election, to exchange for shares of our Common Stock on a one- for- one basis. Refer to “Our Operating Partnership.”

DESCRIPTION OF CAPITAL STOCK

Our charter will be amended and restated prior to the European Spin- off , which we refer to, as amended and restated, as our charter. The following is a summary of the material terms of our capital stock that will be contained in our charter and bylaws. The summaries and descriptions below do not purport to be complete statements of the relevant provisions of our charter or our bylaws to be in effect at the time of the European Spin- off and are qualified in their entirety by reference to these documents, which you should read (along with the applicable provisions of Maryland law) for complete information on our capital stock as of the time of the European Spin- off . Our charter and bylaws to be in effect at the time of the European Spin- off will be included as exhibits to our registration statement of which this prospectus forms a part and this summary is qualified in its entirety by such exhibits.

General

We are currently authorized to issue up to 1.0 billion shares of our Common Stock. Prior to the Distribution, we will amend and restate our charter to provide authorization for us to issue up to 200 million shares of shares of preferred stock, par value $0.01 per share, or our Preferred Stock, in addition to the 1.0 billion shares of our Common Stock authorized. In addition, our charter will authorize a majority of our entire board of directors, without stockholder approval, to amend our charter to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that NorthStar Europe is authorized to issue.

On June 18, 2015, the Company issued 100 shares of our Common Stock to NorthStar Realty for $1,000, which are the only shares of our Common Stock currently issued and outstanding.

Common Stock

All shares of our Common Stock currently outstanding are duly authorized, validly issued, fully paid and non- assessable, not subject to redemption and without preemptive or other rights to subscribe for or purchase any proportionate part of any new or additional issues of stock of any class or of securities convertible into stock of any class. Holders of our Common Stock will be entitled to receive dividends when authorized by our board of directors and declared by us out of assets legally available for the payment of dividends. They are also entitled to share ratably in our assets legally available for distribution to our stockholders in the event of our liquidation, dissolution or winding up, after payment of or adequate provision for all of our known debts and liabilities, including the liquidation preferences of any shares of Preferred Stock. These rights will be subject to the preferential rights of any other class or series of our stock and to the provisions of our charter regarding restrictions on transfer and ownership of our stock.

Subject to our contemplated charter restrictions on transfer and ownership of our stock, each outstanding share of our Common Stock will entitle the holder to one vote on all matters submitted to a vote of stockholders, including the election of directors. Except as expressly provided with respect to any other class or series of our stock, the holders of our Common Stock will possess the exclusive voting power on all matters submitted to a vote of stockholders. There will not be cumulative voting in the election of directors, which means that the holders of a majority of the outstanding shares of our Common Stock will be able to elect all of the directors then standing for election and the holders of the remaining shares will not be able to elect any directors.

Holders of our Common Stock will have no preference, conversion, exchange, sinking fund, redemption or appraisal rights and will have no preemptive rights to subscribe for any of our securities. Subject to our contemplated charter restrictions on transfer and ownership of stock, all shares of our Common Stock will have equal dividend, liquidation and other rights.

Under Maryland law, a Maryland corporation generally cannot dissolve, amend its charter, merge or consolidate with or convert into another entity, sell all or substantially all of its assets or engage in a statutory share exchange unless approved by the affirmative vote of stockholders holding at least two- thirds of all the votes entitled to be cast on the matter. However, a Maryland corporation may provide in its charter for approval of these matters by a lesser percentage, but not less than a majority of all of the votes entitled to be cast on the matter. Our charter will provide that these matters (other than certain amendments to the provisions of our charter relating to the removal of directors and charter amendments) may be approved by a majority of all of the votes entitled to be cast on the matter. Also, because many of our assets may be held by subsidiaries, these subsidiaries may be able to merge or sell all or substantially all of their assets without the approval of our stockholders.

Transfer Agent and Registrar

The transfer agent and registrar for our Common Stock is American Stock Transfer & Trust Company, LLC.

Preferred Stock

Our charter authorizes our board of directors to classify any unissued shares of Preferred Stock and to reclassify any previously classified but unissued shares of any class or series of stock, as authorized by our board of directors. Prior to issuance of shares of each class or series, our board of directors is required by the MGCL and will be required by our charter to set, subject to the contemplated provisions of our charter regarding the restrictions on transfer and ownership of stock, the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms or conditions of redemption for each such class or series. Thus, our board of directors could authorize the issuance of shares of Preferred Stock with terms and conditions which could have the effect of delaying, deferring or preventing a transaction or a change in control of NorthStar Europe that might involve a premium price for holders of our Common Stock or otherwise be in their best interest. As of the date hereof, no shares of Preferred Stock are outstanding and we have no present plans to issue any Preferred Stock.

Restrictions on Transfer and Ownership of our Common Stock

For us to qualify as a REIT under the Code, our stock must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of twelve months or during a proportionate part of a shorter taxable year. Also, not more than 50% of the value of our outstanding stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities) during the last half of a taxable year.

Our charter contains restrictions on the number of shares of our stock that a person may own. No person, including entities, may acquire or hold, directly or indirectly, in excess of 9.8% in value of the aggregate of the outstanding shares of our stock. In addition, no person, including entities, may acquire or hold, directly or indirectly, our Common Stock in excess of 9.8% (in value or number, whichever is more restrictive) of the aggregate of the outstanding shares of our Common Stock.

Our charter further prohibits: (i) any person from beneficially or constructively owning shares of our stock that would result in our being “closely held” under Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of the taxable year) or otherwise cause us to fail to qualify as a REIT (including, but not limited to, beneficial or constructive ownership that would result in our owning (directly or indirectly) an interest in a tenant that is described in Section 856(d)(2)(B) of the Code if the income derived by us from such tenant would cause us to fail to satisfy any of the gross income requirements of Section 856(c) of the Code); and (ii) any person from transferring shares of our stock if the transfer would result, if effective, in our stock being owned by fewer than 100 persons. Any person who acquires or who attempts or intends to acquire shares of our stock that may violate any of these restrictions or who is the intended transferee of shares of our stock which are transferred to the trust is required to give us immediate written notice, or in the case of a proposed or attempted transaction, give at least 15 days prior written notice, and provide us with such information as we may request in order to determine the effect, if any, of the transfer on our qualification as a REIT.

The above restrictions will not apply if our board of directors determines that it is no longer in our best interests to continue to qualify as a REIT (or that compliance is no longer required for REIT qualification). Our board of directors, in its sole discretion, may exempt (prospectively or retroactively) a person from these limits, subject to such terms, conditions, representations and undertakings as it may determine and as are contained in our charter.

Any attempted transfer of shares of our stock that would result in shares of our stock being owned by fewer than 100 persons will be null and void, and the intended transferee shall acquire no rights in such shares. Any attempted transfer of our stock which, if effective, would result in any other violation of the above limitations, will cause the number of shares causing the violation (rounded to the nearest whole share) to be automatically transferred to a trust for the exclusive benefit of one or more charitable beneficiaries and the proposed transferee will not acquire any rights in the shares. If the automatic transfer to the trust would not be effective for any reason to prevent the violation of the above limitations, then the transfer of that number of shares of stock that otherwise would cause the violation will be null and void, and the proposed transferee will not acquire any rights in the shares. The automatic transfer will be deemed to be effective as of the close of business on the business day (as defined in our charter) prior to the date of the purported transfer. Shares of our stock held in the trust will be issued and outstanding shares. The proposed transferee will not benefit economically from ownership of any shares of stock held in the trust, will have no rights to dividends or other distributions and no rights to vote or other rights attributable to the shares of stock held in the trust. The trustee of the trust will have all voting rights and rights to dividends or other distributions with respect to shares held in the trust. These rights will be exercised for the exclusive benefit of the charitable beneficiary. Any dividend or other distribution paid prior to our discovery that shares of stock have been transferred to the trust must be paid by the recipient to the trustee upon demand. Any dividend or other distribution authorized but unpaid will be paid when due to the trustee. Any dividend or distribution paid to the trustee will be held in trust for the charitable beneficiary. Subject to Maryland law, effective as of the date that the shares of stock are transferred to the trust, the trustee will have the authority, at the trustee’s discretion, to: (i) rescind as void any vote cast by the proposed transferee prior to our discovery that the shares have been transferred to the trust; and (ii) recast the vote in accordance with the desires of the trustee acting for the benefit of the charitable beneficiary. However, if we have already taken irreversible

corporate action, then the trustee will not have the authority to rescind and recast the vote. If necessary to protect our qualification as a REIT, we may establish additional trusts with distinct trustees and charitable beneficiaries to which shares may be transferred. Furthermore, our charter grants our board of directors the authority to take other actions, including the redemption of shares of stock, that it deems advisable to prevent a violation of the transfer and ownership restrictions described above.

Within 20 days of receiving notice from us that shares of our stock have been transferred to the trust, the trustee will sell the shares to a person designated by the trustee, whose ownership of the shares will not violate the above ownership limitations. Upon the sale, the interest of the charitable beneficiary in the shares sold will terminate and the trustee will distribute the net proceeds of the sale to the proposed transferee and to the charitable beneficiary as follows. The proposed transferee will receive the lesser of: (i) the price paid by the proposed transferee for the shares or, if the proposed transferee did not give value for the shares in connection with the event causing the shares to be held in the trust (e.g., a gift, devise or other similar transaction), the market price (as defined in our charter) of the shares on the day of the event causing the shares to be held in the trust and (ii) the price received by the trustee, net of any commission and other expenses of sale, from the sale or other disposition of the shares held in trust. Any net sale proceeds in excess of the amount payable to the proposed transferee will be paid immediately to the charitable beneficiary. If, prior to our discovery that shares of our stock have been transferred to the trust, the shares are sold by the proposed transferee, then: (i) the shares shall be deemed to have been sold on behalf of the trust; and (ii) to the extent that the proposed transferee received an amount for the shares that exceeds the amount he was entitled to receive, the excess shall be paid to the trustee upon demand.

In addition, shares of our stock held in the trust will be deemed to have been offered for sale to us, or our designee, at a price per share equal to the lesser of: (i) the price per share in the transaction that resulted in the transfer to the trust (or, in the case of a devise or gift, the market price at the time of the devise or gift); and (ii) the market price on the date we, or our designee, accept the offer. We will have the right to accept the offer until the trustee has sold the shares. Upon a sale to us, the interest of the charitable beneficiary in the shares sold will terminate and the trustee will distribute the net proceeds of the sale to the proposed transferee.

All certificates representing shares of our stock will bear a legend referring to the restrictions described above.

Every owner of 5% or more (or such lower percentage as required by the Code or the regulations promulgated thereunder) of our outstanding stock is required, within 30 days after the end of each taxable year, to give us written notice stating his name and address, the number of shares of each class and series of our stock which he beneficially owns and a description of the manner in which the shares are held. Each such owner shall provide us with such additional information as we may request in order to determine the effect, if any, of his beneficial ownership on our qualification as a REIT and to ensure compliance with the ownership limits. In addition, each stockholder shall upon demand be required to provide us with such information as we may request in good faith in order to determine our qualification as a REIT and to comply with the requirements of any taxing authority or governmental authority or to determine such compliance.

These restrictions on ownership and transfer could delay, defer or prevent a transaction or a change in control that might involve a premium price for our Common Stock or otherwise be in the best interest of the stockholders.

CERTAIN PROVISIONS OF MARYLAND LAW AND OF OUR CHARTER AND BYLAWS

The following description of the terms of certain provisions of Maryland law and our charter and bylaws is only a summary. The summaries and descriptions below do not purport to be complete statements of the relevant provisions of our charter or our bylaws to be in effect at the time of the European Spin- off and are qualified in their entirety by reference to these documents, which you should read (along with the applicable provisions of Maryland law). Our charter and bylaws to be in effect at the time of the European Spin- off will be included as exhibits to our registration statement of which this prospectus forms a part and this summary is qualified in its entirety by such exhibits.

Our Board of Directors

Our charter and bylaws will provide that, subject to the rights of holders of one or more classes or series of preferred stock, the number of our directors may be established by our board of directors but may not be fewer than the minimum required by the MGCL (which is currently one) nor more than 15. Any vacancy will be filled, at any regular meeting or at any special meeting called for that purpose, by a majority of the remaining directors in office, even if the remaining directors do not constitute a quorum.

Removal of Directors

Our charter will provide that, subject to the rights of holders of one or more classes or series of preferred stock, a director may be removed only by the affirmative vote of at least two- thirds of the votes entitled to be cast generally in the election of directors. This provision, when coupled with the provisions that will be included in our charter and bylaws authorizing our board of directors to fill vacant directorships, will preclude stockholders from removing incumbent directors (except by a substantial affirmative vote) and filling the vacancies created by the removal with their own nominees.

Business Combinations

Under Maryland law, "business combinations" between a Maryland corporation and an interested stockholder or an affiliate of an interested stockholder are prohibited for five years after the most recent date on which the interested stockholder becomes an interested stockholder. These business combinations include a merger, consolidation, share exchange or, in circumstances specified in the statute, an asset transfer or issuance or reclassification of equity securities. An interested stockholder is defined as:

- any person who beneficially owns, directly or indirectly, 10% or more of the voting power of the corporation's outstanding voting stock; or
- an affiliate or associate of the corporation who, at any time within the two- year period prior to the date in question, was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the then outstanding voting stock of the corporation.

A person is not an interested stockholder under the statute if our board of directors approved in advance the transaction by which the person otherwise would have become an interested stockholder. In approving a transaction, our board of directors may provide that its approval is subject to compliance, at or after the time of approval, with any terms and conditions determined by the board.

After the five- year prohibition, any business combination between the Maryland corporation and an interested stockholder generally must be recommended by our board of directors of the corporation and approved by the affirmative vote of at least:

- 80% of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation; and
- two- thirds of the votes entitled to be cast by holders of voting stock of the corporation other than shares held by the interested stockholder with whom or with whose affiliate the business combination is to be effected or held by an affiliate or associate of the interested stockholder.

These super- majority vote requirements do not apply if the corporation's common stockholders receive a minimum price, as defined under Maryland law, for their shares in the form of cash or other consideration in the same form as previously paid by the interested stockholder for its shares.

The statute provides various exemptions from its provisions, including for business combinations that are exempted by the board of directors before the time that the interested stockholder becomes an interested stockholder. Pursuant to the statute, our board of directors has, by resolution, exempted any business combinations: (i) between us and NSAM, any of its affiliates or any of their sponsored or other managed companies; and (ii) between us and any person, provided that any such business combination is first approved by our board of directors (including a majority of our directors who are not affiliates or associates of such person).

Consequently, the five- year prohibition and the supermajority vote requirements will not apply to business combinations between NorthStar and any of them. As a result, such parties may be able to enter into business combinations with NorthStar that may not be in the best interest of our stockholders, without compliance with the super- majority vote requirements and the other provisions of the statute. The board of directors may revise, repeal or amend these resolutions at any time.

The business combination statute may discourage others from trying to acquire control of us and increase the difficulty of consummating any offer.

Control Share Acquisitions

Maryland law provides that control shares of a Maryland corporation acquired in a control share acquisition have no voting rights except to the extent approved by the affirmative vote of holders entitled to cast two- thirds of the votes entitled to be cast on the matter. Shares owned by the acquiror, by officers or by directors who are employees of the corporation are excluded from shares entitled to vote on the matter. Control shares are voting shares of stock which, if aggregated with all other shares of stock owned by the acquiror or in respect of which the acquiror is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquiror to exercise voting power in electing directors within one of the following ranges of voting power:

- one- tenth or more but less than one- third;
- one- third or more but less than a majority; or
- a majority or more of all voting power.

Control shares do not include shares that the acquiring person is then entitled to vote as a result of having previously obtained stockholder approval or shares acquired directly from the corporation. A control share acquisition means the acquisition of issued and outstanding control shares, subject to certain exceptions.

A person who has made or proposes to make a control share acquisition may compel the board of directors of the corporation to call a special meeting of stockholders to be held within 50 days of demand to consider the voting rights of the shares. The right to compel the calling of a special meeting is subject to the satisfaction of certain conditions, including an undertaking to pay the expenses of the meeting. If no request for a meeting is made, the corporation may itself present the question at any stockholders meeting.

If voting rights are not approved at the meeting or if the acquiring person does not deliver an acquiring person statement as required by the statute, then the corporation may redeem for fair value any or all of the control shares, except those for which voting rights have previously been approved. The right of the corporation to redeem control shares is subject to certain conditions and limitations. Fair value is determined, without regard to the absence of voting rights for the control shares, as of the date of the last control share acquisition by the acquiror or, if a meeting of stockholders is held at which the voting rights of the shares are considered and not approved, as of the date of the meeting. If voting rights for control shares are approved at a stockholders meeting and the acquiror becomes entitled to vote a majority of the shares entitled to vote, all other stockholders may exercise appraisal rights. The fair value of the shares as determined for purposes of appraisal rights may not be less than the highest price per share paid by the acquiror in the control share acquisition.

The control share acquisition statute does not apply: (i) to shares acquired in a merger, consolidation or share exchange if the corporation is a party to the transaction; or (ii) to acquisitions approved or exempted by the charter or bylaws of the corporation.

Our bylaws will contain a provision exempting from the control share acquisition statute any and all acquisitions by any person of shares of our stock. This provision may be amended or eliminated at any time in the future.

Amendment to Our Charter

Our charter will provide that, except for provisions relating to removal of directors and certain charter amendments related thereto, it may be amended only if such amendment is declared advisable by our board of directors and, to the extent stockholder approval is required, approved by the affirmative vote of the holders of not less than a majority of all of the votes entitled to be cast on the matter.

Dissolution

Our charter will provide that our dissolution must be declared advisable by our board of directors and approved by the affirmative vote of the holders of not less than a majority of all of the votes entitled to be cast on the matter.

Subtitle 8

Subtitle 8 of Title 3 of the MGCL, or Subtitle 8, permits a Maryland corporation with a class of equity securities registered under the Exchange Act and at least three independent directors to elect to be subject, by provision in its charter or bylaws or a resolution of its board of directors and notwithstanding any contrary provision in our charter or bylaws, to any or all of five provisions:

- a classified board;
- a two- thirds vote requirement for removing a director;
- a requirement that the number of directors be fixed only by vote of the directors;
- a requirement that a vacancy on the board be filled only by the remaining directors and for the remainder of the full term of the class of directors in which the vacancy occurred; and
- a majority requirement for the calling of a stockholder- requested special meeting of stockholders.

Our charter makes the election to be subject to the provisions of Subtitle 8 relating to the filling of vacancies on our board of directors. Through provisions in our charter and bylaws unrelated to Subtitle 8, we will: (i) require a two- thirds vote for the removal of any director from our board of directors; (ii) vest in our board of directors the exclusive power to fix the number of directorships and fill vacancies on our board of directors; and (iii) require, unless called by our chairman of the board, president, chief executive officer or our board of directors, the request of holders of a majority of outstanding shares to call a special meeting. Our charter will prohibit us from classifying our board of directors through an election under Subtitle 8 of Title 3 of the MGCL. In the future, our board of directors may elect, without stockholder approval, to be subject to the other provisions of Subtitle 8.

Advance Notice of Director Nominations and New Business

Our bylaws will provide that with respect to an annual meeting of stockholders, nominations of persons for election to our board of directors and the proposal of business to be considered by stockholders may be made only: (i) pursuant to our notice of the meeting; (ii) by or at the discretion of our board of directors; or (iii) by a stockholder of record, both at the time of giving notice and at the time of the annual meeting, who is entitled to vote at the meeting in the election of directors and who has complied with the advance notice procedures of our bylaws. With respect to special meetings of stockholders, only the business specified in our notice of the meeting may be brought before the meeting. Nominations of persons for election to our board of directors at a special meeting may be made only: (i) by our board of directors; or (ii) provided that the special meeting has been called in accordance with our bylaws for the purposes of electing directors, by a stockholder of record, both at the time of giving notice and at the time of the special meeting, who is entitled to vote at the meeting in the election of directors and who has complied with the advance notice provisions of our bylaws.

Anti- Takeover Effect of Certain Provisions of Maryland Law and of Our Charter and Bylaws

The business combination provisions and, if the applicable provision that will be included in our bylaws is rescinded, the control share acquisition provisions of Maryland law, the provisions that will be included in our charter relating to removal of directors and filling vacancies on our board, the restrictions on ownership and transfer of our shares and the advance notice provisions that will be included in our bylaws could delay, defer or prevent a transaction or a change in the control of us that might involve a premium price for holders of our Common Stock or otherwise be in their best interest.

Exclusive Forum

Our bylaws will provide will that, unless we consent in writing to the selection of an alternative forum, the Circuit Court for Baltimore City, Maryland, or, if that Court does not have jurisdiction, the United States District Court for the District of Maryland, Baltimore Division, shall be the sole and exclusive forum for: (i) any derivative action or proceeding brought on behalf of NorthStar Europe; (ii) any action asserting a claim of breach of any duty owed by any director or officer or other employee of NorthStar Europe to NorthStar Europe or to the stockholders of NorthStar Europe; (iii) any action asserting a claim against NorthStar Europe or any director or officer or other employee of NorthStar Europe arising pursuant to any provision of the MGCL or the charter or bylaws of NorthStar Europe; or (iv) any action asserting a claim against NorthStar Europe or any director or officer or other employee of NorthStar Europe that is governed by the internal affairs doctrine.

Certain Corporate Opportunities and Conflicts

Certain of our executive officers are also executive officers of NorthStar Realty, NSAM and certain of NSAM's other managed companies. Certain of our directors are also directors of NorthStar Realty, NSAM and certain of NSAM's other managed companies. Our board of directors will enact resolutions that will recognize that certain directors and officers of the Company, or

the Overlap Persons, may serve as directors, officers, employees, consultants and agents of NorthStar Realty and its subsidiaries and successors, NSAM and/or NSAM's other managed companies and their subsidiaries and successors, each of the foregoing referred to as an Other Entity, and will provide that if a director or officer of the Company who is an Overlap Person is presented or offered, or otherwise acquires knowledge of, a potential transaction or matter that may constitute or present a business opportunity for the Company or any of our subsidiaries, in which the Company or any of our subsidiaries could have an interest or expectancy (any such transaction or matter, and any such actual or potential business opportunity, referred to as a Potential Business Opportunity): (i) such director or officer will, to the fullest extent permitted by law, have no duty or obligation to refrain from referring such Potential Business Opportunity to any Other Entity and, if such director or officer refers such Potential Business Opportunity to an Other Entity, such director or officer shall have no duty or obligation to refer such Potential Business Opportunity to the Company or to any of our subsidiaries or to give any notice to the Company or to any of our subsidiaries regarding such Potential Business Opportunity (or any matter related thereto); (ii) if such director or officer refers a Potential Business Opportunity to an Other Entity, such director or officer will not be liable to the Company or to any of our subsidiaries, as a director, officer, stockholder or otherwise, for any failure to refer such Potential Business Opportunity to the Company, or for referring such Potential Business Opportunity to any Other Entity, or for any failure to give any notice to the Company regarding such Potential Business Opportunity or any matter relating thereto; (iii) any Other Entity may participate, engage or invest in any such Potential Business Opportunity notwithstanding that such Potential Business Opportunity may have been referred to such Other Entity by an Overlap Person; and (iv) if a director or officer who is an Overlap Person refers a Potential Business Opportunity to an Other Entity, then, as between the Company and/or our subsidiaries on the one hand, and such Other Entity, on the other hand, the Company and our subsidiaries shall be deemed to have renounced any interest, expectancy or right in or to such Potential Business Opportunity or to receive any income or proceeds derived therefrom solely as a result of such director or officer having been presented or offered, or otherwise acquiring knowledge of such Potential Business Opportunity unless in each case referred to in clause (i), (ii), (iii) or (iv), the director or officer believed that the Company possessed substantially better resources to benefit from such Potential Business Opportunity than an Other Entity to which the Potential Business Opportunity was referred (an opportunity meeting all of such conditions, a Restricted Potential Business Opportunity) and was given to such person exclusively in its capacity as an officer or director of the Company. The resolution of our board of directors will also confirm that the taking by an Overlap Person for himself or herself, or the offering or other transfer to an Other Entity, of any Potential Business Opportunity, other than a Restricted Potential Business Opportunity, shall not constitute or be construed or interpreted as: (i) an act or omission of such Overlap Person committed in bad faith or as the result of active or deliberate dishonesty; or (ii) receipt by such Overlap Person of an improper benefit, or an improper personal benefit, in money, property, services or otherwise. In the resolutions of our board of directors, on behalf of the Company, our board of directors will renounce to the fullest extent permitted by law, any interest or expectancy in any Potential Business Opportunity that is not a Restricted Potential Business Opportunity. In the event that our board of directors declines to pursue a Potential Business Opportunity, the Overlap Persons are free to refer such Potential Business Opportunity to an Other Entity.

Our board of directors will also enact resolutions that will provide that no contract, agreement, arrangement or transaction (or any amendment, modification or termination thereof) entered into between the Company and/or any of our subsidiaries, on the one hand, and an Other Entity, on the other hand, before the Company ceased to be an indirect, wholly- owned subsidiary of NorthStar Realty shall be void or voidable or be considered unfair to the Company or any of our subsidiaries because an Other Entity is a party thereto, or because any directors, officers or employees of an Other Entity was present at or participated in any meeting of our board of directors, or a committee thereof, of the Company or of any subsidiary of the Company, that authorized the contract, agreement, arrangement or transaction (or any amendment, modification or termination thereof), or because his, her or their votes were counted for such purpose. The Company may from time to time enter into and perform, and cause or permit any of our subsidiaries to enter into and perform, one or more contracts, agreements, arrangements or transactions (or amendments, modifications or supplements thereto) with an Other Entity. To the fullest extent permitted by law, no such contract, agreement, arrangement or transaction (nor any such amendments, modifications or supplements), nor the performance thereof by the Company or any subsidiary of the Company or an Other Entity, shall be considered contrary to any duty owed to the Company (or to any subsidiary of the Company, or to any stockholder of the Company or any of our subsidiaries) by any director or officer of the Company (or by any director or officer of any subsidiary of the Company) who is an Overlap Person. To the fullest extent permitted by law, no director or officer of the Company or any subsidiary of the Company who is an Overlap Person thereof shall have or be under any duty to the Company (or to any subsidiary of the Company, or to any stockholder of the Company or any of our subsidiaries) to refrain from acting on behalf of the Company or an Other Entity, or any of their respective subsidiaries, in respect of any such contract, agreement, arrangement or transaction or performing any such contract, agreement, arrangement or transaction in accordance with its terms and any action by any director or officer of the Company who is an Overlap Person for an Other Entity, or any of its respective subsidiaries in respect of any such contract, agreement, arrangement or transactions (or amendments, modifications or supplements thereto), or in performance thereof in accordance with its terms, shall not constitute or be construed or interpreted as: (i) an act or omission of such Overlap Person committed in bad faith or as the result of active or deliberate dishonesty; or (ii) receipt by such Overlap Person of an improper benefit, or an improper personal benefit, in money, property, services or otherwise.

No amendment, repeal or adoption of any resolution inconsistent with the foregoing provisions will have any effect upon: (i) any agreement between the Company or a subsidiary thereof and any Other Entity, that was entered into before the time of such amendment or repeal or adoption of any such inconsistent resolution, or the Amendment Time, or any transaction entered into in connection with the performance of any such agreement, whether such transaction is entered into before or after the Amendment Time; (ii) any transaction entered into between the Company or a subsidiary thereof and any Other Entity, before the Amendment Time; (iii) the allocation of any business opportunity between the Company or any subsidiary thereof and any Other Entity before the Amendment Time; or (iv) any duty or obligation owed by any director or officer of the Company or any subsidiary of the Company (or the absence of any such duty or obligation) with respect to any Potential Business Opportunity which such director or officer was offered or of which such director or officer otherwise became aware before the Amendment Time (regardless of whether any proceeding relating to any of the above is commenced before or after the Amendment Time).

FEDERAL INCOME TAX CONSEQUENCES OF OUR STATUS AS A REIT

This section summarizes the material federal income tax considerations that you, as a stockholder, may consider relevant. Hunton & Williams LLP has acted as our special tax counsel, has reviewed this summary and is of the opinion that the discussion contained herein is accurate in all material respects. Because this section is a summary, it does not address all aspects of taxation that may be relevant to particular stockholders in light of their personal investment or tax circumstances, or to certain types of stockholders that are subject to special treatment under the federal income tax laws, such as:

- insurance companies;
- tax- exempt organizations (except to the extent discussed in "— Taxation of Tax- Exempt Stockholders" below);
- financial institutions or broker- dealers;
- non- U.S. individuals and foreign corporations (except to the extent discussed in "— Taxation of Non- U.S. Stockholders" below);
- U.S. expatriates;
- persons who mark- to- market our securities;
- subchapter S corporations;
- U.S. stockholders (as defined below) whose functional currency is not the U.S. dollar;
- regulated investment companies or REITs;
- trusts and estates;
- holders who receive our Common Stock through the exercise of employee stock options or otherwise as compensation;
- persons holding our Common Stock as part of a "straddle," "hedge," "conversion transaction," "synthetic security" or other integrated investment;
- persons subject to the alternative minimum tax provisions of the Code;
- persons holding our securities through a partnership or similar pass- through entity; and
- persons holding a 10% or more (by vote or value) beneficial interest in our stock.

This summary assumes that stockholders hold our Common Stock as capital assets for federal income tax purposes, which generally means property held for investment.

The statements in this section are based on the current federal income tax laws, are for general information purposes only and are not tax advice. We cannot assure you that new laws, interpretations of law, or court decisions, any of which may take effect retroactively, will not cause any statement in this section to be inaccurate.

WE URGE YOU TO CONSULT YOUR TAX ADVISER REGARDING THE SPECIFIC TAX CONSEQUENCES TO YOU OF THE OWNERSHIP AND SALE OF OUR COMMON STOCK AND OF OUR ELECTION TO BE TAXED AS A REIT. SPECIFICALLY, YOU SHOULD CONSULT YOUR TAX ADVISER REGARDING THE FOREIGN, FEDERAL, STATE AND LOCAL AND OTHER TAX CONSEQUENCES OF SUCH OWNERSHIP, SALE AND ELECTION, AND REGARDING POTENTIAL CHANGES IN APPLICABLE TAX LAWS.

Taxation of Our Company

From the time of our formation until the date of the Distribution, we will be treated as a "qualified REIT subsidiary" of NorthStar Realty. As described below, a corporation that is a "qualified REIT subsidiary" is not treated as a corporation separate from its parent REIT. We intend to elect to be taxed as a REIT for U.S. federal income tax purposes beginning with our taxable year ending December 31, 2015. We believe that, commencing with such year, we have been organized and have operated in such a manner as to qualify for taxation as a REIT under the U.S. federal income tax laws, and we intend to continue to operate in such a manner, but no assurances can be given that we will operate in a manner so as to qualify or remain qualified as a REIT. This section discusses the laws governing the U.S. federal income tax treatment of a REIT and its stockholders. These laws are highly technical and complex.

In connection with the Distribution, we will receive an opinion from Hunton & Williams LLP to the effect that, beginning with our taxable year ending December 31, 2015, we will be organized in conformity with the requirements for qualification and

taxation as a REIT under the U.S. federal income tax laws, and our intended method of operation will enable us to qualify as a REIT under the U.S. federal income tax laws for our taxable year ending December 31, 2015 and thereafter. You should be aware that Hunton & Williams LLP's opinion will be based upon customary assumptions, representations and undertakings made by us, NorthStar Realty and the Private REITs as to factual matters, including representations regarding the nature of our, NorthStar Realty's and the Private REITs' assets and the conduct of our, NorthStar Realty's and the Private REITs' business. Hunton & Williams LLP's opinion is not binding upon the IRS, or any court, and speaks as of the date issued. In addition, Hunton & Williams LLP's opinion will be based on existing U.S. federal income tax law governing qualification as a REIT, which is subject to change either prospectively or retroactively. Moreover, our qualification and taxation as a REIT will depend upon our ability to meet on a continuing basis, through actual annual operating results, certain qualification tests set forth in the federal tax laws. Those qualification tests involve the percentage of income that we earn from specified sources, the percentage of our assets that fall within specified categories, the diversity of our stock ownership, and the percentage of our earnings that we distribute. Hunton & Williams LLP will not review our compliance with those tests on a continuing basis. In addition, the fact that we will be a U.S. REIT making all of our investments through non- U.S. subsidiary entities and in currencies other than the U.S. dollar may subject us to novel issues and interpretations of the various REIT requirements. Accordingly, no assurance can be given that our actual results of operations for any particular taxable year will satisfy such requirements. Hunton & Williams LLP's opinion does not foreclose the possibility that we may have to use one or more of the REIT savings provisions described below, which would require us to pay an excise or penalty tax (which could be material) in order for us to satisfy the requirements for REIT qualification. For a discussion of the tax consequences of our failure to qualify as a REIT, see "— Requirements for Qualification — Failure to Qualify."

If we qualify as a REIT, we generally will not be subject to U.S. federal income tax on the taxable income that we distribute to our stockholders. The benefit of that tax treatment is that it avoids the "double taxation," or taxation at both the corporate and stockholder levels, that generally results from owning stock in a corporation. However, we will be subject to federal tax in the following circumstances:

- We will pay U.S. federal income tax on any taxable income, including undistributed net capital gain, that we do not distribute to stockholders during, or within a specified time period after, the calendar year in which the income is earned.
- We may be subject to the "alternative minimum tax" on any items of tax preference, including any deductions of net operating losses.
- We will pay income tax at the highest corporate rate on:
- net income from the sale or other disposition of property acquired through foreclosure or after a default on a lease of the property, or foreclosure property, that we hold primarily for sale to customers in the ordinary course of business, and
- other non- qualifying income from foreclosure property.
- We will pay a 100% tax on net income from sales or other dispositions of property, other than foreclosure property, that we hold primarily for sale to customers in the ordinary course of business.
- If we fail to satisfy one or both of the 75% gross income test or the 95% gross income test, as described below under "— Requirements for Qualification — Gross Income Tests," and nonetheless continue to qualify as a REIT because we meet other requirements, we will pay a 100% tax on the gross income attributable to the greater of the amount by which we fail the 75% gross income test or the 95% gross income test, in either case, multiplied by a fraction intended to reflect our profitability.
- If we fail to distribute during a calendar year at least the sum of: (i) 85% of our REIT ordinary income for the year; (ii) 95% of our REIT capital gain net income for the year; and (iii) any undistributed taxable income required to be distributed from earlier periods, we will pay a 4% nondeductible excise tax on the excess of the required distribution over the amount we actually distributed.
- We may elect to retain and pay income tax on our net long- term capital gain. In that case, a U.S. stockholder would be taxed on its proportionate share of our undistributed long- term capital gain (to the extent that we made a timely designation of such gain to the stockholders) and would receive a credit or refund for its proportionate share of the tax we paid.
- We will be subject to a 100% excise tax on transactions with a TRS that are not conducted on an arm's- length basis.

- In the event of a failure of any of the asset tests, other than a de minimis failure of the 5% asset test or the 10% vote or value test, as described below under "— Requirements for Qualification — Asset Tests," as long as the failure was due to reasonable cause and not to willful neglect, we file a description of each asset that caused such failure with the IRS, and we dispose of such assets or otherwise comply with the asset tests within six months after the last day of the quarter in which we identify such failure, we will pay a tax equal to the greater of $50,000 or the highest U.S. federal income tax rate then applicable to U.S. corporations (currently 35%) on the net income from the nonqualifying assets during the period in which we failed to satisfy the asset tests.
- In the event we fail to satisfy one or more requirements for REIT qualification, other than the gross income tests and the asset tests, and such failure is due to reasonable cause and not to willful neglect, we will be required to pay a penalty of $50,000 for each such failure.
- If we acquire any asset from a C corporation, or a corporation that generally is subject to full corporate- level tax, in a merger or other transaction in which we acquire a basis in the asset that is determined by reference either to the C corporation's basis in the asset or to another asset, we will pay tax at the highest regular corporate rate applicable if we recognize gain on the sale or disposition of the asset during the ten- year period after we acquire the asset provided no election is made for the transaction to be taxable on a current basis. The amount of gain on which we will pay tax is the lesser of:
  - the amount of gain that we recognize at the time of the sale or disposition, and
  - the amount of gain that we would have recognized if we had sold the asset at the time we acquired it.
- We may be required to pay monetary penalties to the IRS in certain circumstances, including if we fail to meet record- keeping requirements intended to monitor our compliance with rules relating to the composition of a REIT's stockholders, as described below in "— Requirements for Qualification — Recordkeeping Requirements."
- The earnings of our lower- tier entities that are subchapter C corporations, including TRSs, will be subject to federal corporate income tax.

In addition, we and our subsidiaries may be subject to a variety of taxes other than U.S. federal income tax, including foreign, state and local income, transfer, franchise, property and other taxes. For example, we intend to make investments solely in real properties located outside of the United States through foreign entities. Such foreign entities may be subject to local income and property taxes in the jurisdiction in which they are organized or where their assets are located. In addition, in certain circumstances, we may be subject to non- U.S. withholding tax on repatriation of earnings from such non- U.S. entities. To the extent we are required to pay any such taxes, we will not be able to pass through to our stockholders any tax credit with respect to our payment of any such taxes. See "— Foreign, State and Local Taxes." We could also be subject to tax in situations and with respect to transactions not presently contemplated.

Requirements for Qualification

A REIT is a corporation, trust or association that meets each of the following requirements:

1. It is managed by one or more directors or trustees.
2. Its beneficial ownership is evidenced by transferable shares, or by transferable certificates of beneficial interest.
3. It would be taxable as a domestic corporation, but for the REIT provisions of the U.S. federal income tax laws.
4. It is neither a financial institution nor an insurance company subject to special provisions of the U.S. federal income tax laws.
5. At least 100 persons are beneficial owners of its shares or ownership certificates.
6. Not more than 50% in value of its outstanding shares or ownership certificates is owned, directly or indirectly, by five or fewer individuals, which the Code defines to include certain entities, during the last half of any taxable year.
7. It elects to be a REIT, or has made such election for a previous taxable year, and satisfies all relevant filing and other administrative requirements established by the IRS that must be met to elect and maintain REIT status.
8. It meets certain other qualification tests, described below, regarding the nature of its income and assets and the amount of its distributions to stockholders.

9. It uses a calendar year for U.S. federal income tax purposes and complies with the recordkeeping requirements of the U.S. federal income tax laws.

We must meet requirements 1 through 4, 7, 8 and 9 during our entire taxable year and must meet requirement 5 during at least 335 days of a taxable year of 12 months, or during a proportionate part of a taxable year of less than 12 months. Requirements 5 and 6 will apply to us beginning with our 2016 taxable year. If we comply with all the requirements for ascertaining the ownership of our outstanding stock in a taxable year and have no reason to know that we violated requirement 6, we will be deemed to have satisfied requirement 6 for that taxable year. For purposes of determining share ownership under requirement 6, an "individual" generally

We intend to enter into a long- term management agreement with NSAM pursuant to which we will delegate certain management responsibilities. We have been advised by counsel that entering into that management agreement should not cause us to cease to satisfy requirement 1 above, which requires that a REIT be managed by one or more trustees or directors. If the IRS successfully asserted that our management agreement caused us to fail to satisfy requirement 1, we may be required to pay a $50,000 penalty tax or may fail to qualify as a REIT. See "— Failure to Qualify."

As noted above, from the time of our formation until the date of the Distribution, we will be treated as a "qualified REIT subsidiary" of NorthStar Realty. Under applicable Treasury regulations, if NorthStar Realty fails to qualify as a REIT in its 2015 taxable year, unless NorthStar Realty's failure to qualify as a REIT was subject to relief under as described below under "— Failure to Qualify," we would be prevented from electing to qualify as a REIT prior to the fifth calendar year following the year in which NorthStar Realty failed to qualify.

Qualified REIT Subsidiaries. A corporation that is a "qualified REIT subsidiary" is not treated as a corporation separate from its parent REIT. All assets, liabilities and items of income, deduction and credit of a "qualified REIT subsidiary" are treated as assets, liabilities and items of income, deduction and credit of the REIT. A "qualified REIT subsidiary" is a corporation, other than a TRS, all the stock of which is owned by the REIT. Thus, in applying the requirements described herein, any "qualified REIT subsidiary" that we own will be ignored, and all assets, liabilities and items of income, deduction and credit of such subsidiary will be treated as our assets, liabilities and items of income, deduction and credit.

Other Disregarded Entities and Partnerships. An unincorporated domestic entity, such as a partnership or limited liability company, that has a single owner, generally is not treated as an entity separate from its owner for federal income tax purposes. An unincorporated domestic entity with two or more owners is generally treated as a partnership for federal income tax purposes. In the case of a REIT that is a partner in a partnership that has other partners, the REIT is treated as owning its proportionate share of the assets of the partnership and as earning its allocable share of the gross income of the partnership for purposes of the applicable REIT qualification tests. Thus, our proportionate share of the assets, liabilities and items of income of any partnership, and any other partnership, joint venture or limited liability company that is treated as a partnership for federal income tax purposes in which we have acquired or will acquire an interest, directly or indirectly, or a subsidiary partnership, will be treated as our assets and gross income for purposes of applying the various REIT qualification requirements. For purposes of the 10% value test (described under "— Asset Tests"), our proportionate share is based on our proportionate interest in the equity interests and certain debt securities issued by the partnership. For all of the other asset and income tests, our proportionate share is based on our proportionate interest in the capital of the partnership. We intend to cause each non- U.S. disregarded subsidiary to file an entity classification election under Section 301.7701- 3 of the Treasury Regulations to be treated as a disregarded entity for U.S. federal income tax purposes.

Entity Classification of Foreign Subsidiaries. We intend to conduct substantially all of our business through our Operating Partnership and certain foreign property- owning entities and intermediate entities. With respect to such foreign property- owning entities and intermediate entities, we intend to use entities that are not per se corporations under Section 301.7701- 2(b) of the Treasury Regulations and intend to file entity classification elections under Section 301.7701- 3 of the Treasury Regulations to treat such property- owning entities and intermediate entities as pass- through entities (i.e., either as partnerships or disregarded entities) for U.S. federal income tax purposes. If any such pass- through entities were treated associations for U.S. federal income tax purposes, they would be taxable as corporations and, therefore, generally would be subject to an entity- level tax on its income to the extent they generate income from U.S. sources or activities connected to the United States. In such a situation, the character of our assets and items of our gross income would change and could preclude us from satisfying the REIT asset tests (particularly the tests generally preventing a REIT from owning more than 10% of the voting securities, or more than 10% of the value of the securities, of a corporation) or the gross income tests as discussed in "— Asset Tests" and "— Gross Income Tests" above, and in turn would prevent us from qualifying as a REIT. See "— Failure to Qualify," below, for a discussion of the effect of our failure to meet these tests for a taxable year.

Taxable REIT Subsidiaries. A REIT may own up to 100% of the stock of one or more TRSs. A TRS is a fully taxable corporation that may earn income that would not be qualifying income if earned directly by the parent REIT. The subsidiary and the REIT must jointly elect to treat the subsidiary as a TRS. A corporation of which a TRS directly or indirectly owns more than

35% of the voting power or value of the stock will automatically be treated as a TRS. However, an entity will not qualify as a TRS if it directly or indirectly operates or manages a lodging or health care facility or, generally, provides rights to any brand name under which any lodging or health care facility is operated, unless such rights are provided to an "eligible independent contractor" to operate or manage a lodging facility or a health care facility if such rights are held by the TRS as a franchisee, licensee or in a similar capacity and such lodging facility or health care facility is either owned by the TRS or leased to the TRS by its

The TRS rules limit the deductibility of interest paid or accrued by a TRS to its parent REIT to assure that the TRS is subject to an appropriate level of corporate taxation. Further, the rules impose a 100% excise tax on transactions between a TRS and its parent REIT or the REIT's tenants that are not conducted on an arm's- length basis.

Non- U.S. corporations and non- U.S. entities treated as corporations for U.S. federal income tax purposes are not generally subject to U.S. federal corporate income tax except to the extent that they recognize income from U.S. sources or certain activities connected with the United States. However, under certain circumstances, certain U.S. stockholders of a non- U.S. corporation are required to include in their income currently their proportionate share of certain categories of income of the non- U.S. corporation, which includes passive investment income as well as certain other categories. As a result, if we hold an interest in a foreign TRS, such TRS may not be subject to significant U.S. federal corporate income tax, but we may be required to include in our income, on a current basis, certain categories of income recognized by such foreign TRS. These inclusions could affect our ability to comply with the REIT income tests and distribution requirement. See "— Gross Income Tests" and "— Distribution Requirements." In addition, certain foreign TRSs that we may form may generate income, such as income from providing services, that is not subject to this pass- through regime. We generally would not be required to include the earnings of such a TRS attributable to such activities in our income until we receive a distribution from such TRS.

A REIT is not treated as holding the assets of a taxable subsidiary corporation or as receiving any income that the subsidiary earns. Rather, the stock issued by the subsidiary is an asset in the hands of the parent REIT and the REIT recognizes as income the dividends, if any, that it receives from the subsidiary. This treatment can affect the income and asset test calculations that apply to the REIT. Because a parent REIT does not include the assets and income of such subsidiary corporations in determining the parent's compliance with the REIT requirements, such entities may be used by the parent REIT to undertake indirectly activities that the REIT rules might otherwise preclude it from doing directly or through pass- through subsidiaries (for example, activities that give rise to certain categories of income such as management fees).

Gross Income Tests

We must satisfy two gross income tests annually to qualify as a REIT. First, at least 75% of our gross income for each taxable year must consist of defined types of income that we derive, directly or indirectly, from investments relating to real property or mortgages on real property or qualified temporary investment income. Qualifying income for purposes of the 75% gross income test generally includes:

- rents from real property;
- interest on debt secured by mortgages on real property or on interests in real property;
- dividends or other distributions on, and gain from the sale of, shares in other REITs;
- gain from the sale of real estate assets;
- income derived from a REMIC in proportion to the real estate assets held by the REMIC, unless at least 95% of the REMIC's assets are real estate assets, in which case all of the income derived from the REMIC; and
- income derived from the temporary investment in stock and debt investments purchased with the proceeds from the issuance of our stock or a public offering of our debt with a maturity date of at least five years and that we receive during the one- year period beginning on the date on which we received such new capital.

Second, in general, at least 95% of our gross income for each taxable year must consist of income that is qualifying income for purposes of the 75% gross income test (except for income derived from the temporary investment of new capital), other types of interest and dividends, gain from the sale or disposition of stock or securities or any combination of these. Gross income from our sale of property that we hold primarily for sale to customers in the ordinary course of business is excluded from both the numerator and the denominator in both gross income tests. In addition, income and gain from "hedging transactions" that we enter into to hedge borrowings incurred or to be incurred to acquire or carry real estate assets and that are clearly and timely identified as such will be excluded from both the numerator and the denominator for purposes of the 75% and 95% gross income tests. In addition, certain foreign currency gains will be excluded from gross income for purposes of one or both of the gross income tests. See "— Foreign Currency Gain" below. The following paragraphs discuss the specific application of the gross income tests to us.

Rents from Real Property. Rent that we receive from our real property will qualify as "rents from real property" which is qualifying income for purposes of the 75% and 95% gross income tests, only if the following conditions are met:

- First, the rent must not be based, in whole or in part, on the income or profits of any person. However, an amount received or accrued generally will not be excluded from rents from real property solely by reason of being based on fixed percentages of receipts or sales.
- Second, rents we receive from a "related party tenant" will not qualify as rents from real property in satisfying the gross income tests unless the tenant is a TRS, and either: (i) at least 90% of the property is leased to unrelated tenants and the rent paid by the TRS is substantially comparable to the rent paid by the unrelated tenants for comparable space; or (ii) the TRS leases a qualified lodging facility or qualified health care property and engages an eligible independent contractor (as defined above in "— Taxable REIT Subsidiaries") to operate such facility or property on its behalf. A tenant is a related party tenant if the REIT, or an actual or constructive owner of 10% or more of the REIT, actually or constructively owns 10% or more of the tenant.
- Third, if rent attributable to personal property leased in connection with a lease of real property is 15% or less of the total rent received under the lease, then the rent attributable to personal property will qualify as rents from real property. However, if the 15% threshold is exceeded, the rent attributable to personal property will not qualify as rents from real property.
- Fourth, we generally must not operate or manage our real property or furnish or render services to our tenants, other than through an "independent contractor" who is adequately compensated and from whom we do not derive revenue. However, we may provide services directly to tenants if the services are "usually or customarily rendered" in connection with the rental of space for occupancy only and are not considered to be provided for the tenants' convenience. In addition, we may provide a minimal amount of "noncustomary" services to the tenants of a property, other than through an independent contractor, as long as our income from the services (valued at not less than 150% of our direct cost of performing such services) does not exceed 1% of our income from the related property. Furthermore, we may own up to 100% of the stock of a TRS which may provide customary and noncustomary services to our tenants without tainting our rental income for the related properties. See "— Taxable REIT Subsidiaries."

Interest. The term "interest," as defined for purposes of both gross income tests, generally excludes any amount that is based, in whole or in part, on the income or profits of any person. However, interest generally includes the following:

- an amount that is based on a fixed percentage or percentages of receipts or sales; and
- an amount that is based on the income or profits of a debtor, as long as the debtor derives substantially all of its income from the real property securing the debt from leasing substantially all of its interest in the property and only to the extent that the amounts received by the debtor would be qualifying "rents from real property" if received directly by a REIT.

If a loan contains a provision that entitles a REIT to a percentage of the borrower's gain upon the sale of the real property securing the loan or a percentage of the appreciation in the property's value as of a specific date, income attributable to that loan provision will be treated as gain from the sale of the property securing the loan, which generally is qualifying income for purposes of both gross income tests, provided that the property is not inventory or dealer property in the hands of the borrower or the REIT.

Interest on debt secured by mortgages on real property or on interests in real property, including, for this purpose, prepayment penalties, loan assumption fees and late payment charges that are not compensation for services, generally is qualifying income for purposes of the 75% gross income test. In general, under applicable Treasury Regulations, if a loan is secured by real property and other property and the highest principal amount of the loan outstanding during a taxable year exceeds the fair market value of the real property securing the loan determined as of: (i) the date we agreed to acquire or originate the loan; or (ii) as discussed further below, in the event of a "significant modification," the date we modified the loan, then a portion of the interest income from such loan will not be qualifying income for purposes of the 75% gross income test, but will be qualifying income for purposes of the 95% gross income test. Although the law is not entirely clear, a portion of the loan will likely be a non-qualifying asset for purposes of the 75% asset test. The non- qualifying portion of such a loan would be subject to, among other requirements, the 10% value test. See "— Asset Tests" below.

Dividends. Our share of any dividends received from any corporation (including any TRS, but excluding any REIT) in which we own an equity interest will qualify for purposes of the 95% gross income test but not for purposes of the 75% gross income test. Our share of any dividends received from any other REIT in which we own an equity interest will be qualifying income for purposes of both gross income tests.

To the extent that we make equity investments in foreign TRSs, we intend to treat certain income inclusions received with respect to those investments as qualifying income for purposes of the 95% gross income test but not the 75% gross income test. The IRS has issued several private letter rulings to other taxpayers concluding that similar income inclusions will be treated as qualifying income for purposes of the 95% gross income test. Those private letter rulings can only be relied upon by the taxpayers to whom they were issued. No assurance can be provided that the IRS will not successfully challenge our treatment of such income inclusions.

Hedging Transactions. We may enter into hedging transactions with respect to one or more of our assets or liabilities, including hedging transactions designed to minimize our risk with respect to: (i) changes in interest rates on floating rate debt used to acquire or carry our properties; and (ii) fluctuations in local currencies in the jurisdictions in which we invest. Hedging transactions could take a variety of forms, including interest rate swap agreements, interest rate cap agreements, options, futures contracts, forward rate agreements or similar financial instruments. Except to the extent provided by Treasury Regulations, any income from a hedging transaction we enter into: (i) in the normal course of our business primarily to manage risk of interest rate or currency fluctuations with respect to borrowings made or to be made, or ordinary obligations incurred or to be incurred, to acquire or carry real estate assets, which we clearly identify as specified in Treasury Regulations before the close of the day on which it was acquired, originated, or entered into, including gain from the sale or disposition of such a transaction; or (ii) primarily to manage risk of currency fluctuations with respect to any item of income or gain that would be qualifying income under the 75% or 95% gross income tests which is clearly identified as such before the close of the day on which it was acquired, originated, or entered into, will not constitute gross income for purposes of the 75% or 95% gross income test. To the extent that we enter into other types of hedging transactions, the income from those transactions is likely to be treated as non- qualifying income for purposes of both of the 75% and 95% gross income tests. We intend to structure our hedging transactions in a manner that will not jeopardize our qualification as a REIT, although no assurance can be given that we will at all times be successful in this regard.

Foreign Currency Gain. We expect that we will make all of our investments outside the United States and substantially all of our operating income, expenses and certain distributions from our Operating Partnership will be denominated in currencies other than the U.S. dollar. As a result, we will be subject to foreign currency gains and losses. “Real estate foreign exchange gain” is excluded from the calculation of the 75% gross income test and “passive foreign exchange gain” is excluded from the calculation of the 95% gross income test. “Real estate foreign exchange gain” means: (i) foreign currency gain attributable (without duplication) to (a) an item of income or gain to which the 75% gross income test applies, (b) the acquisition or ownership of obligations secured by mortgages on real property or on interests in real property, or (c) becoming or being the obligor under obligations secured by mortgages on real property. or interests in real property; or (ii) foreign currency gain attributable to a “qualified business unit” or “QBU” under Section 987 of the Code, provided the QBU itself satisfies both the 75% gross income test and the 75% asset test described below under “— Asset Tests.” Passive foreign exchange gain is (without duplication) real estate foreign exchange gain, foreign currency gain attributable to an item of income or gain to which the 95% gross income test applies, foreign currency gain attributable to the acquisition or ownership of obligations, or foreign currency gain attributable to becoming or being the obligor under obligations. These exclusions for real estate foreign exchange gain and passive foreign exchange gain do not apply to any foreign currency gain derived from dealing, or engaging in substantial and regular trading, in securities. Such gain is treated as non- qualifying income for purposes of both the 75% and 95% gross income tests. In addition, the U.S. federal income tax law provides rules for determining the amount of gross income and deductions that we are treated as recognizing from activities of a QBU conducted in a foreign currency. As a result of these rules, changes in the U.S. dollar value of the currencies of our operations could impact our compliance with the REIT gross income tests, and the impact of these changes on our compliance with the REIT gross income requirements could be difficult to predict.

We intend to invest primarily in real estate assets located outside of the United States, and accordingly we expect that most foreign currency gains recognized by us would generally be excluded from the REIT 75% and 95% gross income tests. However, foreign currency gain attributable to our holding of certain obligations, including currency hedges of such obligations, will be excluded for purposes of the 95% gross income test, but not the 75% gross income test. In addition, if such gains are attributable to cash awaiting distribution or reinvestment, such gains may be non- qualifying income under the 75% and 95% gross income tests. If we were to recognize significant foreign currency gains not excluded from the REIT gross income tests, we could fail to qualify as a REIT.

Prohibited Transactions. A REIT will incur a 100% tax on the net income derived from any sale or other disposition of property, other than foreclosure property, that the REIT holds primarily for sale to customers in the ordinary course of a trade or business. We believe that none of our assets are held primarily for sale to customers and that a sale of any of our assets will not be in the ordinary course of our business. Whether a REIT holds an asset “primarily for sale to customers in the ordinary course of a trade or business” depends, however, on the facts and circumstances in effect from time- to- time, including those related to a particular asset. A safe harbor to the characterization of the sale of property by a REIT as a prohibited transaction and the 100% prohibited transaction tax is available if the following requirements are met:

- the REIT has held the property for not less than two years;

- the aggregate expenditures made by the REIT, or any partner of the REIT, during the two- year period preceding the date of the sale that are includable in the basis of the property do not exceed 30% of the selling price of the property; either: (i) during the year in question, the REIT did not make more than seven sales of property other than foreclosure property or sales to which Section 1033 of the Code applies; (ii) the aggregate adjusted bases of all such properties sold by the REIT during the year did not exceed 10% of the aggregate bases of all of the assets of the REIT at the beginning of the year; or (iii) the aggregate fair market value of all such properties sold by the REIT during the year did not exceed 10% of the aggregate fair market value of all of the assets of the REIT at the beginning of the year;
- in the case of property not acquired through foreclosure or lease termination, the REIT has held the property for at least two years for the production of rental income; and
- if the REIT has made more than seven sales of non- foreclosure property during the taxable year, substantially all of the marketing and development expenditures with respect to the property were made through an independent contractor from whom the REIT derives no income.

We will attempt to comply with the terms of that safe harbor when disposing of assets. We cannot assure you, however, that we can comply with that safe harbor or that we will avoid owning property that may be characterized as property that we hold "primarily for sale to customers in the ordinary course of a trade or business." The 100% tax will not apply to gains from the sale of property that is held through a TRS or other taxable corporation.

Foreclosure Property. We will be subject to tax at the maximum corporate rate on any income from foreclosure property, which includes certain foreign currency gains and related deductions recognized, other than income that otherwise would be qualifying income for purposes of the 75% gross income test, less expenses directly connected with the production of that income. However, gross income from foreclosure property will qualify under the 75% and 95% gross income tests. Foreclosure property is any real property, including interests in real property, and any personal property incident to such real property:

- that is acquired by a REIT as the result of the REIT having bid on such property at foreclosure or having otherwise reduced such property to ownership or possession by agreement or process of law, after there was a default or default was imminent on a lease of such property or on indebtedness that such property secured;
- for which the related loan was acquired by the REIT at a time when the default was not imminent or anticipated; and
- for which the REIT makes a proper election to treat the property as foreclosure property.

A REIT will not be considered to have foreclosed on a property where the REIT takes control of the property as a mortgagee- in- possession and cannot receive any profit or sustain any loss except as a creditor of the mortgagor. Property generally ceases to be foreclosure property at the end of the third taxable year following the taxable year in which the REIT acquired the property or longer if an extension is granted by the Secretary of the Treasury. However, this grace period terminates and foreclosure property ceases to be foreclosure property on the first day:

- on which a lease is entered into for the property that, by its terms, will give rise to income that does not qualify for purposes of the 75% gross income test, or any amount is received or accrued, directly or indirectly, pursuant to a lease entered into on or after such day that will give rise to income that does not qualify for purposes of the 75% gross income test;
- on which any construction takes place on the property, other than completion of a building or any other improvement, where more than 10% of the construction was completed before default became imminent; or
- which is more than 90 days after the day on which the REIT acquired the property and the property is used in a trade or business which is conducted by the REIT, other than through an independent contractor from whom the REIT itself does not derive or receive any income.

Taxable Income in Excess of Economic Gain. Due to our investments in real property located outside of the United States, we may enter into hedging transactions to manage our risk with respect to local currency fluctuations. If we were to recognize ordinary income with respect to such hedging transaction and a capital loss on the sale of such real property, we would be required to make a distribution although we may have not realized an overall economic gain. Similarly, the rules regarding foreign currency fluctuations may cause us to have taxable income in excess of our overall economic gain. As a result, a stockholder may recognize dividend income in excess of such stockholder's true economic gain with respect to our stock. In addition, we may generate less cash flow than taxable income in a particular year and we may incur U.S. federal income tax and the 4% non- deductible excise tax on that income if we do not distribute such income to stockholders in that year. In that event, we may be required to use cash reserves, incur debt or liquidate assets at rates or times that we regard as unfavorable or, to the extent possible, make a taxable

distribution of our stock in order to satisfy the REIT 90% distribution requirement and to avoid U.S. federal income tax and the 4% nondeductible excise tax in that year.

Failure to Satisfy the Gross Income Tests. If we fail to satisfy one or both of the gross income tests for any taxable year, we nevertheless may qualify as a REIT for that year if we qualify for relief under certain provisions of the federal income tax laws. Those relief provisions are available if:

- our failure to meet those tests is due to reasonable cause and not to willful neglect; and
- following such failure for any taxable year, we file a schedule of the sources of our income with the IRS.

We cannot predict, however, whether in all circumstances we would qualify for the relief provisions. In addition, as discussed above in "— Taxation of Our Company," even if the relief provisions apply, we would incur a 100% tax on the gross income attributable to the greater of the amount by which we fail the 75% or 95% gross income test, in each case, multiplied by a fraction intended to reflect our profitability.

Asset Tests

To qualify as a REIT, we also must satisfy the following asset tests at the end of each quarter of each taxable year. First, at least 75% of the value of our total assets must consist of:

- cash or cash items, including certain receivables and money market funds;
- government securities;
- interests in real property, including leaseholds and options to acquire real property and leaseholds;
- interests in mortgage loans secured by real property;
- stock in other REITs;
- investments in stock or debt instruments during the one- year period following our receipt of new capital that we raise through equity offerings or public offerings of debt with at least a five- year term; and
- regular or residual interests in a REMIC. However, if less than 95% of the assets of a REMIC consists of assets that are qualifying real estate-related assets under the federal income tax laws, determined as if we held such assets, we will be treated as holding directly our proportionate share of the assets of such REMIC.

Cash includes the functional currency of a REIT or its QBU if such foreign currency: (i) is held for use in the normal course of the activities of the REIT or QBU which give rise to qualifying income under the 95% or 75% gross income tests or are directly related to acquiring or holding qualifying assets under the 75% asset test; and (ii) is not held in connection with dealing or engaging in substantial and regular trading in securities. Assets that do not qualify for purposes of the 75% asset test are subject to the additional asset tests described below. We intend to cause our subsidiaries to manage their holdings of foreign currency and related assets in a manner that permits us to qualify under the 75% asset test.

Second, of our investments not included in the 75% asset class, the value of our interest in any one issuer's securities may not exceed 5% of the value of our total assets, or the 5% asset test.

Third, of our investments not included in the 75% asset class, we may not own more than 10% of the voting power or value of any one issuer's outstanding securities, or the 10% vote or value test.

Fourth, no more than 25% of the value of our total assets may consist of the securities of one or more TRSs.

Fifth, no more than 25% of the value of our total assets may consist of the securities of TRSs and other non- TRS taxable subsidiaries and other assets that are not qualifying assets for purposes of the 75% asset test, or the 25% securities test.

For purposes of the 5% asset test, the 10% vote or value test and the 25% securities test, the term "securities" does not include stock in another REIT, equity or debt securities of a qualified REIT subsidiary or, in the case of the 5% asset test and 10% vote or value test, TRS debt or equity, mortgage loans or mortgage- backed securities that constitute real estate assets, or equity interests in a partnership. For purposes of the 10% value test, the term "securities" does not include:

- "Straight debt" securities, which is defined as a written unconditional promise to pay on demand or on a specified date a sum certain in money if: (i) the debt is not convertible, directly or indirectly, into equity; and (ii) the interest rate and interest payment dates are not contingent on profits, the borrower's discretion, or similar factors. "Straight debt" securities do not include any securities issued by a partnership or a corporation in which we or any TRS in

which we own more than 50% of the voting power or value of the shares hold non- "straight debt" securities that have an aggregate value of more than 1% of the issuer's outstanding securities. However, "straight debt" securities include debt subject to the following contingencies:

- a contingency relating to the time of payment of interest or principal, as long as either: (i) there is no change to the effective yield of the debt obligation, other than a change to the annual yield that does not exceed the greater of 0.25% or 5% of the annual yield; or (ii) neither the aggregate issue price nor the aggregate face amount of the issuer's debt obligations held by us exceeds $1 million and no more than 12 months of unaccrued interest on the debt obligations can be required to be prepaid; and
- a contingency relating to the time or amount of payment upon a default or prepayment of a debt obligation, as long as the contingency is consistent with customary commercial practice;
- Any loan to an individual or an estate;
- Any "section 467 rental agreement" other than an agreement with a related party tenant;
- Any obligation to pay "rents from real property";
- Certain securities issued by governmental entities;
- Any security issued by a REIT;
- Any debt instrument issued by an entity treated as a partnership for federal income tax purposes in which we are a partner to the extent of our proportionate interest in the equity and debt securities of the partnership; and
- Any debt instrument issued by an entity treated as a partnership for federal income tax purposes not described in the preceding bullet points if at least 75% of the partnership's gross income, excluding income from prohibited transactions, is qualifying income for purposes of the 75% gross income test described above in "— Gross Income Tests."

For purposes of the 10% value test, our proportionate share of the assets of a partnership is our proportionate interest in any securities issued by the partnership, without regard to the securities described in the last two bullet points above.

We have funded our equity investments in certain of our holdings through the use of instruments that we believe will be treated as equity for U.S. federal income tax purposes. If the IRS disagreed with such characterization and was successful in recharacterizing the nature of those instruments, we could fail to satisfy one or more of the asset and gross income tests applicable to REITs. Additionally, if the IRS recharacterized the nature of those investments and we were to take action to prevent such REIT test failures, the actions we would take could expose us to increased taxes both internationally and in the United States.

We believe our holdings of real property and other assets and securities relating to such real property will comply with the foregoing REIT asset requirements, and we intend to monitor compliance with such tests on an ongoing basis. There can be no assurance, however, that we will be successful in this effort. Moreover, the values of some of our assets, including the securities of our TRSs or other non- publicly traded investments, may not be susceptible to a precise determination and are subject to change in the future. Furthermore, the proper classification of an instrument as debt or equity for U.S. federal income tax purposes may be uncertain in some circumstances, which could affect the application of the REIT asset tests. Accordingly, there can be no assurance that the IRS will not contend that our assets do not meet the requirements of the REIT asset tests.

We intend to monitor the status of our assets for purposes of the various asset tests. If we fail to satisfy the asset tests at the end of a calendar quarter, we will not lose our REIT qualification if:

- we satisfied the asset tests at the end of the preceding calendar quarter; and
- the discrepancy between the value of our assets and the asset test requirements arose from changes in the market values of our assets and was not wholly or partly caused by the acquisition of one or more non- qualifying assets.

If we did not satisfy the condition described in the second item, above, we still could avoid disqualification by eliminating any discrepancy within 30 days after the close of the calendar quarter in which it arose.

If at the end of any calendar quarter we violate the 5% asset test or the 10% vote or value test described above, we will not lose our REIT qualification if: (i) the failure is de minimis (up to the lesser of 1% of our assets or $10 million); and (ii) we dispose of assets or otherwise comply with the asset tests within six months after the last day of the quarter in which we identify such failure. In the event of a failure of any of the asset tests (other than de minimis failures described in the preceding sentence), as long as the failure was due to reasonable cause and not to willful neglect, we will not lose our qualification as a REIT if we:

(i) dispose of assets or otherwise comply with the asset tests within six months after the last day of the quarter in which we identify the failure; (ii) we file a description of each asset causing the failure with the IRS; and (iii) pay a tax equal to the greater of $50,000 or 35% of the net income from the nonqualifying assets during the period in which we failed to satisfy the asset tests.

Distribution Requirements

Each taxable year, we must distribute dividends, other than capital gain dividends and deemed distributions of retained capital gain, to our stockholders in an aggregate amount at least equal to the sum of:

- 90% of our "REIT taxable income," computed without regard to the dividends paid deduction and our net capital gain or loss and
- 90% of our after- tax net income, if any, from foreclosure property; minus
- the sum of certain items of non- cash income.

Generally, we must pay such distributions in the taxable year to which they relate, or in the following taxable year if: (i) we declare the distribution before we timely file our federal income tax return for the year and pay the distribution on or before the first regular dividend payment date after such declaration; or (ii) we declare the distribution in October, November or December of the taxable year, payable to stockholders of record on a specified day in any such month, and we actually pay the dividend before the end of January of the following year. The distributions under clause (i) are taxable to the stockholders in the year in which paid and the distributions in clause (ii) are treated as paid on December 31 of the prior taxable year. In both instances, these distributions relate to our prior taxable year for purposes of the 90% distribution requirement.

We will pay federal income tax on taxable income, including net capital gain, that we do not distribute to stockholders. Furthermore, if we fail to distribute during a calendar year, or by the end of January following the calendar year in the case of distributions with declaration and record dates falling in the last three months of the calendar year, at least the sum of:

- 85% of our REIT ordinary income for such year;
- 95% of our REIT capital gain income for such year; and
- any undistributed taxable income from prior periods,

we will incur a 4% nondeductible excise tax on the excess of such required distribution over the amounts we actually distribute.

We may elect to retain and pay income tax on the net long- term capital gain we receive in a taxable year. If we so elect, we will be treated as having distributed any such retained amount for purposes of the 4% nondeductible excise tax described above. We have made, and we intend to continue to make, timely distributions sufficient to satisfy the annual distribution requirements and to avoid corporate income tax and the 4% nondeductible excise tax.

It is possible that, from time- to- time, we may experience timing differences between the actual receipt of income and actual payment of deductible expenses and the inclusion of that income and deduction of such expenses in arriving at our REIT taxable income. In the event that such timing differences occur, it might be necessary to arrange borrowings or other means of raising capital to meet the distribution requirements. Additionally, we may, if possible, pay taxable dividends of our stock or debt to meet the distribution requirements.

Under certain circumstances, we may be able to correct a failure to meet the distribution requirement for a year by paying "deficiency dividends" to our stockholders in a later year. We may include such deficiency dividends in our deduction for dividends paid for the earlier year. Although we may be able to avoid income tax on amounts distributed as deficiency dividends, we will be required to pay interest to the IRS based upon the amount of any deduction we take for deficiency dividends.

Recordkeeping Requirements

We must maintain certain records in order to qualify as a REIT. In addition, to avoid a monetary penalty, we must request on an annual basis information from our stockholders designed to disclose the actual ownership of our outstanding shares of beneficial interest. We have complied, and we intend to continue to comply, with these requirements.

Failure to Qualify

If we fail to satisfy one or more requirements for REIT qualification, other than the gross income tests and the asset tests, we could avoid disqualification if our failure is due to reasonable cause and not to willful neglect and we pay a penalty of $50,000 for each such failure. In addition, there are relief provisions for a failure of the gross income tests and asset tests, as described in "— Gross Income Tests" and "— Asset Tests."

If we fail to qualify as a REIT in any taxable year, and no relief provision applies, we would be subject to federal income tax and any applicable alternative minimum tax on our taxable income at regular corporate rates. In calculating our taxable income in a year in which we fail to qualify as a REIT, we would not be able to deduct amounts paid out to stockholders. In fact, we would not be required to distribute any amounts to stockholders in that year. In such event, to the extent of our current and accumulated earnings and profits, distributions to most stockholders taxed at individual rates would generally be taxable at capital gains tax rates. Subject to certain limitations of the federal income tax laws, corporate stockholders might be eligible for the dividends received deduction. Unless we qualified for relief under specific statutory provisions, we also would be disqualified from taxation as a REIT for the four taxable years following the year during which we ceased to qualify as a REIT. We cannot predict whether in all circumstances we would qualify for such statutory relief.

Taxation of Taxable U.S. Stockholders

For the purposes of this discussion under the heading "Material U.S. Federal Income Tax Consequences," the term "U.S. stockholder" means a beneficial owner of shares of our Common Stock that for U.S. federal income tax purposes is:

- a citizen or resident of the United States;
- a corporation (including an entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any of its states or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- any trust if: (i) a U.S. court is able to exercise primary supervision over the administration of such trust and one or more U.S. persons have the authority to control all substantial decisions of the trust; or (ii) it has a valid election in place to be treated as a U.S. person.

If a partnership, entity or arrangement treated as a partnership for U.S. federal income tax purposes holds shares of our Common Stock, the U.S. federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. If you are a partner in a partnership that will hold shares of our Common Stock, you are urged to consult your tax advisor regarding the consequences of the ownership and disposition of our Common Stock by the partnership.

As long as we qualify as a REIT, a taxable U.S. stockholder must generally take into account as ordinary income distributions made out of our current or accumulated earnings and profits that we do not designate as capital gain dividends or retained long- term capital gain. A U.S. stockholder will not qualify for the dividends received deduction generally available to corporations. In addition, dividends paid to a U.S. stockholder generally will not qualify for the 20% tax rate for "qualified dividend income." The maximum tax rate for qualified dividend income received by U.S. stockholders taxed at individual rates is 20%. The maximum tax rate on qualified dividend income is lower than the maximum tax rate on ordinary income, which is 39.6%. Qualified dividend income generally includes dividends paid to U.S. stockholders taxed at individual rates by domestic C corporations and certain qualified foreign corporations. Because we are not generally subject to U.S. federal income tax on the portion of our REIT taxable income distributed to our stockholders, our dividends generally will not be eligible for the 20% rate on qualified dividend income. See "— Taxation of Our Company" above. As a result, our ordinary REIT dividends will be taxed at the higher tax rate applicable to ordinary income. However, the 20% tax rate for qualified dividend income will apply to our ordinary REIT dividends: (i) attributable to dividends received by us from non- REIT corporations, such as our TRS; and (ii) to the extent attributable to income upon which we have paid corporate income tax (e.g., to the extent that we distribute less than 100% of our taxable income). In general, to qualify for the reduced tax rate on qualified dividend income, a U.S. stockholder must hold our Common Stock for more than 60 days during the 121- day period beginning on the date that is 60 days before the date on which our Common Stock becomes ex- dividend. In addition, individuals, trusts and estates whose income exceeds certain thresholds are also subject to a 3.8% Medicare tax on dividends received from us.

A U.S. stockholder generally will take into account as long- term capital gain any distributions that we designate as capital gain dividends without regard to the period for which the U.S. stockholder has held our Common Stock. We generally will designate our capital gain dividends as either 20% or 25% rate distributions. See "— Capital Gains and Losses." A corporate U.S. stockholder, however, may be required to treat up to 20% of certain capital gain dividends as ordinary income.

We may elect to retain and pay income tax on the net long- term capital gain that we receive in a taxable year. In that case, to the extent that we designate such amount in a timely notice to such stockholder, a U.S. stockholder would be taxed on its proportionate share of our undistributed long- term capital gain. The U.S. stockholder would receive a credit for its proportionate share of the tax we paid. The U.S. stockholder would increase the basis in its Common Stock by the amount of its proportionate share of our undistributed long- term capital gain, minus its share of the tax we paid.

A U.S. stockholder will not incur tax on a distribution in excess of our current and accumulated earnings and profits if the distribution does not exceed the adjusted basis of the U.S. stockholder's common stock. Instead, the distribution will reduce the adjusted basis of such shares of our Common Stock. A U.S. stockholder will recognize a distribution in excess of both our current and accumulated earnings and profits and the U.S. stockholder's adjusted basis in his or her common stock as long- term capital gain, or short- term capital gain if our Common Stock has been held for one year or less, assuming our Common Stock is a capital asset in the hands of the U.S. stockholder. In addition, if we declare a distribution in October, November, or December of any year that is payable to a U.S. stockholder of record on a specified date in any such month, such distribution shall be treated as both paid by us and received by the U.S. stockholder on December 31 of such year, provided that we actually pay the distribution during January of the following calendar year.

Stockholders may not include in their individual income tax returns any of our net operating losses or capital losses. Instead, these losses are generally carried over by us for potential offset against our future income. Taxable distributions from us and gain from the disposition of our Common Stock will not be treated as passive activity income and, therefore, stockholders generally will not be able to apply any "passive activity losses," such as losses from certain types of limited partnerships in which the stockholder is a limited partner, against such income. In addition, taxable distributions from us and gain from the disposition of our Common Stock generally will be treated as investment income for purposes of the investment interest limitations. We will notify stockholders after the close of our taxable year as to the portions of the distributions attributable to that year that constitute ordinary income, return of capital and capital gain.

Taxation of U.S. Stockholders on the Disposition of our Common Stock

A U.S. stockholder who is not a dealer in securities must generally treat any gain or loss realized upon a taxable disposition of our Common Stock as long- term capital gain or loss if the U.S. stockholder has held our Common Stock for more than one year and otherwise as short- term capital gain or loss. In general, a U.S. stockholder will realize gain or loss in an amount equal to the difference between the sum of the fair market value of any property and the amount of cash received in such disposition and the U.S. stockholder's adjusted tax basis. A stockholder's adjusted tax basis generally will equal the fair market value of its shares of our Common Stock on the date of the Distribution increased by the excess of net capital gains deemed distributed to the U.S. stockholder (discussed above) less tax deemed paid on such gains and reduced by any returns of capital. See "Material U.S. Federal Income Tax Consequences of the Distribution — Tax Basis & Holding Period of Our Common Stock Received by Holders of NorthStar Realty Stock." However, a U.S. stockholder must treat any loss upon a sale or exchange of our Common Stock held by such stockholder for six months or less as a long- term capital loss to the extent of capital gain dividends and any other actual or deemed distributions from us that such U.S. stockholder treats as long- term capital gain. All or a portion of any loss that a U.S. stockholder realizes upon a taxable disposition of our Common Stock may be disallowed if the U.S. stockholder purchases other Common Stock within 30 days before or after the disposition.

Capital Gains and Losses

A taxpayer generally must hold a capital asset for more than one year for gain or loss derived from its sale or exchange to be treated as long- term capital gain or loss. The highest marginal individual income tax rate currently is 39.6%. The maximum tax rate on long- term capital gain applicable to taxpayers taxed at individual rates is 20% for sales and exchanges of assets held for more than one year. The maximum tax rate on long- term capital gain from the sale or exchange of "Section 1250 property," or depreciable real property, is 25%, which applies to the lesser of the total amount of the gain or the accumulated depreciation on the Section 1250 property. In addition, individuals, estates or trusts whose income exceeds certain thresholds will be required to pay a 3.8% Medicare tax on gains from the sale of our Common Stock.

With respect to distributions that we designate as capital gain dividends and any retained capital gain that we are deemed to distribute, we generally may designate whether such a distribution is taxable to our stockholders taxed at individual rates at a 20% or 25% rate. Thus, the tax rate differential between capital gain and ordinary income for those taxpayers may be significant. In addition, the characterization of income as capital gain or ordinary income may affect the deductibility of capital losses. A non- corporate taxpayer may deduct capital losses not offset by capital gains against its ordinary income only up to a maximum annual amount of $3,000. A non- corporate taxpayer may carry forward unused capital losses indefinitely. A corporate taxpayer must pay tax on its net capital gain at ordinary corporate rates. A corporate taxpayer may deduct capital losses only to the extent of capital gains, with unused losses being carried back three years and forward five years.

Taxation of Tax- Exempt Stockholders

Tax- exempt entities, including qualified employee pension and profit sharing trusts and individual retirement accounts, generally are exempt from U.S. federal income taxation. However, they are subject to taxation on their unrelated business taxable income, or UBTI. Although many investments in real estate generate UBTI, the IRS has issued a ruling that dividend distributions from a REIT to an exempt employee pension trust do not constitute UBTI. Based on that ruling, amounts that we distribute to tax- exempt stockholders generally should not constitute UBTI. However, if a tax- exempt stockholder were to finance its acquisition

of our Common Stock with debt, a portion of the income that it receives from us would constitute UBTI pursuant to the "debt- financed property" rules. Moreover, social clubs, voluntary employee benefit associations, supplemental unemployment benefit trusts and qualified group legal services plans that are exempt from taxation under special provisions of the U.S. federal income tax laws are subject to different UBTI rules, which generally will require them to characterize distributions that they receive from us as UBTI. Finally, in certain circumstances, a qualified employee pension or profit sharing trust that owns more than 10% of our stock must treat a percentage of the dividends that it receives from us as UBTI. Such percentage is equal to the gross income we derive from an unrelated trade or business, determined as if we were a pension trust, divided by our total gross income for the year in which we pay the dividends. That rule applies to a pension trust holding more than 10% of our stock only if:

- the percentage of our dividends that the tax- exempt trust must treat as UBTI is at least 5%;
- we qualify as a REIT by reason of the modification of the rule requiring that no more than 50% of our stock be owned by five or fewer individuals that allows the beneficiaries of the pension trust to be treated as holding our stock in proportion to their actuarial interests in the pension trust; and
- one pension trust owns more than 25% of the value of our stock; or
- a group of pension trusts individually holding more than 10% of the value of our stock collectively owns more than 50% of the value of our stock.

Taxation of Non- U.S. Stockholders

For purposes of this discussion under the heading "Federal Income Tax Consequences of Our Status as a REIT," the term "non- U.S. stockholder" means a beneficial owner of our Common Stock that is neither a U.S. stockholder nor a partnership (or entity treated as a partnership for U.S. federal income tax purposes). The rules governing U.S. federal income taxation of nonresident alien individuals, foreign corporations, foreign partnerships, and other foreign stockholders are complex. This section is only a summary of such rules. **We urge non- U.S. stockholders to consult their tax advisors to determine the impact of federal, state, and local income tax laws on the ownership and disposition of our Common Stock, including any reporting requirements.**

The following is a summary of material U.S. federal income tax consequences of the acquisition, ownership and disposition of our Common Stock applicable to non- U.S. stockholders. The discussion is based on current law and is for general information only. It addresses only selective and not all aspects of U.S. federal income taxation.

Non- U.S. stockholders will generally be subject to U.S. federal withholding tax on dividends received from us at a 30% rate, subject to reduction under an applicable treaty or a statutory exemption under the Code. Although such withholding taxes may be creditable in such non- U.S. stockholder's resident jurisdiction, for many such non- U.S. stockholders, investment in a REIT that invests principally in non- U.S. real property may not be the most tax- efficient way to invest in such assets compared to a direct investment in such assets, which would generally not subject such non- U.S. stockholders to U.S. federal withholding taxes. The remainder of this section generally assumes that we will not hold USRPIs, and therefore will not be treated as a U.S. real property holding company and our Common Stock will not be treated as a USRPI for purposes of FIRPTA.

Ordinary Dividends. The portion of dividends received by non- U.S. stockholders payable out of our earnings and profits that are not attributable to gains from sales or exchanges of U.S. real property interests and which are not effectively connected with a U.S. trade or business of the non- U.S. stockholder generally will be treated as ordinary income dividends and will be subject to U.S. federal withholding tax at the rate of 30%, unless reduced or eliminated by an applicable income tax treaty. Under some treaties, however, lower rates generally applicable to dividends do not apply to dividends from REITs.

In general, non- U.S. stockholders should not be considered to be engaged in a U.S. trade or business solely as a result of their ownership of our stock because distributions received by the non- U.S. stockholders will be non- U.S. source.

Non- Dividend Distributions. Unless: (i) our Common Stock constitutes a USRPI; or (ii) either (a) the non- U.S. stockholder's investment in our Common Stock is effectively connected with a U.S. trade or business conducted by such non- U.S. stockholder (in which case the non- U.S. stockholder will be subject to the same treatment as U.S. stockholders with respect to such gain) or (b) the non- U.S. stockholder is a nonresident alien individual who was present in the United States for 183 days or more during the taxable year and has a "tax home" in the United States (in which case the non- U.S. stockholder will be subject to a 30% tax on the individual's net capital gain for the year), distributions by us which are not treated as dividends for U.S. federal income tax purposes (i.e., not treated as being paid out of our current and accumulated earnings and profits) will not be subject to U.S. federal income tax. If it cannot be determined at the time at which a distribution is made whether the distribution will constitute a dividend for U.S. federal income tax purposes, the distribution will be subject to withholding at the rate applicable to dividends. However, the non- U.S. stockholder may seek a refund from the IRS of any amounts withheld if it is subsequently determined that

the distribution was, in fact, in excess of our current and accumulated earnings and profits and, therefore, did not constitute a dividend for U.S. federal income tax purposes.

Because it will not generally be possible for us to determine the extent to which a distribution will be from our current or accumulated earnings and profits at the time the distribution is made, we intend to withhold and remit to the IRS 30% of distributions to non- U.S. stockholders unless: (i) a lower treaty rate applies and the non- U.S. stockholder files an IRS Form W- 8BEN or W- 8BEN- E evidencing eligibility for that reduced treaty rate with us; or (ii) the non- U.S. stockholder files an IRS Form W- 8ECI with us claiming that the distribution is income effectively connected with the non- U.S. stockholder's trade or business.

Capital Gain Dividends. Capital gain dividends received by a non- U.S. stockholder from a REIT that are not attributable to USRPI capital gains are generally not subject to U.S. federal income or withholding tax, unless either: (i) the non- U.S. stockholder's investment in our Common Stock is effectively connected with a U.S. trade or business conducted by such non- U.S. stockholder (in which case the non- U.S. stockholder will be subject to the same treatment as U.S. stockholders with respect to such gain); or (ii) the non- U.S. stockholder is a nonresident alien individual who was present in the United States for 183 days or more during the taxable year and has a "tax home" in the United States (in which case the non- U.S. stockholder will be subject to a 30% tax on the individual's net capital gain for the year). Capital gain dividends withheld are creditable against the non- U.S. stockholder's U.S. federal income tax liability or refundable when the non- U.S. stockholder properly and timely files a tax return with the IRS.

Dispositions of Our Common Stock. Gain from the sale of our Common Stock would be taxable in the United States to a non- U.S. stockholder in two cases: (i) if the non- U.S. stockholder's investment in our Common Stock is effectively connected with a U.S. trade or business conducted by such non- U.S. stockholder, the non- U.S. stockholder will be subject to the same treatment as a U.S. stockholder with respect to such gain; or (ii) if the non- U.S. stockholder is a nonresident alien individual who was present in the United States for 183 days or more during the taxable year and has a "tax home" in the United States. In such cases, the nonresident alien individual will be subject to a 30% tax on the individual's capital gain.

FATCA. A U.S. withholding tax at a 30% rate will be imposed on dividends paid on our Common Stock received by certain non- U.S. stockholders if certain disclosure requirements related to U.S. accounts or ownership are not satisfied. In addition, if those disclosure requirements are not satisfied, a U.S. withholding tax at a 30% rate will be imposed, for payments after December 31, 2018, on proceeds from the sale of our Common Stock received by certain non- U.S. stockholders. If payment of withholding taxes is required, non- U.S. stockholders that are otherwise eligible for an exemption from, or a reduction of, U.S. withholding taxes with respect of such dividends and proceeds will be required to seek a refund from the IRS to obtain the benefit of such exemption or reduction. We will not pay any additional amounts in respect of any amounts withheld.

Information Reporting Requirements and Withholding

We will report to our stockholders and to the IRS the amount of distributions we pay during each calendar year, and the amount of tax we withhold, if any. Under the backup withholding rules, a stockholder may be subject to backup withholding at a rate of 28% with respect to distributions unless the holder:

- is a corporation or qualifies for certain other exempt categories and, when required, demonstrates this fact; or
- provides a taxpayer identification number, certifies as to no loss of exemption from backup withholding, and otherwise complies with the applicable requirements of the backup withholding rules.

A stockholder who does not provide us with its correct taxpayer identification number also may be subject to penalties imposed by the IRS. Any amount paid as backup withholding will be creditable against the stockholder's income tax liability. In addition, we may be required to withhold a portion of capital gain distributions to any stockholders who fail to certify their non- foreign status to us.

Backup withholding will generally not apply to payments of dividends made by us or our paying agents, in their capacities as such, to a non- U.S. stockholder provided that the non- U.S. stockholder furnishes to us or our paying agent the required certification as to its non- U.S. status, such as providing a valid IRS Form W- 8BEN, W- 8BEN- E or W- 8ECI, or certain other requirements are met. Notwithstanding the foregoing, backup withholding may apply if either we or our paying agent has actual knowledge, or reason to know, that the holder is a U.S. person that is not an exempt recipient. Payments of the net proceeds from a disposition or a redemption effected outside the United States by a non- U.S. stockholder made by or through a foreign office of a broker generally will not be subject to information reporting or backup withholding. However, information reporting (but not backup withholding) generally will apply to such a payment if the broker has certain connections with the U.S. unless the broker has documentary evidence in its records that the beneficial owner is a non- U.S. stockholder and specified conditions are met or an exemption is otherwise established. Payment of the net proceeds from a disposition by a non- U.S. stockholder of our Common Stock made by or through the U.S. office of a broker is generally subject to information reporting and backup withholding unless

the non- U.S. stockholder certifies under penalties of perjury that it is not a U.S. person and satisfies certain other requirements, or otherwise establishes an exemption from information reporting and backup withholding.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be refunded or credited against the stockholder's U.S. federal income tax liability if certain required information is furnished to the IRS. Stockholders are urged consult their tax advisors regarding application of backup withholding to them and the availability of, and procedure for obtaining an exemption from, backup withholding.

A U.S. withholding tax at a 30% rate will be imposed on dividends paid on our Common Stock received by U.S. stockholders who own their shares through foreign accounts or foreign intermediaries if certain disclosure requirements related to U.S. accounts or ownership are not satisfied. In addition, if those disclosure requirements are not satisfied, a U.S. withholding tax at a 30% rate will be imposed, for payments after December 31, 2018, on proceeds from the sale of our Common Stock received by U.S. stockholders who own their shares through foreign accounts or foreign intermediaries. We will not pay any additional amounts in respect of any amounts withheld.

Other Tax Consequences

Tax Aspects of Our Investments in Our Operating Partnership and Subsidiary Partnerships

Substantially all of our investments are owned indirectly through our Operating Partnership, which will own our assets through certain subsidiaries. Our Operating Partnership is currently disregarded as a separate entity for U.S. federal income tax purposes because we own, directly and indirectly through disregarded entities, 100% of the interests in it. If our Operating Partnership admits other limited partners, it will be eligible to be taxed as a partnership for U.S. federal income tax purposes. The following discussion summarizes certain U.S. federal income tax considerations applicable to our direct or indirect investments in our Operating Partnership (assuming our Operating Partnership is not a disregarded entity) and any subsidiary partnerships or limited liability companies that we form or acquire (each individually a Partnership and collectively, the Partnerships). The discussion does not cover state or local tax laws or any U.S. tax laws other than U.S. federal income tax laws.

Classification as Partnerships. We will be entitled to include in our income our distributive share of each Partnership's income and to deduct our distributive share of each Partnership's losses only if such Partnership is classified for U.S. federal income tax purposes as a partnership (or an entity that is disregarded for U.S. federal income tax purposes if the entity has only one owner or member) rather than as a corporation or an association taxable as a corporation. An unincorporated entity with at least two owners or members will be classified as a partnership, rather than as a corporation, for U.S. federal income tax purposes if it:

- is treated as a partnership under the Treasury regulations relating to entity classification, or the check- the- box regulations; and
- is not a "publicly traded" partnership.

Under the check- the- box regulations, an unincorporated entity with at least two owners or members may elect to be classified either as an association taxable as a corporation or as a partnership. If such an entity fails to make an election, it generally will be treated as a partnership (or an entity that is disregarded for U.S. federal income tax purposes if the entity has only one owner or member) for U.S. federal income tax purposes. Each Partnership intends to be classified as a partnership for U.S. federal income tax purposes, and no Partnership will elect to be treated as an association taxable as a corporation under the check- the- box regulations.

A publicly traded partnership is a partnership whose interests are traded on an established securities market or are readily tradable on a secondary market or the substantial equivalent thereof. A publicly traded partnership will not, however, be treated as a corporation for any taxable year if, for each taxable year beginning after December 31, 1987 in which it was classified as a publicly traded partnership, 90% or more of the partnership's gross income for such year consists of certain passive- type income, including real property rents, gains from the sale or other disposition of real property, interest, and dividends, or the "90% passive income exception." Treasury regulations, or the "PTP regulations," provide limited safe harbors from the definition of a publicly traded partnership. Pursuant to one of those safe harbors, or the private placement exclusion, interests in a partnership will not be treated as readily tradable on a secondary market or the substantial equivalent thereof if: (i) all interests in the partnership were issued in a transaction or transactions that were not required to be registered under the Securities Act; and (ii) the partnership does not have more than 100 partners at any time during the partnership's taxable year. In determining the number of partners in a partnership, a person owning an interest in a partnership, grantor trust, or S corporation that owns an interest in the partnership is treated as a partner in such partnership only if: (i) substantially all of the value of the owner's interest in the entity is attributable to the entity's direct or indirect interest in the partnership; and (ii) a principal purpose of the use of the entity is to permit the partnership to satisfy the 100- partner limitation. Each Partnership is expected to qualify for the private placement exclusion in the foreseeable future. Additionally, if our Operating Partnership were a publicly traded partnership, we believe that our Operating

Partnership would have sufficient qualifying income to satisfy the 90% passive income exception and thus would continue to be taxed as a partnership for U.S. federal income tax purposes.

If our Operating Partnership admits other limited partners, we do not intend to request a ruling from the IRS that our Operating Partnership will be classified as a partnership for U.S. federal income tax purposes. If for any reason our Operating Partnership were taxable as a corporation, rather than as a disregarded entity or a partnership, for U.S. federal income tax purposes, most, if not all, of the tax consequences described herein would be inapplicable. In particular, we would not qualify as a REIT unless we qualified for certain relief provisions, because the value of our ownership interest in our Operating Partnership would exceed 5% of our assets and we would be considered to hold more than 10% of the voting securities (and more than 10% of the value of the outstanding securities) of another corporation. See "— Requirements for Qualification — Gross Income Tests" and "— Requirements for Qualification — Asset Tests." In addition, any change in our Operating Partnership's status for tax purposes might be treated as a taxable event, in which case we might incur tax liability without any related cash distribution. See "— Requirements for Qualification — Distribution Requirements." Further, items of income and deduction of our Operating Partnership would not pass through to its partners, and its partners would be treated as stockholders for tax purposes. Consequently, our Operating Partnership would be required to pay income tax at corporate rates on its net income, and distributions to its partners would constitute dividends that would not be deductible in computing our Operating Partnership's taxable income.

Income Taxation of Partnerships and their Partners

Partners, Not the Partnerships, Subject to Tax. A partnership is not a taxable entity for U.S. federal income tax purposes. Rather, we are required to take into account our allocable share of each Partnership's income, gains, losses, deductions, and credits for any taxable year of such Partnership ending within or with our taxable year, without regard to whether we have received or will receive any distribution from such Partnership.

Partnership Allocations. Although a partnership agreement generally will determine the allocation of income and losses among partners, such allocations will be disregarded for tax purposes if they do not comply with the provisions of the U.S. federal income tax laws governing partnership allocations. If an allocation is not recognized for U.S. federal income tax purposes, the item subject to the allocation will be reallocated in accordance with the partners' interests in the partnership, which will be determined by taking into account all of the facts and circumstances relating to the economic arrangement of the partners with respect to such item. Each Partnership's allocations of taxable income, gain, and loss are intended to comply with the requirements of the U.S. federal income tax laws governing partnership allocations.

Tax Allocations With Respect to Our Properties. Income, gain, loss and deduction attributable to appreciated or depreciated property that is contributed to a partnership in exchange for an interest in the partnership must be allocated in a manner such that the contributing partner is charged with, or benefits from, respectively, the unrealized gain or unrealized loss associated with the property at the time of the contribution. The amount of such unrealized gain or unrealized loss, referred to as built- in gain or "built- in loss, is generally equal to the difference between the fair market value of the contributed property at the time of contribution and the adjusted tax basis of such property at the time of contribution, or a book- tax difference. Any property purchased by our Operating Partnership for cash initially will have an adjusted tax basis equal to its fair market value, resulting in no book- tax difference. In the future, however, our Operating Partnership may admit partners in exchange for a contribution of appreciated or depreciated property, resulting in book- tax differences. Such allocations are solely for U.S. federal income tax purposes and do not affect the book capital accounts or other economic or legal arrangements among the partners. The U.S. Treasury Department has issued regulations requiring partnerships to use a "reasonable method" for allocating items with respect to which there is a book- tax difference and outlining several reasonable allocation methods. Under certain available methods, the carryover basis of contributed properties in the hands of our Operating Partnership: (i) would cause us to be allocated lower amounts of depreciation deductions for tax purposes than would be allocated to us if all contributed properties were to have a tax basis equal to their fair market value at the time of the contribution; and (ii) in the event of a sale of such properties, could cause us to be allocated taxable gain in excess of the economic or book gain allocated to us as a result of such sale, with a corresponding benefit to the contributing partners. An allocation described in (ii) above might cause us to recognize taxable income in excess of cash proceeds in the event of a sale or other disposition of property, which might adversely affect our ability to comply with the REIT distribution requirements and may result in a greater portion of our distributions being taxed as dividends.

Basis in Partnership Interest. Our adjusted tax basis in our partnership interest in a Partnership generally is equal to:

- the amount of cash and the basis of any other property contributed by us to the Partnership;
- increased by our allocable share of the Partnership's income and our allocable share of indebtedness of the Partnership; and

- reduced, but not below zero, by our allocable share of the Partnership's loss and the amount of cash distributed to us, and by constructive distributions resulting from a reduction in our share of indebtedness of our Operating Partnership.

If the allocation of our distributive share of a Partnership's loss would reduce the adjusted tax basis of our partnership interest below zero, the recognition of such loss will be deferred until such time as the recognition of such loss would not reduce our adjusted tax basis below zero. To the extent that a Partnership's distributions, or any decrease in our share of the indebtedness of the Partnership, which is considered a constructive cash distribution to the partners, reduce our adjusted tax basis below zero, such distributions will constitute taxable income to us. Such distributions and constructive distributions normally will be characterized as long- term capital gain.

Sale of a Partnership's Property

Generally, any gain realized by a Partnership on the sale of property held by the Partnership for more than one year will be long- term capital gain, except for any portion of such gain that is treated as depreciation or cost recovery recapture. Any gain or loss recognized by a Partnership on the disposition of contributed properties will be allocated first to the partners of the Partnership who contributed such properties to the extent of their built- in gain or loss on those properties for U.S. federal income tax purposes. The partners' built- in gain or loss on such contributed properties will equal the difference between the partners' proportionate share of the book value of those properties and the partners' tax basis allocable to those properties at the time of the contribution, subject to certain adjustments. Any remaining gain or loss recognized by the Partnership on the disposition of the contributed properties, and any gain or loss recognized by the Partnership on the disposition of the other properties, will be allocated among the partners in accordance with their respective percentage interests in the Partnership.

Our share of any gain realized by a Partnership on the sale of any property held by the Partnership as inventory or other property held primarily for sale to customers in the ordinary course of the Partnership's trade or business will be treated as income from a prohibited transaction that is subject to a 100% penalty tax. Such prohibited transaction income also may have an adverse effect upon our ability to satisfy the income tests for REIT status. See "— Gross Income Tests." We do not presently intend to acquire or hold or to allow any Partnership to acquire or hold any property that represents inventory or other property held primarily for sale to customers in the ordinary course of our or such Partnership's trade or business.

Legislative or Other Actions Affecting REITs

The present U.S. federal income tax treatment of REITs may be modified, possibly with retroactive effect, by legislative, judicial or administrative action at any time. The REIT rules are constantly under review by persons involved in the legislative process and the IRS and the U.S. Treasury Department which may result in statutory changes as well as revisions to regulations and interpretations. Additionally, several of the tax considerations described herein are currently under review and are subject to change. Prospective stockholders are urged to consult with their tax advisors regarding the effect of potential changes to the U.S. federal tax laws on an investment in our Common Stock.

Foreign, State and Local Taxes

We and our subsidiaries and stockholders may be subject to foreign, state and local taxation in various jurisdictions, including those in which they or we transact business, own property or reside. We will likely own interests in properties located in a number of foreign jurisdictions, and we may be required to file tax returns and pay taxes in certain of those jurisdictions. The foreign, state or local tax treatment of our company and our stockholders may not conform to the U.S. federal income tax treatment discussed above. Prospective investors should consult their tax advisors regarding the application and effect of foreign, state or local income and other tax laws on an investment in our Common Stock.

The Code generally gives taxpayers the option of either deducting foreign taxes paid from taxable income or crediting such taxes against the taxpayer's U.S. federal income tax liability. If we elected to receive the foreign tax credit, we could be able to use part of this credit to offset our liability for U.S. federal income tax, for example by distributing less than 100% (but more than 90%) of our net income, thus incurring a REIT-level U.S. federal income tax liability that could be offset with foreign tax credits. However, we may not be able to fully utilize our foreign tax credits depending upon the source of our foreign income and the timing of our payment of foreign and U.S. federal taxes. In addition, we will not be able to use our foreign tax credits to the extent that we do not otherwise have a U.S. federal income tax liability. In such cases, we could elect to deduct foreign taxes paid, which would reduce the amount that we are required to distribute annually to our stockholders regardless of whether we have any U.S. federal income tax liability. In either event, any foreign taxes incurred by us will not pass through to stockholders as a credit against their U.S. federal income tax liability.

FOREIGN TAX CONSIDERATIONS

The following contains a general description of certain local country tax considerations that may be relevant regarding an investment in our Common Stock. It does not purport to be a comprehensive description of all relevant local country tax considerations. This summary is based upon tax laws, regulations and treaties in force and effect at the time of preparation of this prospectus. It is important to note that the relevant laws may change, possibly with retroactive effect. The following is intended only as a general and non- comprehensive summary and is not intended to be, nor should it be considered to be, legal or tax advice with respect to any country's tax law. **In case of doubt, potential investors should consult their professional tax advisers.**

We will conduct our operations through property companies and holding companies established in multiple European jurisdictions. Each of these property and holding companies are subject to tax in one or more of the local country jurisdictions in which they are resident or conduct business. Accordingly, we may be subject to tax in several jurisdictions at rates ranging upwards of 39% on ordinary income and capital gains, with additional withholding of upwards of 35%. Additionally, we will generally be subject to real estate- related taxes (for example, property taxes and real estate transfer taxes) in the countries where the properties are located. Further, we may be subject to increased local country taxes in the event that changes are made to the current tax law, regulations, tax authority rulings, tax treaties or tax rates in the various European jurisdictions in which we operate.

USE OF PROCEEDS

We will not receive any proceeds from the Distribution.

DETERMINATION OF OFFERING PRICE

No consideration will be paid for the shares of our Common Stock distributed in the Distribution.

LEGAL MATTERS

The validity of our Common Stock issued and distributed pursuant to this prospectus will be passed upon for us by Venable LLP, Baltimore, Maryland, our Maryland counsel. Certain federal income tax matters will be passed upon for us by Hunton & Williams LLP.

EXPERTS

On April 21, 2015, we appointed PricewaterhouseCoopers, Société coopérative, or PwC, as our initial independent registered public accounting firm.

N orthStar Europe Predecessor's combined financial statements as of December 31, 2014 and 2013 and the related combined statements of operations, comprehensive income (loss) and cash flows for the periods from January 1, 2014 through September 15, 2014 and September 16, 2014 through December 31, 2014, and the year ended December 31, 2013 appearing in this prospectus have been audited by Marcum LLP, or Marcum, an independent registered public accounting firm as stated in their report appearing elsewhere herein and are included in reliance upon such report and upon the authority of such firm as experts in accounting and auditing.

Such report did not contain an adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope, or accounting principles. Moreover, during such periods: (i) there were no disagreements between us and Marcum on any matters of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of Marcum, would have caused Marcum to make reference to the subject matter of the disagreement in its report on the NorthStar Europe Predecessor's combined financial statements; and (ii) there were no "reportable events" as that term is defined in Item 304(a)(1)(v) of Regulation S- K.

The combined statement of revenues and certain expenses (Historical Summary) of the Trianon Tower for the year ended December 31, 2014, and the related notes thereto, appearing in this prospectus and registration statement have been audited by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, independent auditors, as set forth in their report thereon appearing elsewhere herein, and is included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The combined statements of revenues and certain expenses of the SEB Portfolio, IVG Portfolio and Internos Portfolio for the year ended December 31, 2014 included in this prospectus have been so included in reliance on the report of PricewaterhouseCoopers, Société coopérative, independent accountants, given on the authority of said firm as experts in auditing and accounting.

Prior to their engagement, neither we nor anyone acting on our behalf, consulted PwC regarding any of the matters or events set forth in Item 304(a)(2) of Regulation S- K.

ADDITIONAL INFORMATION

Before the date of this prospectus, we were not required to file reports with the SEC. We have filed with the SEC a registration statement under the Securities Act on Form S- 11 with respect to the shares of our Common Stock being distributed to NorthStar Realty common stockholders in the Distribution. This prospectus, which is a part of the registration statement, does not contain all of the information set forth in the registration statement and the exhibits related thereto filed with the SEC, reference to which is made hereby. Statements in this prospectus as to the contents of any contract, agreement or other document are qualified in all respects by reference to such contract, agreement or document. If we have filed any of those contracts, agreements or other documents as an exhibit to the registration statement, you should read the full text of such contract, agreement or document for a more complete understanding of the document or matter involved. For further information with respect to us and our Common Stock, we refer you to the registration statement, including the exhibits and the schedules filed as a part of it.

We intend to furnish the holders of our Common Stock with annual reports and proxy statements containing financial statements audited by an independent registered public accounting firm and to file with the SEC quarterly reports for the first three quarters of each fiscal year containing interim unaudited financial information. We also intend to furnish other reports as we may determine or as required by law.

The registration statement of which this prospectus forms a part and its exhibits and schedules, and other documents that we will file with the SEC, can be inspected without charge and copied at, and copies can be obtained from, the SEC's public reference room. Please call the SEC at 1- 800- SEC- 0330 for further information on the public reference room. In addition, our SEC filings are available to the public at the SEC's website at www.sec.gov. We expect to list our Common Stock on the NYSE. If and when our stock is listed on the NYSE, you can also obtain reports, proxy statements and other information about us at the NYSE's website at www.nyse.com.

Information that we file with the SEC after the date of this prospectus may supersede the information in this prospectus. You may read these reports, proxy statements and other information and obtain copies of such documents and information as described above.

No person is authorized to give any information or to make any representations other than those contained in this prospectus, and, if given or made, such information or representations must not be relied upon as having been authorized. Neither the delivery of this prospectus nor any distribution of securities made hereunder shall imply that there has been no change in the information set forth or in our affairs since the date hereof.

Unless otherwise specified, information contained on our website, available by hyperlink from our website or on the SEC's website is not incorporated into this prospectus.

Index to Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Audit Committee of the
Board of Directors and Shareholders
of NorthStar Realty Finance Corp.

We have audited the accompanying combined balance sheets of NorthStar Europe Predecessor (the "Company") as of December 31, 2014 and 2013, and the related combined statements of operations, comprehensive income (loss) and cash flows for the periods from January 1, 2014 through September 15, 2014 and September 16, 2014 through December 31, 2014, and the year ended December 31, 2013. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NorthStar Europe Predecessor as of December 31, 2014 and 2013, and the results of its operations and its cash flows for the for the periods from January 1, 2014 through September 15, 2014 and September 16, 2014 through December 31, 2014, and the year ended December 31, 2013 in conformity with accounting principles generally accepted in the United States of America.

/s/ Marcum LLP

Marcum LLP
Bala Cynwyd, PA
July 2, 2015

NORTHSTAR EUROPE PREDECESSOR
COMBINED BALANCE SHEETS
(Dollars in Thousands)

	NorthStar Owner Period December 31, 2014	Prior Owner Period December 31, 2013
Assets		
Cash	$ 1,552	$ 1,350
Restricted cash	5,277	1,591
Operating real estate, net	54,896	59,201
Receivables	740	335
Unbilled rent receivable	264	560
Derivative assets, at fair value	1,080	—
Deferred costs and intangible assets, net	36,006	27,914
Other assets	3,011	—
Total assets	$ 102,826	$ 90,951
Liabilities and Equity		
Mortgage notes payable	$ 77,660	$ 47,895
Accounts payable and accrued expenses	1,698	12,651
Derivative liabilities, at fair value	—	4,187
Other liabilities	2,589	2,634
Total liabilities	81,947	67,367
NorthStar Europe Predecessor equity	19,821	23,584
Non- controlling interest	1,058	—
Total equity	20,879	23,584
Total liabilities and equity	$ 102,826	$ 90,951

Refer to accompanying notes to the combined financial statements.

NORTHSTAR EUROPE PREDECESSOR
COMBINED STATEMENTS OF OPERATIONS
(Dollars in Thousands)

	NorthStar Owner Period	Prior Owner Period	
	Period from September 16, 2014 to December 31, 2014	Period from January 1 to September 15, 2014	Year Ended December 31, 2013
Revenues			
Rental and escalation income	$ 2,722	$ 7,162	$ 9,869
Other revenues	39	1,290	1,129
Total revenues	2,761	8,452	10,998
Expenses			
Operating expenses	1,181	3,113	4,002
Transaction costs	4,198	—	—
Interest expense	165	3,486	4,666
General and administrative expenses	1,207	4,676	340
Depreciation and amortization	1,088	2,294	3,155
Total expenses	7,839	13,569	12,163
Other income (loss)			
Unrealized gain (loss) on investments and other	(210)	2,110	2,798
Net income (loss)	(5,288)	(3,007)	1,633
Net (income) loss attributable to non- controlling interest	276	—	—
Net income (loss) attributable to the NorthStar Europe Predecessor	$ (5,012)	$ (3,007)	$ 1,633

Refer to accompanying notes to the combined financial statements.

NORTHSTAR EUROPE PREDECESSOR
COMBINED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Dollars in Thousands)

	NorthStar Owner Period	Prior Owner Period	
	Period from September 16, 2014 to December 31, 2014	Period from January 1 to September 15, 2014	Year Ended December 31, 2013
Net income (loss)	$ (5,288)	$ (3,007)	$ 1,633
Other comprehensive income (loss):			
Foreign currency translation adjustment	(4,648)	(57)	(981)
Total other comprehensive income (loss)	(9,936)	(3,064)	652
Comprehensive income (loss)			
Comprehensive (income) loss attributable to non- controlling interest	588	—	—
Comprehensive income (loss) attributable to NorthStar Europe Predecessor	$ (9,348)	$ (3,064)	$ 652

Refer to accompanying notes to the combined financial statements.

NORTHSTAR EUROPE PREDECESSOR
COMBINED STATEMENTS OF CASH FLOWS
(Dollars in Thousands)

	NorthStar Owner Period	Prior Owner Period	
	Period from September 16, 2014 to December 31, 2014	Period from January 1 to September 15, 2014	Year Ended December 31, 2013
Cash flows from operating activities:			
Net income (loss)	$ (5,288)	$ (3,007)	$ 1,633
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities			
Depreciation and amortization	1,088	2,294	3,155
Amortization of deferred financing costs	18	—	—
Amortization of discount on borrowing	—	846	1,120
Unrealized (gain) loss on investments and other	210	(2,110)	(2,798)
Amortization of capitalized above/below market leases	37	37	68
Straight line rental income	(270)	(352)	(958)
Changes in operating assets and liabilities:			
Restricted cash	(2,839)	1,170	(116)
Receivables	(57)	189	42
Other assets	(1,726)	—	—
Accounts payable and accrued expenses	549	(1,979)	4,879
Other liabilities	1,550	231	220
Net cash provided by (used in) operating activities	(6,728)	(2,681)	7,245
Cash flows from investing activities:			
Acquisitions of operating real estate, net	(89,484)	—	—
Improvements of operating real estate	(161)	(2,307)	(7,263)
Net cash (used in) investing activities	(89,645)	(2,307)	(7,263)
Cash flows from financing activities:			
Borrowings from mortgage notes	77,660	481	—
Repayment of mortgage notes	—	(527)	(656)
Payment of deferred financing costs	(643)	—	—
Purchase of derivative instruments	(1,249)	—	—
Change in restricted cash	(2,562)	—	—
Net transactions with NorthStar Realty	27,400	—	—
Contributions from non- controlling interest	2	—	—
Net cash provided by (used in) financing activities	100,608	(46)	(656)
Effect of foreign currency translation on cash	(2,683)	3,722	545
Net change in cash	1,552	(1,312)	(129)
Cash - beginning of period	—	1,350	1,479
Cash - end of period	$ 1,552	$ 38	$ 1,350
Supplemental disclosure of cash flow information			
Cash paid during the year for interest	$ 2,355	$ 2,286	$ 3,516

Refer to accompanying notes to the combined financial statements.

NORTHSTAR EUROPE PREDECESSOR
NOTES TO COMBINED FINANCIAL STATEMENTS

1. Business and Organization

NorthStar Realty Finance Corp. ("NorthStar Realty") is a diversified commercial real estate company listed on the New York Stock Exchange ("NYSE") that qualifies as a real estate investment trust ("REIT"). NorthStar Realty is externally managed and advised by an affiliate of NorthStar Asset Management Group Inc. (NYSE: NSAM), which together with its affiliates is referred to as NSAM.

On February 26, 2015 (the "Announcement Date"), NorthStar Realty announced that its board of directors unanimously approved a plan to spin- off its European real estate business (the "Proposed European Spin") into a newly- formed publicly- traded REIT, NorthStar Realty Europe Corp. ("NRE") expected to be listed on the NYSE. NSAM will manage NRE pursuant to a long- term management agreement, on substantially similar terms as NorthStar Realty's management agreement with NSAM. The Proposed European Spin is expected to be completed in the second half of 2015.

On the Announcement Date, NorthStar Realty's European properties consisted of a $100 million multi- tenant leasehold office complex located in the United Kingdom (the "U.K. Complex") purchased on September 16, 2014 ("NorthStar Acquisition Date") from an unrelated third party and $1.9 billion of commitments to purchase two portfolios of primarily multi- tenant office properties from unrelated third parties, that closed in April 2015 ("European Portfolios"). In addition, in June 2015, NorthStar Realty entered into a definitive agreement to purchase a $600 million office tower located in Frankfurt, Germany from an unrelated third party which is expected to close in the third quarter of 2015 ("Trianon Tower"), together with the European Portfolios, (the "New European Investments"). The U.K. Complex, together with the New European Investments, cash and any other related assets, liabilities or activities are expected to be contributed by NorthStar Realty to NRE as part of the Proposed European Spin.

The U.K. Complex and activities related to the launch of the European real estate business, which includes an allocation of certain costs and expenses, comprises the business of NRE (the "European Real Estate Business"). Previously, the U.K. Complex was acquired by IMV Immobilien SE ("IMW") on July 13, 2012 ("IMW Acquisition Date"). IMW is referred to as the Prior Owner. The period from the NorthStar Acquisition Date to December 31, 2014 is referred to as the NorthStar Owner Period and the period from January 1, 2014 to September 15, 2014, including an allocation of certain costs and expenses related to the European Real Estate Business, and the year ended December 31, 2013 are referred to as the Prior Owner Period. The NorthStar Owner Period together with the Prior Owner Period is referred to as NorthStar Europe Predecessor or the Company.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying combined financial statements and related notes of the Company are presented on a carve- out basis and have been prepared from the historical combined balance sheets, statements of operations and cash flows attributed to the NorthStar Europe Predecessor in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). Historically, financial statements of the NorthStar Europe Predecessor have not been prepared as it has not operated separately from NorthStar Realty. These combined financial statements reflect the revenues and direct expenses of the NorthStar Europe Predecessor and include material assets and liabilities of NorthStar Realty that are specifically identifiable to the Company. Additionally, the combined financial statements include an allocation of costs and expenses by NorthStar Realty related to the NorthStar Europe Predecessor (primarily compensation and other general and administrative expense) based on an estimate of expenses had the NorthStar Europe Predecessor been run as an independent entity. This allocation method is principally based on relative head count and management's knowledge of the operations of the Company. The amounts allocated in the accompanying combined financial statements are not necessarily indicative of the actual amount of such indirect expenses that would have been recorded had the Company been a separate independent entity. The Company believes the assumptions underlying its allocation of indirect expenses are reasonable. In addition, an estimate of management fees to NSAM of $0.1 million was recorded for the NorthStar Owner Period as if NRE was managed as an independent entity and is included in general and administrative expenses.

Such unaudited interim combined financial statements include all adjustments considered necessary for a fair presentation of the NorthStar Europe Predecessor's financial position and results of operations and are of a normal and recurring nature. The operating results presented for interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the entire year.

The Company was determined to be the predecessor for accounting purposes and accordingly, followed S- X Rules 3- 01 through 3- 04 and Rule 12- 28. Because the U.K. Complex was acquired from an unrelated third party on September 16, 2014, a “blackline” presentation for the change in basis giving effect to purchase accounting pursuant to U.S. GAAP is presented.

Non- controlling Interests

A non- controlling interest in a consolidated subsidiary is defined as the portion of the equity (net assets) in a subsidiary not attributable, directly or indirectly, to the Company. A non- controlling interest is required to be presented as a separate component of equity on the combined balance sheets and presented separately as net income (loss) and other comprehensive income (loss) (“OCI”) attributable to controlling and non- controlling interests. An allocation to a non- controlling interest may differ from the stated ownership percentage interest in such entity as a result of a preferred return and allocation formula, if any, as described in such governing documents.

Estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that could affect the amounts reported in the financial statements and accompanying notes. Actual results could materially differ from those estimates and assumptions.

Comprehensive Income (Loss)

The Company reports combined comprehensive income (loss) in separate statements following the combined statements of operations. Comprehensive income (loss) is defined as the change in equity resulting from net income (loss) and OCI. OCI includes foreign currency translation adjustment.

Restricted Cash

Restricted cash consists of amounts related to operating real estate such as escrows for taxes, insurance, capital expenditures, tenant security deposits, payments required under certain lease agreements.

Operating Real Estate

Operating real estate is carried at historical cost less accumulated depreciation. Costs directly related to an acquisition deemed to be a business combination are expensed and included in transaction costs in the combined statements of operations. Ordinary repairs and maintenance are expensed as incurred. Major replacements and betterments which improve or extend the life of the asset are capitalized and depreciated over their useful life. Operating real estate is depreciated using the straight- line method over the estimated useful lives of the assets, summarized as follows:

Category:	**Term:**
Buildings	40 years
Building leasehold interests	Lesser of 40 years or remaining term of the lease
Land improvements	15 years
Tenant improvements	Lesser of the useful life or remaining term of the lease
Equipment	5 to 7 years

The Company follows the purchase method for an acquisition of operating real estate, where the purchase price is allocated to tangible assets such as land, building, tenant and land improvements and other identified intangible assets and liabilities.

The following is a schedule of future contractual minimum rental income under leases as of December 31, 2014 (dollars in thousands):

Years Ending December 31:		
2015	$	5,183
2016		5,507
2017		5,907
2018		5,289
2019		4,915
Thereafter		4,889
Total	$	31,690

Cash

Cash may at times exceed the Federal Deposit Insurance Corporation deposit insurance limit of $250,000 per institution. The Company mitigates credit risk by placing cash with major financial institutions. To date, the Company has not experienced any losses on cash.

Deferred Costs

Deferred costs include deferred financing costs and deferred lease costs. Deferred financing costs represent commitment fees, legal and other third-party costs associated with obtaining financing. These costs are amortized to interest expense over the term of the financing using either the effective interest method or straight- line method depending on the type of financing. Unamortized deferred financing costs are expensed when the associated borrowing is repaid before maturity. Costs incurred in seeking financing transactions, which do not close, are expensed in the period such financing transaction was terminated. Deferred lease costs consist of fees incurred to initiate and renew operating leases, which are amortized on a straight- line basis over the remaining lease term and is recorded to depreciation and amortization in the combined statements of operations.

Identified Intangibles

The Company records acquired identified intangibles, which includes intangible assets (such as value of the above- market leases, in- place leases and other intangibles) and intangible liabilities (such as the value of below- market leases), based on estimated fair value. The value allocated to the above or below- market leases is amortized over the remaining lease term as a net adjustment to rental income. Other intangible assets are amortized into depreciation and amortization expense on a straight- line basis over the remaining lease term. The weighted average amortization period for above-market leases, below- market leases and in- place lease costs is 7.8 years, 5.7 years and 6.3 years for the NorthStar Owner Period, the period from January 1, 2014 to September 15, 2014 and the year ended December 31, 2013, respectively.

The Company recorded an immaterial amount of amortization of below- market leases for the NorthStar Owner Period, the period from January 1, 2014 to September 15, 2014 and the year ended December 31, 2013, respectively. Amortization of other intangible assets was $0.6 million, $0.7 million and $1.2 million for the NorthStar Owner Period, the period from January 1, 2014 to September 15, 2014 and the year ended December 31, 2013, respectively.

Identified intangible assets are recorded in deferred costs and intangible assets and identified intangible liabilities are recorded in other liabilities on the consolidated balance sheets.

The following table presents identified intangibles as of December 31, 2014 (dollars in thousands):

	Intangibles Assets		Intangible Liabilities
	Above- market Leases	Other[1]	Below- market Leases
Gross amount	$ 1,657	$ 33,231	$ (151)
Accumulated amortization	(54)	(578)	18
Total	$ 1,603	$ 32,653	$ (133)

(1) Primarily represents the value of in- place leases and below market ground lease.

The following table presents annual amortization of intangible assets and liabilities as of December 31, 2014 (dollars in thousands):

Years Ending December 31:	Other Intangibles[1]	Above and Below Market Leases, Net[1]
2015	$ 1,738	$ 122
2016	1,344	119
2017	964	166
2018	838	160
2019	812	156
Thereafter	26,957	747
Total	$ 32,653	$ 1,470

(1) Identified intangibles will be amortized through periods ending December 2025.

Revenue Recognition

Operating Real Estate

Rental and escalation income from operating real estate is derived from leasing of space to various types of tenants. The leases are for fixed terms of varying length and generally provide for annual rentals and expense reimbursements to be paid in quarterly installments. Rental income from leases is recognized on a straight- line basis over the term of the respective leases. The excess of rents recognized over amounts contractually due pursuant to the underlying leases are included in unbilled rent receivable on the combined balance sheets. Escalation income represents revenue from tenant leases which provide for the recovery of all or a portion of the operating expenses and real estate taxes paid by the Company on behalf of the respective property. This revenue is accrued in the same period as the expenses are incurred.

Fair Value

Fair Value Measurement

The Company follows fair value guidance in accordance with U.S. GAAP to account for its financial instruments. The Company categorizes its financial instruments, based on the priority of the inputs to the valuation technique, into a three- level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

Financial assets and liabilities recorded at fair value on our combined balance sheets are categorized based on the inputs to the valuation techniques as follows:

Level 1. Quoted prices for identical assets or liabilities in an active market.

Level 2. Financial assets and liabilities whose values are based on the following:

(a)Quoted prices for similar assets or liabilities in active markets.

(b)Quoted prices for identical or similar assets or liabilities in non- active markets.

(c) Pricing models whose inputs are observable for substantially the full term of the asset or liability.

(d) Pricing models whose inputs are derived principally from or corroborated by observable market data for substantially the full term of the asset or liability.

Level 3. Prices or valuation techniques based on inputs that are both unobservable and significant to the overall fair value measurement.

As of December 31, 2014 and 2013, the Company’s sole recurring financial measurements recorded at fair value were its derivative assets/liabilities. Such derivative instruments are valued using a third- party pricing service. These quotations are not adjusted and are generally based on valuation models with observable inputs such as interest rates and contractual cash flow, and as such, are classified as Level 2 of the fair value hierarchy.

Impairment

The Company’s real estate portfolio is reviewed on a quarterly basis, or more frequently as necessary, to assess whether there are any indicators that the value of its operating real estate may be impaired or that its carrying value may not be recoverable. A property’s value is considered impaired if the Company’s estimate of the aggregate expected future undiscounted cash flow to be generated by the property is less than the carrying value of the property. In conducting this review, the Company considers global macroeconomic factors, including real estate sector conditions, together with investment specific and other factors. To the extent an impairment has occurred, the loss is measured as the excess of the carrying value of the property over the estimated fair value of the property. The Company did not record impairment for the periods presented.

Derivatives

The Company uses derivative instruments as a strategy to manage interest rate risk and does not enter into derivative instruments for trading or speculative purposes. The Company’s derivative instruments are recorded on the balance sheet at fair value and do not qualify as hedges under U.S. GAAP. Therefore, the change in fair value of derivative instruments are recorded in earnings.

Foreign Currency

Assets and liabilities denominated in a foreign currency for which the functional currency is a foreign currency are translated using the currency exchange rate in effect at the end of the period presented and the results of operations for such entities are translated into U.S. dollars using the average currency exchange rate in effect during the period. The resulting foreign currency translation adjustment is recorded as a component of accumulated OCI in the combined statements of equity.

Assets and liabilities denominated in a foreign currency for which the functional currency is the U.S. dollar are remeasured using the currency exchange rate in effect at the end of the period presented and the results of operations for such entities are remeasured into U.S. dollars using the average currency exchange rate in effect during the period. The resulting foreign currency remeasurement adjustment is recorded in unrealized gain (loss) on investments and other in the combined statements of operations.

Income Taxes

Income taxes are accounted for by the asset/liability approach in accordance with U.S. GAAP. Deferred taxes represent the expected future tax consequences when the reported amounts of assets and liabilities are recovered or paid. Such amounts arise from differences between the financial reporting and tax bases of assets and liabilities and are adjusted for changes in tax laws and tax rates in the period which such changes are enacted. The provision for income taxes represents the total of income taxes paid or payable for the current year, plus the change in deferred taxes during the year. Income tax for the periods presented was immaterial.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued an accounting update requiring a company to recognize as revenue the amount of consideration it expects to be entitled to in connection with the transfer of promised goods or services to customers. The accounting standard update will replace most of the existing revenue recognition guidance currently promulgated by U.S. GAAP. In April 2015, the FASB proposed a one- year deferral of the effective date of the new revenue standard to January 1, 2018. The Company is in the process of evaluating the impact, if any, of the update on its combined financial position, results of operations and financial statement disclosures.

In April 2015, the FASB issued an accounting update changing the presentation of financing costs in financial statements. Under the new guidance, an entity would present these costs in the balance sheet as a direct deduction from the related liability rather than as an asset. Amortization of the costs would be reported as interest expense. The new guidance is effective for annual periods and interim periods beginning after December 15, 2015, with early adoption permitted. The Company is currently assessing the impact of the guidance on the Company's combined financial position, results of operations and financial statement disclosures.

3. Operating Real Estate

The following table presents operating real estate, net as of December 31, 2014 and 2013 (dollars in thousands):

	NorthStar Owner Period[1]	Prior Owner Period[2]
	December 31, 2014	December 31, 2013
Building, leasehold interests and improvements	$ 51,646	$ 57,483
Tenant improvements	3,767	4,650
Subtotal	55,413	62,133
Less: Accumulated depreciation	(517)	(2,932)
Operating real estate, net	$ 54,896	$ 59,201

(1) NorthStar Realty has a 93.25% ownership interest in the U.K. Complex.

(2) IMW acquired the shares in Firefly Limited, a Jersey subsidiary formed as the direct owner of the U.K. Complex for £16 million. The fair value of the U.K. Complex on the IMW Acquisition Date was $79 million.

Rental income and service charges to related party tenants was $1.6 million and $1.1 million for the year ended December 31, 2013 and the period from January 1, 2014 to September 15, 2014, respectively.

The following table presents the final allocation of the purchase price of the assets acquired and liabilities of the IMW Acquisition Date, which is the basis used to record depreciation and amortization expense for the Prior Owner Period.

Assets:	
Buildings, leasehold interests and improvements	$ 48,820
Acquired intangibles	29,839
Total assets acquired	$ 78,659
Liabilities:	
Mortgage notes payable	$ 44,345
Other liabilities assumed	10,235
Total liabilities	54,580
Total Company's equity	24,079
Total equity	24,079
Total liabilities and equity	$ 78,659

The following table presents the preliminary allocation of the purchase price of the assets acquired on the NorthStar Acquisition Date, which is the basis used to record depreciation and amortization expense for the NorthStar Owner Period.

Assets:	
Buildings, leasehold interests and improvements	$ 57,434
Acquired intangibles	36,328
Total assets acquired	$ 93,762
Total Company’s equity	$ 92,116
Non- controlling interest	1,646
Total equity	93,762
Total liabilities and equity	$ 93,762

Depreciation expense was $0.5 million, $1.6 million and $1.9 million for the NorthStar Owner Period, the period from January 1, 2014 to September 15, 2014 and the year ended December 31, 2013, respectively.

4. Mortgage Notes Payable

The following table presents the Company’s borrowings as of December 31, 2014 and 2013 (dollars in thousands):

NorthStar Owner Period[1]	Principal Amount	Contractual Interest Rate	Maturity Date
As of December 31, 2014:			
Mortgage notes payable	$ 77,660	LIBOR plus 3.00%	December 2019
Prior Owner Period[2]			
As of December 31, 2013:			
Mortgage note payable	$ 47,895	LIBOR plus 0.95%	April 2015

(1) Includes a non- recourse senior mortgage and mezzanine mortgage note entered into by NorthStar Realty in December 2014 (“New Borrowing”). The New Borrowing is interest only and the contractual interest rate represents a weighted average. The mezzanine note of $14.6 million with a fixed interest rate of 8%. Amount represents a weighted average.

(2) Represents a non- recourse senior mortgage note assumed by IMW in connection with its acquisition (“Initial Borrowing”). The Initial Borrowing was secured by the U.K. Complex and a Jersey security interest over the shares in Firefly Limited. The Initial Borrowing had quarterly principal amortization of £105,000. The Initial Borrowing was repaid in connection with the acquisition of the U.K. Complex by NorthStar Realty.

The carrying value of mortgage notes payable approximates fair value as of December 31, 2014 and 2013, as such amounts bear floating rates of interest. These fair value measurements are based on observable inputs, and as such, are classified as Level 2 of the fair value hierarchy.

5. Equity

The combined financial statements of the Company represent the operations of various subsidiaries of the NorthStar Europe Predecessor and include an allocation of costs and expenses of NorthStar Realty related to the NorthStar Europe Predecessor. The

following table presents a rollforward of equity for the NorthStar Owner Period, the Prior Owner Period from January 1, 2014 to September 15, 2014 and the year ended December 31, 2013 (dollars in thousands):

Balance as of December 31, 2012	$	22,932
Net income (loss)		1,633
Other comprehensive income (loss)		(981)
Balance as of December 31, 2013		23,584
Net income (loss)		(3,007)
Other comprehensive income (loss)		(57)
Balance as of September 15, 2014		20,520
Balance as of September 16, 2014		—
Net income (loss)		(5,288)
Other comprehensive income (loss)		(4,060)
Net transactions with NorthStar Realty		29,169
Non- controlling interest		1,058
Balance as of December 31, 2014	$	20,879

Net transactions with NorthStar Realty represent contributions or distributions related to the operating activities between the Company and NorthStar Realty, which includes certain non- cash activity. The Company had no past borrowing arrangements with NorthStar Realty. There are currently no borrowing arrangements with NorthStar Realty.

Non- controlling interest at December 31, 2014 represents a third party 6.75% equity interest in the U.K. Complex that is consolidated with the Company's combined financial statements. Net income (loss) attributable to non- controlling interest for the period from September 16, 2014 to December 31, 2014 was a net loss of $0.3 million. There was no non- controlling interest for the period from January 1, 2014 to September 15, 2014 and the year ended December 31, 2013.

6. Derivatives

The following table presents derivative instruments that were not designated as hedges under U.S. GAAP as of December 31, 2014 and 2013 (dollars in thousands):

NorthStar Owner Period	Number	Notional Amount	Fair Value Net Asset (Liability)	Fixed LIBOR / Forward Rate	Maturity
As of December 31, 2014:					
Interest rate cap[1]	1	$ 63,099	$ 1,080	2.0%	January 2020
Prior Owner Period					
As of December 31, 2013:					
Interest rate swaps	4	$ 49,513	$ (4,187)	6.4%	April 2015

(1) In connection with the New Borrowing, in December 2014, the Company entered into a multi- year interest rate cap agreement.

The Company recognized an unrealized loss on derivative instruments related to fair value adjustments of $0.2 million and an unrealized gain of $2.1 million and $2.8 million for the NorthStar Owner Period, the period from January 1, 2014 to September 15, 2014 and the year ended December 31, 2013, respectively.

7. Credit Risk Concentrations

Concentrations of credit risk arise when a number of tenants related to the Company's investments are engaged in similar business activities or located in the same geographic location to be similarly affected by changes in economic conditions. The Company has approximately 48.6% of rental revenue generated from two tenants during the NorthStar Owner Period. The Company believes it is well diversified and does not have any other concentrations of credit risks.

8. Commitments and Contingencies

The Company is involved in various litigation matters arising in the ordinary course of its business. Although the Company is unable to predict with certainty the eventual outcome of any litigation, in the opinion of management, the legal proceedings are not expected to have a material adverse effect on the Company's financial position or result of operations.

9. Subsequent Events

The Company has evaluated events and transactions that may have occurred since December 31, 2014 through July 2, 2015, the date the financial statements were available for issuance and noted no items requiring adjustments or additional disclosure to the combined financial statements.

NorthStar Europe Predecessor
Unaudited Combined Interim Financial Statements

NORTHSTAR EUROPE PREDECESSOR
COMBINED BALANCE SHEETS
(Dollars in Thousands)

	NorthStar Owner Period	
	June 30, 2015 (Unaudited)	**December 31, 2014**
Assets		
Cash	$ 3,265	$ 1,552
Restricted cash	6,106	5,277
Operating real estate, net	54,985	54,896
Receivables	1,031	740
Unbilled rent receivable	694	264
Derivative assets, at fair value	1,134	1,080
Deferred costs and intangible assets, net	35,232	36,006
Other assets	2,245	3,011
Total assets	$ 104,692	$ 102,826
Liabilities and Equity		
Mortgage notes payable	$ 78,585	$ 77,660
Accounts payable and accrued expenses	824	1,698
Other liabilities	2,706	2,589
Total liabilities	82,115	81,947
NorthStar Europe Predecessor equity	21,439	19,821
Non- controlling interest	1,138	1,058
Total equity	22,577	20,879
Total liabilities and equity	$ 104,692	$ 102,826

Refer to accompanying notes to the combined financial statements.

NORTHSTAR EUROPE PREDECESSOR
COMBINED STATEMENTS OF OPERATIONS
(Dollars in Thousands)
(Unaudited)

	NorthStar Owner Period	Prior Owner Period
	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Revenues		
Rental and escalation income	$ 4,753	$ 5,181
Other revenues	1	925
Total revenues	4,754	6,106
Expenses		
Operating expenses	1,770	2,212
Interest expense	1,523	2,453
General and administrative expenses	1,358	3,922
Depreciation and amortization	1,814	1,593
Total expenses	6,465	10,180
Other income (loss)		
Unrealized gain (loss) on investments and other	41	1,414
Realized gain (loss) on investments and other	(14)	—
Income (loss) before income tax benefit (expense)	(1,684)	(2,660)
Income tax benefit (expense)	107	(3)
Net income (loss)	(1,577)	(2,663)
Net (income) loss attributable to non- controlling interest	21	—
Net income (loss) attributable to the NorthStar Europe Predecessor	$ (1,556)	$ (2,663)

Refer to accompanying notes to the combined financial statements.

NORTHSTAR EUROPE PREDECESSOR
COMBINED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Dollars in Thousands)
(Unaudited)

	NorthStar Owner Period	Prior Owner Period
	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Net income (loss)	$ (1,577)	$ (2,663)
Other comprehensive income (loss):		
Foreign currency translation adjustment	289	483
Total other comprehensive income (loss)	(1,288)	(2,180)
Comprehensive income (loss)		
Comprehensive (income) loss attributable to non- controlling interest	—	—
Comprehensive income (loss) attributable to NorthStar Europe Predecessor	$ (1,288)	$ (2,180)

Refer to accompanying notes to the combined financial statements.

NORTHSTAR EUROPE PREDECESSOR
COMBINED STATEMENTS OF CASH FLOWS
(Dollars in Thousands)
(Unaudited)

	NorthStar Owner Period Six Months Ended June 30, 2015	Prior Owner Period Six Months Ended June 30, 2014
Cash flows from operating activities:		
Net income (loss)	$ (1,577)	$ (2,663)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities		
Depreciation and amortization	1,814	1,593
Amortization of deferred financing costs	172	—
Amortization of discount on borrowings	—	592
Unrealized (gain) loss on investments and other	(41)	(1,414)
Realized (gain) loss on investments and other	14	—
Amortization of capitalized above/below market leases	115	43
Straight line rental income, net	(414)	(262)
Allocation of costs and expenses by NorthStar Realty	1,273	—
Changes in operating assets and liabilities:		
Restricted cash	(1,162)	7
Receivables	(32)	207
Other assets	752	—
Accounts payable and accrued expense	393	4,451
Other liabilities	(42)	—
Net cash provided by operating activities	1,265	2,554
Cash flows from investing activities:		
Acquisitions of operating real estate, net	(94)	—
Improvements of operating real estate	(684)	(1,814)
Deferred costs and intangible assets	—	(206)
Change in restricted cash	440	—
Net cash (used in) investing activities	(338)	(2,020)
Cash flows from financing activities:		
Repayment of mortgage notes	—	(348)
Payment of deferred financing costs	(847)	—
Net transactions with NorthStar Realty	1,593	—
Net cash provided by (used in) financing activities	746	(348)
Effect of foreign currency translation on cash	40	(10)
Net change in cash	1,713	176
Cash - beginning of period	1,552	1,350
Cash - end of period	$ 3,265	$ 1,526

Refer to accompanying notes to the combined financial statements.

NORTHSTAR EUROPE PREDECESSOR
NOTES TO COMBINED FINANCIAL STATEMENTS
(Unaudited)

1. Business and Organization

NorthStar Realty Finance Corp. ("NorthStar Realty") is a diversified commercial real estate company listed on the New York Stock Exchange ("NYSE") that qualifies as a real estate investment trust ("REIT"). NorthStar Realty is externally managed and advised by an affiliate of NorthStar Asset Management Group Inc. (NYSE: NSAM), which together with its affiliates is referred to as NSAM.

On February 26, 2015 (the "Announcement Date"), NorthStar Realty announced that its board of directors unanimously approved a plan to spin- off its European real estate business (the "Proposed European Spin") into a newly- formed publicly- traded REIT, NorthStar Realty Europe Corp. ("NRE") expected to be listed on the NYSE. NSAM will manage NRE pursuant to a long- term management agreement, on substantially similar terms as NorthStar Realty's management agreement with NSAM. The Proposed European Spin is expected to be completed in the second half of 2015.

On the Announcement Date, NorthStar Realty's European properties consisted of a $100 million multi- tenant leasehold office complex located in the United Kingdom (the "U.K. Complex") purchased on September 16, 2014 ("NorthStar Acquisition Date") from an unrelated third party and $1.9 billion of commitments to purchase two portfolios of primarily multi- tenant office properties from unrelated third parties, that closed in April 2015 ("European Portfolios"). In addition, in June 2015, NorthStar Realty entered into a definitive agreement to purchase $600 million office tower located in Frankfurt, Germany from an unrelated third party which closed in July 2015 ("Trianon Tower" together with the European Portfolios, the "New European Investments"). The U.K. Complex, together with the New European Investments, cash and any other related assets, liabilities or activities are expected to be contributed by NorthStar Realty to NRE as part of the Proposed European Spin.

The U.K. Complex including an allocation of certain costs and expenses related to the launch of the European real estate business comprises the business of NRE (the "European Real Estate Business"). Previously, the U.K. Complex was acquired by IMV Immobilien SE ("IMW") on July 13, 2012 ("IMW Acquisition Date"). IMW is referred to as the Prior Owner. The period from the NorthStar Acquisition Date to December 31, 2014 is referred to as the NorthStar Owner Period and the period from January 1, 2014 to September 15, 2014, including an allocation of certain costs and expenses related to the European Real Estate Business, is referred to as the Prior Owner Period. The NorthStar Owner Period together with the Prior Owner Period is referred to as NorthStar Europe Predecessor or the Company.

2. Summary of Significant Accounting Policies

Basis of Quarterly Presentation

The accompanying combined financial statements and related notes of the Company are presented on a carve- out basis and have been prepared from the historical combined balance sheets, statements of operations and cash flows attributed to the NorthStar Europe Predecessor in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). Historically, financial statements of the NorthStar Europe Predecessor have not been prepared as it has not operated separately from NorthStar Realty. These combined financial statements reflect the revenues and direct expenses of the NorthStar Europe Predecessor and include material assets and liabilities of NorthStar Realty that are specifically identifiable to the Company. Additionally, the combined financial statements include an allocation of costs and expenses by NorthStar Realty related to the NorthStar Europe Predecessor (primarily compensation and other general and administrative expense) based on an estimate of expenses had the NorthStar Europe Predecessor been run as an independent entity. This allocation method is principally based on relative head count and management's knowledge of the operations of the Company. The amounts allocated in the accompanying combined financial statements are not necessarily indicative of the actual amount of such indirect expenses that would have been recorded had the Company been a separate independent entity. The Company believes the assumptions underlying its allocation of indirect expenses are reasonable. In addition, an estimate of management fees to NSAM of $0.2 million was recorded for the NorthStar Owner Period as if NRE was managed as an independent entity and is included in general and administrative expenses.

These combined financial statements should be read in conjunction with NorthStar Europe Predecessor's audited combined financial statements and notes thereto included in the Form S- 11 for the years ended December 31, 2014 and 2013.

The Company was determined to be the predecessor for accounting purposes and accordingly, followed S- X Rules 3- 01 through 3- 04 and Rule 12- 28. Because the U.K. Complex was acquired from an unrelated third party on September 16, 2014, a "blackline" presentation for the change in basis giving effect to purchase accounting pursuant to U.S. GAAP is presented.

NORTHSTAR EUROPE PREDECESSOR
NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)
(Unaudited)

Non- controlling Interests

A non- controlling interest is defined as the portion of the equity (net assets) not attributable, directly or indirectly, to the Company. A non-controlling interest is required to be presented as a separate component of equity on the combined balance sheets and presented separately as net income (loss) and other comprehensive income (loss) ("OCI") attributable to controlling and non- controlling interests. An allocation to a non-controlling interest may differ from the stated ownership percentage interest in such entity as a result of a preferred return and allocation formula, if any, as described in such governing documents.

Estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that could affect the amounts reported in the financial statements and accompanying notes. Actual results could materially differ from those estimates and assumptions.

Comprehensive Income (Loss)

The Company reports combined comprehensive income (loss) in separate statements following the combined statements of operations. Comprehensive income (loss) is defined as the change in equity resulting from net income (loss) and OCI. OCI includes foreign currency translation adjustment.

Restricted Cash

Restricted cash consists of amounts related to operating real estate such as escrows for taxes, insurance, capital expenditures, tenant security deposits, payments required under certain lease agreements.

Operating Real Estate

Operating real estate is carried at historical cost less accumulated depreciation. Costs directly related to an acquisition deemed to be a business combination are expensed and included in transaction costs in the combined statements of operations. Ordinary repairs and maintenance are expensed as incurred. Major replacements and betterments which improve or extend the life of the asset are capitalized and depreciated over their useful life.

The Company follows the purchase method for an acquisition of operating real estate, where the purchase price is allocated to tangible assets such as land, building, tenant and land improvements and other identified intangible assets and liabilities.

Cash

Cash may at times exceed the Federal Deposit Insurance Corporation deposit insurance limit of $250,000 per institution. The Company mitigates credit risk by placing cash with major financial institutions. To date, the Company has not experienced any losses on cash.

Deferred Costs

Deferred costs include deferred financing costs and deferred lease costs. Deferred financing costs represent commitment fees, legal and other third-party costs associated with obtaining financing. These costs are amortized to interest expense over the term of the financing using the straight- line method. Unamortized deferred financing costs are expensed when the associated borrowing is repaid before maturity. Costs incurred in seeking financing transactions, which do not close, are expensed in the period such financing transaction was terminated. Deferred lease costs consist of fees incurred to initiate and renew operating leases, which are amortized on a straight- line basis over the remaining lease term and is recorded to depreciation and amortization in the combined statements of operations.

Identified Intangibles

The Company records acquired identified intangibles, which includes intangible assets (such as value of the above- market leases, in- place leases and other intangibles) and intangible liabilities (such as the value of below- market leases), based on estimated fair value. The value allocated to the above or below- market leases is amortized over the remaining lease term as a net adjustment to rental income. Other intangible assets are amortized into depreciation and amortization expense on a straight- line basis over the remaining lease term. As of June 30, 2015 and December 31, 2014, the weighted average amortization period for above- market leases, below- market leases and in- place lease costs is 7.3 years and 7.8 years, respectively.

Revenue Recognition

Operating Real Estate

Rental and escalation income from operating real estate is derived from leasing of space to various types of tenants. The leases are for fixed terms of varying length and generally provide for annual rentals and expense reimbursements to be paid in quarterly installments. Rental income from leases is recognized on a straight- line basis over the term of the respective leases. The excess of rents recognized over amounts contractually due pursuant to the underlying leases are included in unbilled rent receivable on the combined balance sheets. Escalation income represents revenue from tenant leases which provide for the recovery of all or a portion of the operating expenses and real estate taxes paid by the Company on behalf of the respective property. This revenue is accrued in the same period as the expenses are incurred.

Fair Value

Fair Value Measurement

The Company follows fair value guidance in accordance with U.S. GAAP to account for its financial instruments. The Company categorizes its financial instruments, based on the priority of the inputs to the valuation technique, into a three- level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

Financial assets and liabilities recorded at fair value on our combined balance sheets are categorized based on the inputs to the valuation techniques as follows:

Level 1. Quoted prices for identical assets or liabilities in an active market.

Level 2. Financial assets and liabilities whose values are based on the following:

(a) Quoted prices for similar assets or liabilities in active markets.

(b) Quoted prices for identical or similar assets or liabilities in non- active markets.

(c) Pricing models whose inputs are observable for substantially the full term of the asset or liability.

(d) Pricing models whose inputs are derived principally from or corroborated by observable market data for substantially the full term of the asset or liability.

Level 3. Prices or valuation techniques based on inputs that are both unobservable and significant to the overall fair value measurement.

As of June 30, 2015 and December 31, 2014, the Company's sole recurring financial measurement recorded at fair value was its derivative asset. Such derivative instrument is valued using a third- party pricing service. This quotation is not adjusted and is generally based on valuation models with observable inputs such as interest rates and contractual cash flow, and as such, is classified as Level 2 of the fair value hierarchy.

Impairment

The Company's real estate portfolio is reviewed on a quarterly basis, or more frequently as necessary, to assess whether there are any indicators that the value of its operating real estate may be impaired or that its carrying value may not be recoverable. A property's value is considered impaired if the Company's estimate of the aggregate expected future undiscounted cash flow to be generated by the property is less than the carrying value of the property. In conducting this review, the Company considers global macroeconomic factors, including real estate sector conditions, together with investment specific and other factors. To the extent an impairment has occurred, the loss will be measured as the excess of the carrying value of the property over the estimated fair value of the property. The Company did not record impairment for the periods presented.

Derivatives

The Company uses derivative instruments as a strategy to manage interest rate risk and does not enter into derivative instruments for trading or speculative purposes. The Company's derivative instruments are recorded on the combined balance sheet at fair value and do not qualify as hedges under U.S. GAAP. Therefore, the change in fair value of derivative instruments are recorded in earnings.

NORTHSTAR EUROPE PREDECESSOR
NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)
(Unaudited)

Foreign Currency

Assets and liabilities denominated in a foreign currency for which the functional currency is a foreign currency are translated using the currency exchange rate in effect at the end of the period presented and the results of operations for such entities are translated into U.S. dollars using the average currency exchange rate in effect during the period. The resulting foreign currency translation adjustment is recorded as a component of accumulated OCI in equity.

Assets and liabilities denominated in a foreign currency for which the functional currency is the U.S. dollar are remeasured using the currency exchange rate in effect at the end of the period presented and the results of operations for such entities are remeasured into U.S. dollars using the average currency exchange rate in effect during the period. The resulting foreign currency remeasurement adjustment is recorded in unrealized gain (loss) on investments and other in the combined statements of operations.

Income Taxes

Income taxes are accounted for by the asset/liability approach in accordance with U.S. GAAP. Deferred taxes represent the expected future tax consequences when the reported amounts of assets and liabilities are recovered or paid. Such amounts arise from differences between the financial reporting and tax bases of assets and liabilities and are adjusted for changes in tax laws and tax rates in the period which such changes are enacted. The provision for income taxes represents the total of income taxes paid or payable for the current year, plus the change in deferred taxes during the year. Income tax benefit for the six months ended June 30, 2015 was $0.1 million.

Recent Accounting Pronouncements

In February 2015, the FASB issued updated guidance that changes the rules regarding consolidation. The pronouncement eliminates specialized guidance for limited partnerships and similar legal entities and removes the indefinite deferral for certain investment funds. The new guidance is effective for annual periods and interim periods within those annual periods beginning after December 15, 2015, with early adoption permitted. The Company is currently assessing the impact of the guidance on the Company's combined financial position, results of operations and financial statement disclosures.

3. Operating Real Estate

The following table presents operating real estate, net as of June 30, 2015 and December 31, 2014 (dollars in thousands):

	June 30, 2015	December 31, 2014
Building, leasehold interests and improvements	$ 52,566	$ 51,646
Tenant improvements	3,857	3,767
Subtotal	56,423	55,413
Less: Accumulated depreciation	(1,438)	(517)
Operating real estate, net[1]	$ 54,985	$ 54,896

(1) NorthStar Realty has a 93.25% ownership interest in the U.K. Complex.

Rental income and service charges to related party tenants was $0.7 million for the six months ended June 30, 2014.

4. Mortgage Notes Payable

The following table presents the Company's borrowings as of June 30, 2015 and December 31, 2014 (dollars in thousands):

	Principal Amount[1]	Contractual Interest Rate	Maturity Date
As of June 30, 2015:			
Mortgage notes payable	$ 78,585	[1]	December 2019
As of December 31, 2014:			
Mortgage notes payable	$ 77,660	[1]	December 2019

(1) Includes a non- recourse senior mortgage and mezzanine mortgage note entered into by NorthStar Realty in December 2014 ("New Borrowing"). The New Borrowing is interest only and is comprised of $63.8 million principal amount of floating rate borrowing at GBP LIBOR plus 2.0% with a related $63.8 million notional interest rate cap of 2.0% and $14.7 million fixed rate borrowing at 8.0%.

The carrying value of mortgage notes payable approximates fair value as of June 30, 2015 and December 31, 2014, as such amounts bear floating rates of interest. Such fair value measurements are based on observable inputs, and as such, are classified as Level 2 of the fair value hierarchy.

5. Equity

The combined financial statements of the Company represent the operations of various subsidiaries of the NorthStar Europe Predecessor and include an allocation of costs and expenses of NorthStar Realty related to the NorthStar Europe Predecessor. The following table presents a rollforward of equity for the NorthStar Owner Period and the Prior Owner Period for the six months ended June 30, 2015 and the year ended December 31, 2014 (dollars in thousands):

Balance as of December 31, 2013	$	23,584
Net income (loss)		(3,007)
Other comprehensive income (loss)		(57)
Balance as of September 15, 2014		20,520
Balance as of September 16, 2014		—
Net income (loss)		(5,288)
Other comprehensive income (loss)		(4,060)
Net transactions with NorthStar Realty		29,169
Non- controlling interest		1,058
Balance as of December 31, 2014		20,879
Net income (loss)		(1,577)
Other comprehensive income (loss)		289
Net transactions with NorthStar Realty		2,906
Non- controlling interest		80
Balance as of June 30, 2015	$	22,577

Net transactions with NorthStar Realty represent contributions or distributions related to the operating activities between the Company and NorthStar Realty. The Company had no past borrowing arrangements with NorthStar Realty and NSAM. There are currently no borrowing arrangements with NorthStar Realty.

Non- controlling interest as of June 30, 2015 and December 31, 2014 represents a third party 6.75% equity interest in the U.K. Complex. Net loss attributable to non- controlling interest for the six months ended June 30, 2015 was $0.02 million. Other comprehensive income attributable to non-controlling interest for the six months ended June 30, 2015 was $0.02 million. There was no non- controlling interest for the six months ended June 30, 2014.

6. Derivatives

The following table presents derivative instruments that were not designated as hedges under U.S. GAAP as of June 30, 2015 and December 31, 2014 (dollars in thousands):

	Number		Notional Amount[(1)]		Fair Value Net Asset (Liability)	Fixed LIBOR / Forward Rate	Maturity
As of June 30, 2015:							
Interest rate cap	1	$	63,850	$	1,134	2.00%	January 2020
As of December 31, 2014:							
Interest rate cap	1	$	63,099	$	1,080	2.00%	January 2020

(1) In connection with the New Borrowing, in December 2014, the Company entered into a multi- year interest rate cap agreement.

The Company recognized an unrealized gain on the interest rate cap agreement related to fair value adjustments of $0.04 million and $1.4 million for the six months ended June 30, 2015 and 2014, respectively.

7. Credit Risk Concentrations

Concentrations of credit risk arise when a number of tenants related to the Company's investments are engaged in similar business activities or located in the same geographic location to be similarly affected by changes in economic conditions. The Company has approximately 48% of rental revenue generated from two tenants for the six months ended June 30, 2015. The Company believes it is well diversified and does not contain any unusual concentrations of credit risks.

8. Commitments and Contingencies

The Company is involved in various litigation matters arising in the ordinary course of its business. Although the Company is unable to predict with certainty the eventual outcome of any litigation, in the opinion of management, the legal proceedings are not expected to have a material adverse effect on the Company's financial position or result of operations.

9. Subsequent Events

The Company has evaluated events and transactions that may have occurred since June 30, 2015 through August 19, 2015, the date the financial statements were available for issuance.

REPORT OF INDEPENDENT AUDITORS

To the Shareholders of
NorthStar Realty Europe Corp.

We have audited the accompanying combined statements of revenues and certain expenses (the "Statements") of SEB Portfolio (the "Properties") for the year ended 31 December 2014.

Management's Responsibility for the Statements of Revenues and Certain Expenses

Management is responsible for the preparation and fair presentation of the Statements in accordance with accounting principles generally accepted in the United States of America (GAAP) described in Note 2, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the Statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Properties' preparation and fair presentation of the Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Properties' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Statements referred to above present fairly, in all material respects, the revenues and certain expenses of the Properties for the year ended 31 December 2014 in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 of the Statements, which describes the basis of accounting. The Statements were prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission (for inclusion in the registration statement on Form S- 11 of NorthStar Realty Europe Corp.), as described in Note 1. The presentation is not intended to be a complete presentation of the Properties' revenues and expenses. Our opinion is not modified with respect to this matter.

/s/ PricewaterhouseCoopers, Société coopérative

Luxembourg
June 30, 2015

SEB PORTFOLIO
COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES
(Dollars in Thousands)

	Six Months Ended June 30, 2015	Year Ended December 31, 2014
	(Unaudited)	
Revenues		
Rental income	$ 36,230	$ 80,500
Escalation income	3,676	5,617
Total revenues	39,906	86,117
Certain expenses		
Real estate properties - operating expenses	5,564	8,400
Total expenses	5,564	8,400
Revenues in excess of certain expenses	$ 34,342	$ 77,717

The accompanying notes are an integral part to the combined statements of revenues and certain expenses.

SEB PORTFOLIO
NOTES TO THE COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES
SIX MONTHS ENDED JUNE 30, 2015 (UNAUDITED) AND YEAR ENDED DECEMBER 31, 2014

1. Basis of Presentation

The SEB Portfolio (the "Properties") are multi- tenant office properties located across seven European countries. The accompanying combined statements of revenues and certain expenses (the "Statements") relate to the operations of the Properties.

The Statements have been prepared for the purpose of complying with Rule 3- 14 of Regulation S- X promulgated under the Securities Act of 1933, as amended, and accordingly, are not representative of the actual results of operations of the Properties. Material amounts excluded consist of interest expense, depreciation and amortization and corporate general and administrative expenses.

2. Summary of Significant Accounting Policies

Revenue Recognition

Rental and escalation income from operating real estate is derived from leasing of space to tenants. The leases are for fixed terms of varying length and generally provide for annual rentals and expense reimbursements to be paid in monthly or quarterly installments. Rental income from leases is recognized on a straight- line basis over the term of the respective leases. Escalation income represents revenue from tenant leases which provide for the recovery of all or a portion of the operating expenses and real estate taxes paid by the Properties. This revenue is accrued for in the same period as the expenses are incurred.

Use of Estimates

The preparation of the Statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that could affect the amounts of reported revenues and certain operating expenses. Actual results could differ from those estimates.

Commitments and Contingencies

The Properties may be subject to legal claims and disputes in the ordinary course of business. Management believes any settlement of any existing potential claims and dispute would not have a material impact on the Properties' revenues and certain expenses.

3. Minimum Future Lease Rentals

There are various lease agreements in place with tenants to lease space in the Properties. As of December 31, 2014, the minimum future cash rents receivable under noncancelable operating leases in each of the next five years and thereafter are as follows (dollars in thousands) (unaudited):

Years Ending:		
2015	$	76,749
2016		76,613
2017		74,874
2018		74,611
2019		72,966
Thereafter		100,143
	$	475,956

4. Subsequent Events

Management has evaluated the events and transactions that have occurred through June 30, 2015, the date which the Statements were available to be issued, and noted no items requiring adjustment of the Statements or additional disclosure.

Trianon Tower

Report of Independent Auditors

Board of Directors and Stockholders
NorthStar Realty Europe Corp.

We have audited the combined statement of revenues and certain expenses (Historical Summary) of the Trianon Tower for the year ended December 31, 2014, and the related notes to the financial statement.

Management´s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the Historical Summary in conformity with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the Historical Summary that is free of material misstatement, whether due to fraud or error.

Auditor´s Responsibility

Our responsibility is to express an opinion on the Historical Summary based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Historical Summary is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Summary. The procedures selected depend on the auditor´s judgment, including the assessment of the risks of material misstatement of the Historical Summary, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity´s preparation and fair presentation of the Historical Summary in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion in the effectiveness of the entity´s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Historical Summary.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Historical Summary referred to above present fairly, in all material respects, the revenues and certain expenses described in Note 2 of Trianon Tower for the year ended December 31, 2014, in conformity with U.S. generally accepted accounting principles.

Basis of Accounting

As described in Note 2 to the financial statements, the Historical Summary has been prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission for inclusion in the registration statement on Form S- 11 of NorthStar Realty Europe Corp., and are not intended to be a complete presentation of the Trianon Tower revenue and expenses. Our opinion is not modified with respect to this matter.

June 30, 2015
Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft
Eschborn/Frankfurt am Main, Germany

/s/ Enzenhofer
Wirtschaftsprüfer
(German Public Auditor)
/s/ Teuber
Wirtschaftsprüferin
(German Public Auditor)

TRIANON TOWER
COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES
(Dollars in Thousands)

	Six Months Ended June 30, 2015	Year Ended December 31, 2014
	(Unaudited)	
Revenues		
Rental and escalation income	$ 18,486	$ 40,741
Total revenues	18,486	40,741
Certain expenses		
Real estate property - operating expenses	4,532	12,467
Asset management expenses	641	1,514
Total expenses	5,173	13,981
Revenues in excess of certain expenses	$ 13,313	$ 26,760

The accompanying notes are an integral part to the combined statements of revenues and certain expenses.

TRIANON TOWER
NOTES TO THE COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES
SIX MONTHS ENDED JUNE 30, 2015 (UNAUDITED) AND YEAR ENDED DECEMBER 31, 2014

1. Basis of Presentation

The Trianon Tower and the associated buildings (the "Property") is a multi- tenant office property located in Frankfurt, Germany. The accompanying combined statements of revenues and certain expenses (the "Statements") relate to the operations of the Property. The acquisition of the Property occurred on July 15, 2015.

The Statements have been prepared for the purpose of complying with Rule 3- 14 of Regulation S- X promulgated under the Securities Act of 1933, as amended, and accordingly, are not representative of the actual results of operations of the Property. Material amounts excluded consist of interest expense, depreciation and amortization and corporate general and administrative expenses.

2. Summary of Significant Accounting Policies

Revenue Recognition

Rental and escalation income from operating real estate is derived from leasing of space to tenants. The leases are for fixed terms of varying length and generally provide for annual rentals and expense reimbursements to be paid in monthly installments. Rental income from leases is recognized on a straight- line basis over the term of the respective leases. Escalation income represents revenue from tenant leases which provide for the recovery of all or a portion of the operating expenses and real estate taxes paid by the Property on behalf of the respective property. This revenue is accrued for in the same period as the expenses are incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that could affect the amounts of reported revenues and certain operating expenses. Actual results could differ from those estimates.

Commitments and Contingencies

The Property may be subject to legal claims and disputes in the ordinary course of business. Management believes any settlement of any existing potential claims and dispute would not have a material impact on the Property's revenues and certain expenses.

3. Minimum Future Lease Rentals

There are various lease agreements in place with tenants to lease space in the Property. As of December 31, 2014, the minimum future cash rents receivable under noncancelable operating leases in each of the next five years and thereafter are as follows (dollars in thousands) (unaudited):

Years Ending:		
2015	$	31,198
2016		29,791
2017		29,836
2018		29,609
2019		29,378
Thereafter		136,523
	$	286,335

The above future minimum lease payments exclude tenant reimbursements.

4. Concentration of Credit Risk

Three and four tenants comprised approximately 75% of rental and escalation income for the year ended December 31, 2014 and six months ended June 30, 2015, respectively.

5. Subsequent Events

Management has evaluated the events and transactions that have occurred through June 30, 2015, the date which the Statements were available to be issued, and noted no items requiring adjustment of the Statements or additional disclosure.

IVG Portfolio

REPORT OF INDEPENDENT AUDITORS

To the Shareholders of
NorthStar Realty Europe Corp.

We have audited the accompanying combined statements of revenues and certain expenses (the "Statements") of IVG Portfolio (the "Properties") for the year ended 31 December 2014.

Management's Responsibility for the Statements of Revenues and Certain Expenses

Management is responsible for the preparation and fair presentation of the Statements in accordance with accounting principles generally accepted in the United States of America (GAAP) described in Note 2, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the Statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Properties' preparation and fair presentation of the Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Properties' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Statements referred to above present fairly, in all material respects, the revenues and certain expenses of the Properties for the year ended 31 December 2014 in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 of the Statements, which describes the basis of accounting. The Statements were prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission (for inclusion in the registration statement on Form S- 11 of NorthStar Realty Europe Corp.), as described in Note 1. The presentation is not intended to be a complete presentation of the Properties' revenues and expenses. Our opinion is not modified with respect to this matter.

/s/ PricewaterhouseCoopers, Société coopérative

Luxembourg
28 September 2015

IVG PORTFOLIO
COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES
(Dollars in Thousands)

	Six Months Ended June 30, 2015	Year Ended December 31, 2014
	(Unaudited)	
Revenues		
Rental income	$ 4,970	$ 12,889
Escalation income	726	2,685
Total revenues	5,696	15,574
Certain expenses		
Real estate properties - operating expenses	2,127	5,536
Total expenses	2,127	5,536
Revenues in excess of certain expenses	$ 3,569	$ 10,038

The accompanying notes are an integral part to the combined statements of revenues and certain expenses.

IVG PORTFOLIO
NOTES TO THE COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES
SIX MONTHS ENDED JUNE 30, 2015 (UNAUDITED) AND YEAR ENDED DECEMBER 31, 2014

1. Basis of Presentation

The IVG Portfolio (the "Properties") are multi- tenant office properties located across six European countries. The accompanying combined statements of revenues and certain expenses (the "Statements") relate to the operations of the Properties.

The Statements have been prepared for the purpose of complying with Rule 3- 14 of Regulation S- X promulgated under the Securities Act of 1933, as amended, and accordingly, are not representative of the actual results of operations of the Properties. Material amounts excluded consist of interest expense, depreciation and amortization and corporate general and administrative expenses.

2. Summary of Significant Accounting Policies

Revenue Recognition

Rental and escalation income from operating real estate is derived from leasing of space to tenants. The leases are for fixed terms of varying length and generally provide for annual rentals and expense reimbursements to be paid in monthly or quarterly installments. Rental income from leases is recognized on a straight- line basis over the term of the respective leases. Escalation income represents revenue from tenant leases which provide for the recovery of all or a portion of the operating expenses and real estate taxes paid by the Properties. This revenue is accrued for in the same period as the expenses are incurred.

Use of Estimates

The preparation of the Statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that could affect the amounts of reported revenues and certain operating expenses. Actual results could differ from those estimates.

Commitments and Contingencies

The Properties may be subject to legal claims and disputes in the ordinary course of business. Management believes any settlement of any existing potential claims and dispute would not have a material impact on the Properties' revenues and certain expenses.

3. Minimum Future Lease Rentals

There are various lease agreements in place with tenants to lease space in the Properties. As of December 31, 2014, the minimum future cash rents receivable under noncancelable operating leases in each of the next five years and thereafter are as follows (dollars in thousands) (unaudited):

Years Ending:		
2015	$	11,920
2016		9,922
2017		8,815
2018		8,424
2019		7,445
Thereafter		17,329
	$	63,855

4. Subsequent Events

Management has evaluated the events and transactions that have occurred through September 28, 2015, the date which the Statements were available to be issued, and noted no items requiring adjustment of the Statements or additional disclosure.

Internos Portfolio

REPORT OF INDEPENDENT AUDITORS

To the Shareholders of
NorthStar Realty Europe Corp.

We have audited the accompanying combined statements of revenues and certain expenses (the "Statements") of Internos Portfolio (the "Properties") for the year ended 31 December 2014.

Management's Responsibility for the Statements of Revenues and Certain Expenses

Management is responsible for the preparation and fair presentation of the Statements in accordance with accounting principles generally accepted in the United States of America (GAAP) described in Note 2, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the Statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Properties' preparation and fair presentation of the Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Properties' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Statements referred to above present fairly, in all material respects, the revenues and certain expenses of the Properties for the year ended 31 December 2014 in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 of the Statements, which describes the basis of accounting. The Statements were prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission (for inclusion in the registration statement on Form S- 11 of NorthStar Realty Europe Corp.), as described in Note 1. The presentation is not intended to be a complete presentation of the Properties' revenues and expenses. Our opinion is not modified with respect to this matter.

/s/ PricewaterhouseCoopers, Société coopérative

Luxembourg
28 September 2015

INTERNOS PORTFOLIO
COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES
(Dollars in Thousands)

	Six Months Ended June 30, 2015	Year Ended December 31, 2014
	(Unaudited)	
Revenues		
Rental income	$ 9,118	$ 21,894
Escalation income	828	3,065
Total revenues	9,946	24,959
Certain expenses		
Real estate properties - operating expenses	1,811	3,114
Total expenses	1,811	3,114
Revenues in excess of certain expenses	$ 8,135	$ 21,845

The accompanying notes are an integral part to the combined statements of revenues and certain expenses.

INTERNOS PORTFOLIO
NOTES TO THE COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES
SIX MONTHS ENDED JUNE 30, 2015 (UNAUDITED) AND YEAR ENDED DECEMBER 31, 2014

1. Basis of Presentation

The Internos Portfolio (the "Properties") are multi- tenant office properties located across six European countries. The accompanying combined statements of revenues and certain expenses (the "Statements") relate to the operations of the Properties.

The Statements have been prepared for the purpose of complying with Rule 3- 14 of Regulation S- X promulgated under the Securities Act of 1933, as amended, and accordingly, are not representative of the actual results of operations of the Properties. Material amounts excluded consist of interest expense, depreciation and amortization and corporate general and administrative expenses.

2. Summary of Significant Accounting Policies

Revenue Recognition

Rental and escalation income from operating real estate is derived from leasing of space to tenants. The leases are for fixed terms of varying length and generally provide for annual rentals and expense reimbursements to be paid in monthly or quarterly installments. Rental income from leases is recognized on a straight- line basis over the term of the respective leases. Escalation income represents revenue from tenant leases which provide for the recovery of all or a portion of the operating expenses and real estate taxes paid by the Properties. This revenue is accrued for in the same period as the expenses are incurred.

Use of Estimates

The preparation of the Statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that could affect the amounts of reported revenues and certain operating expenses. Actual results could differ from those estimates.

Commitments and Contingencies

The Properties may be subject to legal claims and disputes in the ordinary course of business. Management believes any settlement of any existing potential claims and dispute would not have a material impact on the Properties' revenues and certain expenses.

3. Minimum Future Lease Rentals

There are various lease agreements in place with tenants to lease space in the Properties. As of December 31, 2014, the minimum future cash rents receivable under noncancelable operating leases in each of the next five years and thereafter are as follows (dollars in thousands) (unaudited):

Years Ending:		
2015	$	21,105
2016		16,231
2017		13,530
2018		12,285
2019		11,479
Thereafter		98,595
	$	173,225

4. Subsequent Events

Management has evaluated the events and transactions that have occurred through September 28, 2015, the date which the Statements were available to be issued, and noted no items requiring adjustment of the Statements or additional disclosure.

PART II. INFORMATION NOT REQUIRED IN PROSPECTUS

Item 31. Other Expenses of Issuance and Distribution.

The following table sets forth the costs and expenses payable by us in connection with the distribution of the securities being registered. All amounts are estimated.

Type of Fee	Amount
SEC filing fee	$ 88,188
Accounting fees and expenses	1,691,000
Legal fees and expenses	1,730,000
Printing fees	50,000
Financial advisory fee	5,000,000
Miscellaneous	1,000,000
Total	$ 9,559,188

Item 32. Sales to Special Parties.

On June 18, 2015, we issued 100 shares of our Common Stock to NorthStar Realty Finance Corp. in connection with the initial capitalization of our company for an aggregate purchase price of $1,000. The issuance of such shares was effected in reliance upon an exemption from registration provided by Section 4(a)(2) under the Securities Act.

Item 33. Recent Sales of Unregistered Securities.

On June 18, 2015, we issued 100 shares of our Common Stock to NorthStar Realty Finance Corp. in connection with the initial capitalization of our company for an aggregate purchase price of $1,000. The issuance of such shares was effected in reliance upon an exemption from registration provided by Section 4(a)(2) under the Securities Act.

In July 2015, we issued $340 million aggregate principal amount of 4.625% Senior Stock- Settleable Notes due December 2016 to Deutsche Bank Securities Inc. as the representative of the several underwriters of the Senior Notes. The issuance of the Senior Notes to the underwriters was effected in reliance upon an exemption from registration provided by Section 4(a)(2) of the Securities Act because the issuance of such securities did not involve a “public offering” as contemplated by Section 4(a)(2) under the Securities Act. In addition, the underwriters agreed not to offer or sell the Senior Notes in any manner involving a public offering within the meaning of Section 4(a)(2) under the Securities Act.

Item 34. Indemnification of Directors and Officers.

Maryland law permits a Maryland corporation to include in its charter a provision eliminating the liability of its directors and officers to the corporation and its stockholders for money damages except for liability resulting from: (i) actual receipt of an improper benefit or profit in money, property or services; or (ii) active and deliberate dishonesty that is established by a final judgment and is material to the cause of action. Our charter will contain such a provision which eliminates directors’ and officers’ liability to the maximum extent permitted by Maryland law.

Our charter will authorize and our bylaws will obligate us, to the maximum extent permitted by Maryland law, to indemnify any present or former director or officer or any individual who, while a director or officer of the Company and at our request, serves or has served another corporation, real estate investment trust, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise as a director, officer, member, manager, partner or trustee, from and against any claim or liability to which that person may become subject or which that person may incur by reason of his or her status as a present or former director or officer of the Company and to pay or reimburse their reasonable expenses in advance of final disposition of a proceeding. Our charter and bylaws also will permit us to indemnify and advance expenses to any person who served a predecessor of the Company in any of the capacities described above and any employee or agent of the Company or a predecessor of the Company.

Maryland law requires a corporation (unless its charter provides otherwise, which our charter will not) to indemnify a director or officer who has been successful in the defense of any proceeding to which he or she is made a party by reason of his or her service in that capacity. Maryland law permits a corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made, or threatened to be made, a party to, or witness in, by reason of their service in those or other capacities unless it is established that: (i) the act or omission of the director or officer was material to the matter giving rise to the proceeding and (a) was committed in bad faith or (b) was the result of active and deliberate dishonesty; (ii) the director or officer actually received an improper personal benefit in money, property or services; or (iii) in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful. A Maryland corporation

may not indemnify a director or officer with respect to a proceeding by or in the right of the corporation in which the director or officer was adjudged liable to the corporation or a proceeding charging improper personal benefit to the director or officer in which the director or officer was adjudged liable on the basis that personal benefit was improperly received. A court may order indemnification if it determines that the director or officer is fairly and reasonably entitled to indemnification, even though the director or officer did not meet the prescribed standard of conduct or was adjudged liable on the basis that personal benefit was improperly received. However, indemnification for an adverse judgment in a suit by or in the right of the corporation, or for a judgment of liability on the basis that personal benefit was improperly received, is limited to expenses. In addition, Maryland law permits a corporation to advance reasonable expenses to a director or officer upon the corporation's receipt of: (i) a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by the corporation; and (ii) a written undertaking by him or her or on his or her behalf to repay the amount paid or reimbursed by the corporation if it is ultimately determined that the standard of conduct was not met.

We intend to enter into indemnification agreements with each of our directors and executive officers which will require that we indemnify such directors and officers to the maximum extent permitted by Maryland law and that we pay such persons' expenses in defending any civil or criminal proceeding in advance of final disposition of such proceeding.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the registrant pursuant to the foregoing provisions, we have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Further, the separation agreement between us and NorthStar Realty provides for indemnification by us of NorthStar Realty and its directors, officers and employees and by NorthStar Realty of us and our directors, officers and employees for some liabilities, including liabilities under the Exchange Act. The amount of these indemnity obligations is unlimited.

Item 35. Treatment of Proceeds from Stock Being Registered.

We will not receive any proceeds from the distribution of our Common Stock in the Distribution.

Item 36. Financial Statements and Exhibits.

(a) Financial Statements. See page F- 1 for an index to the financial statements and schedules included in this registration statement.

(b) Exhibits.

Exhibit No.	Description
2.1	Form of Separation Agreement between NorthStar Realty Europe Corp. and NorthStar Realty Finance Corp.
3.1	Form of Articles of Amendment and Restatement of NorthStar Realty Europe Corp.
3.2	Bylaws of NorthStar Realty Europe Corp.
4.1**	Indenture, dated as of July 1, 2015, by and among NorthStar Realty Europe Corp., NorthStar Realty Finance Corp., NorthStar Realty Finance Limited Partnership and Wilmington Trust, National Association
5.1	Opinion of Venable LLP
8.1	Opinion of Hunton & Williams LLP
10.1	Form of Amended and Restated Agreement of Limited Partnership of NorthStar Realty Europe Limited Partnership
10.2	Form of Asset Management Agreement between NorthStar Realty Europe Corp. and an affiliate of NorthStar Asset Management Group Inc.
10.3	Form of Contribution Agreement between NorthStar Realty Europe Corp. and NorthStar Realty Finance Corp.
10.4**	Purchase Agreement, dated June 25, 2015, by and among NorthStar Realty Europe Corp., NorthStar Realty Finance Corp., NorthStar Realty Finance Limited Partnership and Deutsche Bank Securities Inc.
10.5**	Agreement, dated as of September 16, 2014, by and between Dukes Court- T (UK), LLC, as buyer, and IMW Immobilien SE, as seller
10.6**	Umbrella Agreement, dated December 22, 2014, by and among Prime Holdco C- T, S.à r.l., Prime GER Drehbahn - T S.à r.l., Prime GER Valentinskamp - T S.à r.l. and Trias Pool II A - T S.à r.l., collectively as the buyers, and SEB Investment GmbH ("SEB"), SEB Investment GmbH, Filiale di Milano, SEB Investment GmbH, French Branch SEB Investment GmbH, Altair Issy S.A.S. and Balni bvba (SPRL), collectively as the sellers
10.7**	Umbrella Sale and Purchase Agreement, dated as of February 16, 2015, between SEB Investment GmbH, SEB Investment GmbH, Filiale di Milano, SEB Investment GmbH, French Branch SEB Investment GmbH, Altair Issy S.A.S. and Balni bvba (SPRL), collectively as the sellers, and certain subsidiaries of the Company listed therein, as the buyers

Exhibit No.	Description
10.8	Master Agreement, dated as of December 19, 2014, by and among IVG Institutional Funds GmbH, PMG - Property Management GmbH, Via Bensi S.r.l., Internos Spezialfondsgesellschaft mbH and WestInvest Gesellschaft für Investmentfonds mbH, collectively as the sellers, and the several purchasers identified therein, as amended on February 12, 2015, March 27, 2015, April 17, 2015 and June 1, 2015
10.9**	Share Sale and Purchase Agreement, dated June 11 and 12, 2015, by and among Madison Trianon S.à r.l. and MSEOF Trianon S.à r.l., collectively as the sellers, and the several purchasers identified therein
10.10	Amendment and Restatement Agreement, dated as of July 1, 2015, by and among Prime Holdco C- T, S.à r.l., the borrowers and guarantors identified therein, AAREAL Bank AG, as the agent, arranger and original lender, and the other parties identified therein
10.11	Common Terms and Facilities Agreement, dated as of April 6, 2015, by and among Trias Holdco C- T S.à r.l., GE Real Estate Loans Limited, as the arranger, and the other parties identified therein
10.12	Amendment and Restatement Agreement, dated as of July 20, 2015, to the Loan Agreement of September 25, 2014, between Geschäftshaus am Gendarmenmarkt GmbH, as borrower, and Landesbank Hessen- Thüringen Girozentrale, as lender
10.13†	Form of NorthStar Realty Europe Corp. 2015 Omnibus Stock Incentive Plan
10.14†	Form of Indemnification Agreement between NorthStar Realty Europe Corp. and each of its directors and executive officers
21.1	Subsidiaries of the Registrant
23.1	Consent of Venable LLP (included in Exhibit 5.1)
23.2	Consent of Hunton & Williams LLP (included in Exhibit 8.1)
23.3	Consent of Marcum LLP
23.4	Consent of PricewaterhouseCoopers, Société coopérative
23.5	Consent of Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft
23.6	Consent of PricewaterhouseCoopers, Société coopérative
23.7	Consent of PricewaterhouseCoopers, Société coopérative
24.1**	Power of Attorney (included on signature page)
99.1	Consent of Albert Tylis
99.2	Consent of Mario Chisholm
99.3	Consent of Judith A. Hannaway
99.4	Consent of Oscar Junquera
99.5	Consent of Wesley D. Minami
99.6	Consent of Charles W. Schoenherr

** Previously filed.

† Denotes a management contract or compensatory plan or arrangement.

Item 37. Undertakings.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S- 11 and has duly caused this Amendment No. 3 to the registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of London, United Kingdom, on October 9 , 2015.

NORTHSTAR REALTY EUROPE CORP.

By: /s/ Mahbod Nia
Chief Executive Officer
(Principal Executive Officer)

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Pursuant to the requirements of the Securities Act of 1933, this Amendment No. 3 to the Registration Statement on Form S- 11 has been signed by the following persons in the capacities and on the dates indicated.

Name	Title	Date
/s/ Mahbod Nia Mahbod Nia	Chief Executive Officer (Principal Executive Officer)	October 9, 2015
/s/ Debra A. Hess Debra A. Hess	Interim Chief Financial Officer (Principal Financial and Accounting Officer)	October 9, 2015
* David T. Hamamoto	Director	October 9, 2015

By: /s/ Ronald J. Lieberman
Ronald J. Lieberman
* As Attorney- in- fact for the person indicated.

Exhibit 2.1

FORM OF SEPARATION AGREEMENT
By and Between
NORTHSTAR REALTY EUROPE CORP.
and
NORTHSTAR REALTY FINANCE CORP.
Dated as of [•], 2015

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SEPARATION AGREEMENT

SEPARATION AGREEMENT, dated as of [•], 2015, by and between NorthStar Realty Europe Corp., a Maryland corporation ("NRE"), and NorthStar Realty Finance Corp., a Maryland corporation (together with its permitted successors and assigns, "NRF"). Capitalized terms used herein and not otherwise defined shall have the respective meanings assigned to them in Article I.

RECITALS

WHEREAS, the board of directors of NRF has determined that it is in the best interests of NRF and its stockholders to (i) have the NRF Business operate separately from the European Real Estate Business, (ii) contribute the European Real Estate Business to NRE, and (iii) distribute all of the outstanding NRE common stock, par value $0.01 per share ("NRE Common Stock"), on a one- for- six basis to the Recipients pursuant to the Distribution;

WHEREAS, NRF and NRE have prepared, and NRE has filed with the Commission, the Form S- 11, which includes the prospectus and sets forth disclosure concerning NRE and the Distribution; and

WHEREAS, in connection with the foregoing and to set forth certain aspects of their ongoing relationship after the Separation and the Distribution, the Parties, and certain of their respective Subsidiaries and Affiliates, are entering or have entered, as applicable, into this Agreement and the Ancillary Agreements.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained in this Agreement, the Parties agree as follows:

ARTICLE I

DEFINITIONS

For the purpose of this Agreement, the following terms shall have the following meanings:

"Action" means any demand, action, suit, countersuit, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority or any federal, state, local, foreign or international arbitration or mediation tribunal.

"Affiliate" means, when used with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the Person specified. For purposes of the definition of "Affiliate," "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through ownership of voting securities, by contract or otherwise.

"Agent" means the distribution agent appointed by NRF to distribute the shares of NRE Common Stock held by NRF pursuant to the Distribution.
"Agreement" means this Separation Agreement.
"Ancillary Agreements" means, collectively, the Management Agreement, the Contribution Agreement and any instruments, assignments and other documents and agreements executed in connection with the implementation of the transactions contemplated by this Agreement, including Article II.
"Assets" means assets, properties and rights (including goodwill), wherever located (including in the possession of vendors or other third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, in each case whether or not recorded or reflected or required to be recorded or reflected on the books and records or financial statements of any Person, including, but not limited to, the following:
(a) all accounting and other books, records and files, whether in paper, microfilm, microfiche, computer tape or disc, magnetic tape or any other form;
(b) all apparatus, computers and other electronic data processing equipment, fixtures, machinery, furniture, office and other equipment, and other tangible personal property;
(c) all interests in real property of whatever nature, including easements, whether as owner, mortgagee or holder of a security interest in real property, lessor, sublessor, lessee, sublessee or otherwise;
(d) all interests in any capital stock or other equity interests of any Subsidiary or any other Person; all bonds, notes, debentures or other securities issued by any Subsidiary or any other Person; all loans, advances or other extensions of credit or capital contributions to any Subsidiary or any other Person; and all other investments in securities of any Person;
(e) all license agreements, leases of personal property, open purchase orders for raw materials, supplies, parts or services, unfilled orders for the manufacture and sale of products and other contracts, agreements or commitments and all rights arising thereunder;
(f) all letters of credit, performance bonds and other surety bonds;
(g) all written technical information, data, specifications, research and development information, engineering drawings, operating and maintenance manuals and materials and analyses prepared by consultants and other third parties;
(h) all Intellectual Property and Technology;
(i) all Software;
(j) all cost information, sales and pricing data, customer prospect lists, supplier records, customer and supplier lists, customer and vendor data, correspondence and lists,

product literature, artwork, design, development and manufacturing files, vendor and customer drawings, formulations and specifications, quality records and reports and other books, records, studies, surveys, reports, plans and documents;
(k) all prepaid expenses, trade accounts and other accounts and notes receivable;
(l) all claims or rights against any Person arising from the ownership of any Asset, all rights in connection with any bids or offers and all claims, choses in action or similar rights, whether accrued or contingent;
(m) all rights under Insurance Policies and all rights in the nature of insurance, indemnification or contribution;
(n) all licenses, permits, approvals and authorizations that have been issued by any Governmental Authority;
(o) all cash or cash equivalents, bank accounts, lock boxes and other deposit arrangements; and
(p) all interest rate, currency, commodity or other swap, collar, cap or other hedging or similar agreements or arrangements.

"Assigned Contract" means (a) any contract that in NRF's sole judgment relates exclusively to the European Real Estate Business and (b) with respect to any contract that relates, but does not in NRF's sole judgment relate exclusively, to the European Real Estate Business ("Partial Assigned Contracts"), the portion, if any, of such Partial Assigned Contract that, in NRF's sole judgment, relates to the European Real Estate Business (the "NRE Portion").

"Assignee" has the meaning set forth in Section 2.04(b).

"Business Day" means each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which federally chartered banking institutions in the City of New York are authorized or obligated to close.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commission" means the U.S. Securities and Exchange Commission.

"Consents" means any consents, waivers or approvals from, or notification requirements to, any Person other than from or to a member of either Group, as applicable.

"Contract" means any contract, agreement, indenture, note, bond, mortgage, loan, instrument, lease, license, commitment or other arrangement, understanding, undertaking, commitment or obligation, whether written or oral.

"Contribution Agreement" means the Contribution Agreement to be entered into by and between NRE and NRF, on or prior to the Distribution Date.
"Distribution" means the distribution by NRF of all the outstanding shares of NRE Common Stock owned by NRF on the Distribution Date to the Recipients on a pro- rata basis.
"Distribution Date" means the date determined in accordance with Section 4.02 on which the Distribution occurs.
"Escalation Notice" has the meaning set forth in Section 8.02(a).
"Escrow Account" has the meaning set forth in Section 5.08.
"European Real Estate Business" means the Assets and Liabilities of NRE, which holds the European commercial real estate business of NRF, excluding NRF's European healthcare assets, as conducted immediately prior to the Distribution. For the avoidance of doubt, the European Real Estate Business shall include all Assets and Liabilities related to the NRE Notes.
"Excluded Assets" means (without duplication):
(a) the "NorthStar" name;
(b) any cash and cash equivalents (other than cash and cash equivalents that are Assets of NRE, including the Cash Contribution contemplated by the contribution agreement between NRF Operating Partnership and NRE Operating Partnership);
(c) any and all other Assets owned by any member of the NRF Group immediately prior to the Distribution, wherever such Assets may be located (other than Assets of NRE); and
(d) any and all Assets owned or held immediately prior to the Distribution by NRF or any of its Subsidiaries that are not used exclusively in the NRE Business (the intention of this clause (d) is only to rectify any inadvertent transfer or conveyance of any Assets that, had the parties given specific consideration to such Asset as of the date hereof, would have otherwise been classified as an Excluded Asset; no Asset shall be deemed to be an Excluded Asset solely as a result of this clause (d) if such Asset is within the category or type of Asset expressly covered by the terms of an Ancillary Agreement unless the party claiming entitlement to such Asset can establish that the transfer or conveyance of such Asset was inadvertent, and no Asset shall be deemed an Excluded Asset solely as a result of this clause (d) unless a claim with respect thereto is made by NRF on or prior to the first anniversary of the Distribution Date).

"Excluded Liabilities" means (without duplication):
(a) any and all Liabilities that are expressly contemplated by this Agreement or any Ancillary Agreement as Liabilities to be retained or assumed by NRF or any other member of the NRF Group, which include any and all Liabilities incurred by NRF and its Affiliates, except not including (i) those Liabilities related to the European Real Estate Business, including indebtedness and payables related to the properties included in the European Real Estate Business or (ii) those Liabilities related to the NRE Notes.
(b) any and all express agreements and obligations of any member of the NRF Group under this Agreement or any of the Ancillary Agreements;
(c) any and all Liabilities of a member of the NRF Group to the extent relating to, arising out of or resulting from any Excluded Assets; and
(d) any and all Liabilities of any members of the NRF Group that are not Liabilities of NRE.
"Expense Amount" has the meaning set forth in Section 5.08.
"Form S- 11" means the registration statement on Form S- 11 filed by NRE with the Commission to effect the registration of NRE Common Stock pursuant to the Securities Act in connection with the Distribution, as such registration statement may be amended or supplemented from time to time.
"Governmental Approvals" means any notices, reports or other filings to be given to or made with, or any consents, registrations, approvals, permits or authorizations to be obtained from, any Governmental Authority.
"Governmental Authority" shall mean any federal, state, local, foreign or international court, government, department, commission, board, bureau, agency, official or other legislative, judicial, regulatory, administrative or governmental authority.
"Group" means either the NRF Group or the NRE Group, as the context requires.
"Indemnifiable Liability" has the meaning set forth in Section 5.06(a).
"Indemnifying Party" has the meaning set forth in Section 5.06(a).
"Indemnitee" has the meaning set forth in Section 5.06(a).
"Indemnity Payment" has the meaning set forth in Section 5.06(a).
"Information" means information, whether or not patentable or copyrightable, in written, oral, electronic or other tangible or intangible forms, stored in any medium, including studies, reports, records, books, contracts, instruments, surveys, discoveries, ideas, concepts, know- how, techniques, designs, specifications, drawings, blueprints, diagrams, models,

prototypes, samples, flow charts, data, computer data, disks, diskettes, tapes, algorithms, computer programs or other software, marketing plans, customer names, communications by or to attorneys (including attorney- client privileged communications), memos and other materials prepared by attorneys or under their direction (including attorney work product), and other technical, financial, employee or business information or data.

"Insurance Policies" means the insurance policies written by insurance carriers, including those (if any) affiliated with NRF, pursuant to which NRE or one or more of its Subsidiaries after the Distribution Date (or their respective officers or directors) will be insured or self- insured parties after the Distribution Date.

"Insurance Proceeds" means those monies:

(a) received by an insured (or its successor- in- interest) from an insurance carrier;

(b) paid by an insurance carrier on behalf of the insured (or its successor- in- interest); or

(c) received (including by way of set- off) from any third party in the nature of insurance, contribution or indemnification in respect of any Liability;

in any such case net of any applicable premium adjustments (including reserves and retrospectively rated premium adjustments) and net of any costs or expenses incurred in the collection thereof.

"Intellectual Property" means all of the following whether arising under the laws of the United States or of any other foreign or multinational jurisdiction: (i) patents, patent applications (including patents issued thereon) and statutory invention registrations, including reissues, divisions, continuations, continuations in part, substitutions, renewals, extensions and reexaminations of any of the foregoing, and all rights in any of the foregoing provided by international treaties or conventions, (ii) trademarks, service marks, trade names, service names, trade dress, logos and other source or business identifiers, including all goodwill associated with any of the foregoing, and any and all common law rights in and to any of the foregoing, registrations and applications for registration of any of the foregoing, all rights in and to any of the foregoing provided by international treaties or conventions, and all reissues, extensions and renewals of any of the foregoing, (iii) Internet domain names, (iv) copyrightable works, copyrights, moral rights, mask work rights, database rights and design rights, in each case, other than Software, whether or not registered, and all registrations and applications for registration of any of the foregoing, and all rights in and to any of the foregoing provided by international treaties or conventions, (v) confidential and proprietary information, including trade secrets, invention disclosures, processes and know- how, in each case, other than Software, and (vi) intellectual property rights arising from or in respect of any Technology. Intellectual Property shall not include the "NorthStar" name, which shall be governed by Article VII of this Agreement.

"Intercompany Accounts" has the meaning set forth in Section 2.03(a).
"IRS" means the United States Internal Revenue Service.
"Law" means any national, supranational, federal, state, provincial, local or similar law (including common law), statute, code, order, ordinance, rule, regulation, treaty (including any income tax treaty), license, permit, authorization, approval, consent, decree, injunction, binding judicial or administrative interpretation or other requirement, in each case, enacted, promulgated, issued or entered by a Governmental Authority.
"Liabilities" means any and all claims, debts, demands, actions, causes of action, suits, damages, obligations, Taxes, accruals, accounts payable, reckonings, bonds, indemnities and similar obligations, agreements, promises, guarantees, make- whole agreements and similar obligations, and other liabilities and requirements, including all contractual obligations, whether absolute or contingent, matured or unmatured, liquidated or unliquidated, accrued or unaccrued, known or unknown, whenever arising, and including those arising under any law, rule, regulation, Action, threatened or contemplated Action (including the costs and expenses of demands, assessments, judgments, settlements and compromises relating thereto and attorneys' fees and any and all costs and expenses whatsoever reasonably incurred in investigating, preparing or defending against any such Actions or threatened or contemplated Actions), order or consent decree of any Governmental Authority or any award of any arbitrator or mediator of any kind, and those arising under any contract, commitment or undertaking, including those arising under this Agreement or any Ancillary Agreement, in each case, whether or not recorded or reflected or required to be recorded or reflected on the books and records or financial statements of any Person, of any nature or kind, whether or not the same would properly be reflected on a balance sheet.
"Management Agreement" means the Management Agreement to be entered into by and between NSAM J- NRE Ltd, a Jersey limited company, and NRE, on or prior to the Distribution Date.
"Nonqualifying Income" means any amount that is treated as gross income for purposes of Section 856 of the Code and which is not Qualifying Income.
"NRE" has the meaning set forth in the preamble.
"NRE Assets" means all Assets of the European Real Estate Business other than the Excluded Assets.
"NRE Business" means, from and after the Separation, the business and operations of any member of the NRE Group, including the European Real Estate Business contributed by NRF to NRE pursuant to Article II.
"NRE Common Stock" has the meaning set forth in the recitals.
"NRE Group" means NRE and any of its direct or indirect Subsidiaries.

"NRE Indemnitees" has the meaning set forth in Section 5.04.
"NRE LTIP Units" has the meaning set forth in Section 9.04(a).
"NRE Notes" has the meaning set forth in Section 2.03(b).
"NRE Operating Partnership" means NorthStar Realty Europe Limited Partnership, a Delaware limited partnership.
"NRF" has the meaning set forth in the preamble.
"NRF Assets" means the Excluded Assets.
"NRF Business" means the business and operations of NRF, expressly excluding the European Real Estate Business, conducted immediately prior to the Distribution by any member of the NRF Group.
"NRF Common Stock" means the common stock, $0.01 par value per share, of NRF.
"NRF Equity Award" means an equity- based award granted by NRF or NRF Operating Partnership and outstanding as of the Distribution Date, including, without limitation, restricted stock units granted by NRF pursuant to the NRF Executive Incentive Bonus Plan, as amended, or the NSAM Executive Incentive Bonus Plan, which may be settled in cash or equity of NRF or NRF Operating Partnership.
"NRF Group" means NRF and each of its direct and indirect Subsidiaries, expressly excluding any entity that is a member of the NRE Group.
"NRF Indemnitees" has the meaning set forth in Section 5.03.
"NRF Operating Partnership" means NorthStar Realty Finance Limited Partnership, a Delaware limited partnership.
"NYSE" means the New York Stock Exchange.
"Party" shall mean either party to this Agreement, and "Parties" shall mean both parties to this Agreement.
"Person" means an individual, a general or limited partnership, a corporation, a trust, a joint venture, an unincorporated organization, a limited liability entity, any other entity and any Governmental Authority.
"Prospectus" means the prospectus forming a part of the Form S- 11, as the same may be amended from time to time.

"Protected REIT" means any entity that (i) has elected to be taxed as a REIT, and (ii) either (A) is an Indemnitee or (B) owns a direct or indirect equity interest in any Indemnitee and is treated for purposes of Section 856 of the Code as owning all or a portion of the assets of such Indemnitee or as receiving all or a portion of the Indemnitee's income.
"Qualifying Income" means gross income that is described in Section 856(c)(3) of the Code.
"Recipients" means the Record Holders of NRF Common Stock on the Record Date.
"Record Date" means the close of business on the date determined by the NRF board of directors as the record date for determining the Record Holders of NRF Common Stock.
"Record Holders" means holders of record as of the Record Date of all of the shares of NRF Common Stock that were outstanding on the Record Date.
"REIT" means a real estate investment trust, as defined under the Code.
"REIT- Related Contest" has the meaning set forth in Section 9.03(g)(ii).
"REIT Requirements" means the requirements imposed on REITs pursuant to Sections 856 through and including 860 of the Code.
"Securities Act" means the Securities Act of 1933, as amended.
"Separation" means (a) any actions to be taken pursuant to Article II and (b) if not addressed by Article II, any transfers of Assets and any assumptions of Liabilities, in each case, between a member of one Group and a member of the other Group, provided for in this Agreement or any Ancillary Agreement.
"Software" means any and all (i) computer programs, including any and all software implementation of algorithms, models and methodologies, whether in source code, object code, human readable form or other form, (ii) databases and compilations, including any and all data and collections of data, whether machine readable or otherwise, (iii) descriptions, flow charts and other work products used to design, plan, organize and develop any of the foregoing, screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons, and (iv) documentation, including user manuals and other training documentation, relating to any of the foregoing.
"Specified Documents" means the Form S- 11, the Prospectus and any other registration statement filed with the Commission in connection with the Distribution by or on behalf of NRE or any other member of the NRE Group.
"Subsidiary" of any Person means any corporation, partnership, limited liability company, joint venture, or other organization whether incorporated or unincorporated of which at least a majority of the securities or interests having by the terms thereof ordinary voting power to

elect at least a majority of the board of directors or others performing similar functions with respect to such corporation or other organization is directly or indirectly owned or controlled by such Person or by any one or more of its Subsidiaries, or by such Person and one or more of its Subsidiaries; provided, however, that no Person that is not directly or indirectly wholly owned by any other Person shall be a Subsidiary of such other Person unless such other Person controls, or has the right, power or ability to control, that Person.

"Tax Contest" has the meaning set forth in Section 9.03(g).

"Tax Return" means any return, declaration, report, claim for refund, or information return or statement related to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Taxes" means all taxes, charges, fees, duties, levies, imposts or other assessments imposed by any federal, state, local or foreign Taxing Authority, including income, gross receipts, excise, property, sales, use, license, capital stock, transfer, franchise, payroll, withholding, social security, Medicare, value added and other taxes, and any interest, penalties or additions attributable thereto.

"Taxing Authority" means any Governmental Authority or any subdivision, agency, commission or authority thereof or any quasi- governmental or private body having jurisdiction over the assessment, determination, collection or imposition of any Tax (including the IRS).

"Technology" means all technology, designs, formulae, algorithms, procedures, methods, discoveries, processes, techniques, ideas, know- how, research and development, technical data, tools, materials, specifications, processes, inventions (whether patentable or unpatentable and whether or not reduced to practice) apparatus, creations, improvements, works of authorship in any media, confidential, proprietary or non- public information, and other similar materials, and all recordings, graphs, drawings, reports, analyses and other writings, and other tangible embodiments of the foregoing in any form whether or not listed herein, in each case, other than Software.

"Third Party Claim" means any assertion by a Person (including any Governmental Authority) who is not a member of the NRF Group or the NRE Group of any claim, or the commencement by any such Person of any Action, against any member of the NRF Group or the NRE Group.

"Transaction Indemnitees" has the meaning set forth in Section 5.05.

"Transaction Third Party Claim" has the meaning set forth in Section 5.05.

"Transfer" means to sell, assign, transfer, convey and/or deliver. The terms "Transferred" and "Transferable" shall have the correlative meanings.

"Transfer Taxes" has the meaning set forth in Section 9.03(e).

ARTICLE II

THE SEPARATION

Section 2.01 Separation Transactions. On or prior to the Distribution Date, NRF shall, and shall cause NRE and each Subsidiary and controlled Affiliate of NRF to, effect each of the transactions and Transfers set forth on Schedule I, which transactions and Transfers shall be accomplished substantially in the order described on and subject to the limitations set forth on Schedule I, in each case, with such modifications, if any, as NRF shall determine are necessary or desirable for efficiency or similar purposes.

Section 2.02 Transfer of Assets; Assumption of Liabilities.

(a) Prior to the Distribution:

(i) NRF shall, and shall cause its applicable Subsidiaries to, Transfer to NRE or certain of NRE's Subsidiaries designated by NRE, and NRE or such NRE Subsidiaries shall accept from NRF and its applicable Subsidiaries, all of NRF's and such Subsidiaries' respective direct or indirect right, title and interest in the Assets of the European Real Estate Business existing immediately prior to the Distribution (other than the Excluded Assets and other than those certain Assets that in the sole discretion of NRE are impracticable to Transfer prior to the Distribution, and with respect thereto, the parties shall, in good faith, use commercially reasonable efforts to effect such Transfers when practicable), as provided for in the Contribution Agreement (and the other contribution agreements referenced therein);

(ii) NRE and certain of its Subsidiaries designated by NRE shall accept, assume and agree faithfully to perform, discharge and fulfill all the Liabilities of the European Real Estate Business (other than the Excluded Liabilities) in accordance with their respective terms. NRE and such Subsidiaries shall be responsible for all Liabilities (other than Excluded Liabilities) of the European Real Estate Business, subject to the provisions of Article V;

(iii) NRF shall, and shall cause its applicable Subsidiaries to, retain and, if necessary, Transfer to certain of its other Subsidiaries designated by NRF, and such other Subsidiaries shall accept from such applicable Subsidiaries, if necessary, NRF's and such applicable Subsidiaries' respective right, title and interest in and to any Excluded Assets specified by NRF; and

(iv) NRF shall and shall cause its applicable Subsidiaries, to accept and assume, if applicable, or retain as designated by NRF, and agree faithfully to perform, discharge and fulfill the Excluded Liabilities, and NRF and such Subsidiary shall be responsible for all Excluded Liabilities.

(b) In furtherance of the assignment, transfer, conveyance and delivery of the Assets and the assumption of the Liabilities in accordance with Section 2.02(a), on the date that

such Assets are assigned, transferred, conveyed or delivered or such Liabilities are assumed (i) NRF and NRE, as applicable, shall execute and deliver, and shall cause their respective Subsidiaries to execute and deliver, such bills of sale, quitclaim deeds, stock powers, certificates of title, assignments of partnership or other interests, assignments of Contracts and other instruments of transfer, conveyance and assignment as and to the extent reasonably necessary to evidence the transfer, conveyance and assignment of all right, title and interest in and to such Assets to the applicable transferee, and (ii) NRF and NRE shall execute and deliver, and shall cause their respective Subsidiaries to execute and deliver, such assumptions of Contracts and other instruments of assumption as and to the extent necessary to evidence the valid and effective assumption of such Liabilities by the applicable assignee thereof.

Section 2.03 Termination of Agreements.

(a) Except as set forth in Section 2.03(b), in furtherance of the releases and other provisions of Section 5.01, each of NRE, on the one hand, and NRF, on the other hand, shall (i) terminate, or cause to be terminated, effective as of the Distribution Date, any and all agreements, arrangements, commitments and understandings whether or not in writing, between or among NRE and/or any other member of the NRE Group, on the one hand, and NRF and/or any other member of the NRF Group, on the other hand; and (ii) cause all intercompany accounts payable or accounts receivable ("Intercompany Accounts") to be settled within a reasonable amount of time following the Distribution Date. No such terminated agreement, arrangement, commitment or understanding (including any provision thereof that purports to survive termination) shall be of any further force or effect after the Distribution Date.

(b) The provisions of Section 2.03(a) shall not apply to any of the following agreements, arrangements, commitments, understandings or Intercompany Accounts (or to any of the provisions thereof): (i) this Agreement; (ii) the Ancillary Agreements; (iii) arrangements governing the relationship between NRE and NRF in connection with NRE's issuance of 4.625% Senior Stock- Settlable Notes due December 2016 (the "NRE Notes") and (iv) each other agreement, arrangement, commitment, understanding or Intercompany Account expressly contemplated by this Agreement, the Prospectus or any Ancillary Agreement to be entered into by either Party or any other member of its Group.

Section 2.04 Transfer of Agreements; Consent. On or prior to the Distribution Date:

(a) Subject to the provisions of this Section 2.04 and the terms of the Ancillary Agreements, with respect to Partial Assigned Contracts, (i) NRF shall use reasonable efforts to cause each such Partial Assigned Contract to be divided into separate Contracts for each of the NRF Business and the NRE Business or (ii) if such a division is not possible, NRF shall cause the NRE Portion of such Partial Assigned Contract to be assigned to NRE, or otherwise to cause the same economic and business terms to govern with respect to such NRE Portion (by subcontract, sublicense or otherwise).

(b) Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign any Assigned Contract, in whole or in

part, or any rights thereunder if the agreement to assign or attempt to assign, without the consent of a third party, would constitute a breach thereof or in any way adversely affect the rights of the assignor or the assignee (the "Assignee") thereof. Until such Consent is obtained, or if an attempted assignment thereof would be ineffective or would adversely affect the rights of any party hereto so that the Assignee would not, in fact, receive all such rights, the parties will cooperate with each other in any alternative arrangement designed to provide for the Assignee the benefits of, and to permit the Assignee to assume liabilities under, any such Assigned Contract. The Parties shall use commercially reasonable efforts (which shall not require the payment of money to the counterparty to any such Assigned Contract) to obtain required Consents to assignment of Assigned Contracts hereunder.

Section 2.05 Certain Licenses and Permits. On or prior to the Distribution Date, all licenses, permits and authorizations issued by Governmental Authorities which exclusively relate to the NRE Business but which are held in the name of NRF or any of its Subsidiaries, or any of their respective employees, officers, directors, stockholders, agents, or otherwise, on behalf of NRE (or its Subsidiaries) shall, to the extent Transferable and to the extent not requiring a Consent, approval or authorization for such Transfer, be Transferred by NRF to NRE.

Section 2.06 Disclaimer of Representations and Warranties. Each of NRF (on behalf of itself and each other member of the NRF Group) and NRE (on behalf of itself and each other member of the NRE Group) understands and agrees that, except as expressly set forth herein or in any Ancillary Agreement, no party to this Agreement, any Ancillary Agreement or any other agreement or document contemplated by this Agreement or any Ancillary Agreement, is representing or warranting in any way as to any Assets, businesses or Liabilities transferred or assumed as contemplated hereby or thereby, as to any Consents or approvals required in connection therewith, as to the value or freedom from any security interests of, or any other matter concerning, any Assets of such party, or as to the absence of any defenses or right of set-off or freedom from counterclaim with respect to any claim or other asset, including any accounts receivable, of any such party, or as to the legal sufficiency of any assignment, document or instrument delivered hereunder to convey title to any asset or thing of value upon the execution, delivery and filing hereof or thereof. Except as may expressly be set forth herein or in any Ancillary Agreement, any such assets are being transferred on an "as is," "where is" basis, and the respective transferees shall bear the economic and legal risks that (a) any conveyance shall prove to be insufficient to vest in the transferee good and marketable title, free and clear of any security interest, and (b) any necessary Governmental Approvals or other Consents are not obtained or that any requirements of laws or judgments are not complied with.

Section 2.07 Removal of Certain Guarantees; Releases from Liabilities.

(a) Except as otherwise specified in any Ancillary Agreement, (i) NRE shall use its commercially reasonable efforts to have, on or prior to the Distribution Date, or as soon as practicable thereafter, any member of the NRF Group removed as guarantor of or obligor for any Liability of NRE; provided, however, that this Section 2.07(a) shall not apply to any guarantee

related to the NRE Notes; and (ii) NRF shall use its commercially reasonable efforts to have, on or prior to the Distribution Date, or as soon as practicable thereafter, any member of the NRE Group removed as guarantor of or obligor for any Liability of NRF.

(b) If NRE or NRF, as the case may be, is unable to obtain, or to cause to be obtained, any such required removal as set forth in Section 2.07(a), the applicable guarantor or obligor shall continue to be bound as such and, unless not permitted by Law or the terms thereof, the relevant beneficiary shall or shall cause one of its Subsidiaries, as agent or subcontractor for such guarantor or obligor to pay, perform and discharge fully all the obligations or other Liabilities of such guarantor or obligor thereunder from and after the date hereof.

(c) If (i) NRE is unable to obtain, or to cause to be obtained, any such required removal as set forth in Section 2.07(a), or (ii) Liabilities of NRE arise from and after the Distribution Date but before a member of the NRF Group which is a guarantor or obligor with reference to any such Liability of NRE is removed pursuant to Section 2.07(a), then such guarantor or obligor shall be indemnified by NRE for all Liabilities incurred by it in its capacity as guarantor or obligor. Without limiting the foregoing, NRE shall, or shall cause a member of the NRE Group to, reimburse any such member of the NRF Group which is a guarantor or obligor as soon as practicable (but in no event later than 30 days) following delivery by NRF to NRE of notice of a payment made pursuant to this Section 2.07 in respect of Liabilities of NRE; provided, however, that this Section 2.07(c) shall not apply to the NRE Notes.

(d) If (i) NRF is unable to obtain, or to cause to be obtained, any such required removal as set forth in Section 2.07(a), or (ii) Liabilities of NRF arise from and after the Distribution Date but before a member of the NRE Group which is a guarantor or obligor with reference to any such Liability of NRF is removed pursuant to Section 2.07(a), then such guarantor or obligor shall be indemnified by NRF for all Liabilities incurred by it in its capacity as guarantor or obligor. Without limiting the foregoing, NRF, shall, or shall cause a member of the NRF Group to, reimburse any such member of the NRE Group which is a guarantor or obligor as soon as practicable (but in no event later than 30 days) following delivery by NRE to NRF of notice of a payment made pursuant to this Section 2.07 in respect of NRF Liabilities.

(e) In the event that at any time before or after the Distribution Date NRF identifies any letters of credit, interest rate or foreign exchange contracts, surety bonds or other Contracts (excluding guarantees) that relate primarily to the NRE Business but for which a member of the NRF Group has contingent, secondary, joint, several or other Liability of any nature whatsoever, NRE shall, at its expense, take such actions and enter into such agreements and arrangements as NRF may reasonably request to effect the release or substitution of NRF (or a member of the NRF Group).

(f) In the event that at any time before or after the Distribution Date NRE identifies any letters of credit, interest rate or foreign exchange contracts, surety bonds or other contracts (excluding guarantees) that relate primarily to the NRF Business but for which a member of the NRE Group has contingent, secondary, joint, several or other Liability of any nature whatsoever, NRF shall, at its expense, take such actions and enter into such agreements

and arrangements as NRE may reasonably request to effect the release or substitution of NRE (or a member of the NRE Group).

(g) The Parties shall use commercially reasonable efforts to obtain, or cause to be obtained, any Consent, substitution or amendment required to novate or assign all Liabilities of NRE of any nature whatsoever transferred under this Agreement or an Ancillary Agreement, or to obtain in writing the unconditional release of the assignor so that in each such case, NRF (or an appropriate member of the NRF Group) shall be solely responsible for the Liabilities of NRF and NRE (or an appropriate member of the NRE Group) shall be solely responsible for the Liabilities of NRE; provided, however, that no Party shall be obligated to pay any consideration therefore (except for filing fees or other similar charges) to any third party from whom such Consent, substitution, amendment or release is requested. Whether or not any such consent, substitution, amendment or release is obtained, nothing in this Section 2.07 shall in any way limit the obligations of the Parties under Article V.

Section 2.08 Inadvertent or Incorrect Transfers or Omissions of Assets or Liabilities.

(a) In the event that it is discovered after the Distribution that there was an inadvertent or incorrect omission of the Transfer or assignment by or on behalf of one Party to or on behalf of the other Party of any Asset or Liability that, in the sole judgment of NRE, had the Parties given specific consideration to such Asset or Liability prior to the Distribution, would have otherwise caused to be so Transferred or assigned pursuant to this Agreement or any Ancillary Agreement, then upon such a determination by NRE, the Parties shall promptly effect such Transfer or assignment of such Asset or Liability, without payment of separate consideration therefor.

(b) In the event that it is discovered after the Distribution that there was an inadvertent or incorrect Transfer or assignment by or on behalf of one Party to or on behalf of the other Party of any Asset or Liability that, in the sole judgment of NRE, had the Parties given specific consideration to such Asset or Liability prior to the Distribution, would have otherwise not have been so Transferred or assigned pursuant to this Agreement or any Ancillary Agreement, then upon such a determination by NRE, the Parties shall promptly unwind such Transfer or assignment of such Asset or Liability and return such Asset to, or cause the assumption of such Liability by, the appropriate Party, without payment of separate consideration therefor.

(c) The Parties hereby agree that to the extent any such Transfer or assignment, or any such unwind of Transfer or assignment, as provided pursuant to Section 2.08(a) or Section 2.08(b) above, is effected after the Distribution Date, such Transfer or assignment or such unwind of Transfer or assignment shall be given effect for all purposes as if such action had occurred as of the Distribution Date.

Section 2.09 Reimbursement. Notwithstanding any other provision of this Agreement, NRE shall promptly reimburse NRF for any principal, interest or other

payments made by NRF or any of its Subsidiaries (excluding NRE) in respect of its guarantee of the NRE Notes.

ARTICLE III

ACTIONS PENDING THE DISTRIBUTION

Section 3.01 Actions Prior to the Distribution.

(a) Subject to Section 3.02 and Section 4.02, NRF and NRE shall use reasonable efforts to consummate the Distribution, including by taking the actions specified in this Section 3.01.

(b) Prior to the Distribution Date, NRF shall mail the Prospectus to the Recipients.

(c) NRE shall use reasonable efforts to take all such action, if any, as may be necessary or appropriate to have NRE Common Stock approved for listing on the NYSE prior to the Distribution Date.

(d) NRF and NRE shall use reasonable efforts to take all such action, if any, as may be necessary or appropriate under the state securities or blue sky laws in connection with the transactions contemplated by this Agreement and the Ancillary Agreements.

(e) NRF and NRE shall cooperate in preparing, filing with the Commission and causing to become effective any registration statements or amendments thereof which are necessary or appropriate in order to effect the transactions contemplated hereby.

(f) Prior to the Distribution Date, NRF, as sole stockholder of NRE prior to the Distribution, shall duly elect, as members of the NRE board of directors, the individuals listed as members of the NRE board of directors in the Prospectus, and such individuals shall continue to be members of the NRE board of directors on the Distribution Date.

(g) Prior to the Distribution Date, the Articles of Amendment and Restatement and Bylaws of NRE, in substantially the forms filed as exhibits to the Form S- 11, shall be in effect.

(h) On or prior to the Distribution Date, the Amended and Restated Agreement of Limited Partnership of NRE Operating Partnership, in substantially the form filed as an exhibit to the Form S- 11, shall be in effect.

Section 3.02 Conditions Precedent to Consummation of the Distribution. The obligations of the Parties to consummate the Distribution shall be conditioned on the satisfaction, or waiver by NRF, of the following conditions:

(a) The Form S- 11 shall have been filed with the Commission and declared effective by the Commission, no stop order suspending the effectiveness of the Form S- 11 shall

be in effect, no proceedings for such purpose shall be pending before or threatened by the Commission and the Prospectus shall have been mailed to the Recipients.

(b) Each Ancillary Agreement shall have been duly executed and delivered by each party thereto and shall be in force and effect.

(c) No order, injunction or decree issued by any Governmental Authority of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Separation or the Distribution shall be in effect, and no other event outside the control of NRF shall have occurred or failed to occur that prevents the consummation of the Separation or the Distribution.

(d) NRE shall have received an opinion from Hunton & Williams LLP to the effect that, beginning with the taxable year ending December 31, 2015, NRE will be organized in conformity with the requirements for qualification as a REIT under the Code and NRE's proposed method of operation will enable it to satisfy the requirements for qualification and taxation as a REIT under the U.S. federal income tax laws for the taxable year ending December 31, 2015 and subsequent taxable years.

(e) NRF or its Subsidiaries shall contribute to NRE or its Subsidiaries 100% of the ownership interests in the European Real Estate Business.

(f) NRF Operating Partnership shall contribute to NRE Operating Partnership $250 million in cash.

(g) Except as otherwise set forth in this Agreement or any Ancillary Agreement, all costs and expenses incurred on or prior to the Distribution Date (whether or not paid on or prior to the Distribution Date) in connection with the preparation, execution, delivery, printing and implementation of this Agreement and any Ancillary Agreement, the Prospectus, the Registration Statement and the Distribution and the consummation of the transactions contemplated thereby, shall be charged to NRE and, to the extent not paid by NRF on or prior to the Distribution Date, paid by NRE with funds received from NRF in connection with its initial cash contribution to NRE, a portion of such contribution specifically intended to cover such expenses. Except as otherwise set forth in this Agreement or any Ancillary Agreement, each Party shall bear its own costs and expenses incurred after the Distribution Date. Any amount or expense to be paid or reimbursed by any Party to any other Party shall be so paid or reimbursed promptly after the existence and amount of such obligation is determined and written demand therefor is made.

(h) No other events or developments shall have occurred or exist prior to the Distribution Date that, in the judgment of the board of directors of NRF, would result in the Distribution having a material adverse effect on NRF or on the stockholders of NRF.

(i) NRE Common Stock shall be approved for listing on the NYSE, subject to official notice of issuance.

(j) Any material Governmental Approvals and any other material Consents necessary to consummate the Separation and the Distribution shall have been obtained and be in full force and effect.
(k) There shall not be pending any litigation or other proceeding: (i) challenging or seeking to restrain or prohibit the consummation of the Separation or the Distribution; or (ii) seeking to limit the effect of the Separation or the Distribution or the operation of the NRF Business or NRE Business after the Separation or the Distribution.
(l) The actions set forth in Section 3.01(a), Section 3.01(d), Section 3.01(f), and Section 3.01(g) shall have been completed.
The foregoing conditions are for the sole benefit of NRF and shall not give rise to or create any duty on the part of NRF or the NRF board of directors to waive or not waive such conditions or in any way limit the right of NRF to terminate this Agreement as set forth in Article X or alter the consequences of any such termination from those specified in such Article. Any determination made by the NRF board of directors prior to the Distribution concerning the satisfaction or waiver of any or all of the conditions set forth in this Section 3.02 shall be conclusive.

ARTICLE IV
THE DISTRIBUTION

Section 4.01 The Distribution.
(a) NRE shall cooperate with NRF to accomplish the Distribution and shall, at the direction of NRF, promptly take any and all actions necessary or desirable to effect the Distribution. NRF shall select any Agent in connection with the Distribution, as well as any financial printer, solicitation and/or exchange agent and financial, legal, accounting and other advisors for NRF. NRF and NRE, as the case may be, will use all reasonable measures to provide, or cause the applicable member of its Group to provide, to the Agent all share certificates, if any, and any information as may be required in order to complete the Distribution.
(b) Subject to the terms and conditions set forth in this Agreement, on the Distribution Date, NRF shall instruct the Agent to distribute, with respect to Recipients, by means of a pro- rata distribution to each Recipient (or such Recipient's bank or brokerage firm on such Recipient's behalf) electronically, by direct registration in book- entry form, one share of NRE Common Stock for every six shares of NRF Common Stock held by such Record Holder on the Record Date, provided that NRE Common Stock distributed with respect to NRF Common Stock granted as equity compensation will be subject to the terms of the plans or award agreements governing such NRF Common Stock. It is the intent of the foregoing that the Distribution be effected on a pro rata, as if converted basis. The Distribution shall be effective at 11:59 p.m. New York City time on the Distribution Date.
Section 4.02 Sole Discretion of NRF. NRF shall, in its sole and absolute discretion, determine the Distribution Date and all terms of the Distribution, including the

form, structure and terms of any transactions and/or offerings to effect the Distribution and the timing of and conditions to the consummation thereof. In addition and notwithstanding anything to the contrary set forth herein, NRF may at any time and from time to time until the completion of the Distribution decide to abandon the Distribution or modify or change the terms of the Distribution, including by accelerating or delaying the timing of the consummation of all or part of the Distribution.

ARTICLE V

MUTUAL RELEASES; PENDING, THREATENED AND UNASSERTED CLAIMS; INDEMNIFICATION

Section 5.01 Release of Pre- Closing Claims.

(a) Except as provided in Section 5.01(c), effective as of the Distribution Date, NRE does hereby, for itself and each other member of the NRE Group, their respective Affiliates (other than any member of the NRF Group), successors and assigns, and all Persons who at any time prior to the Distribution Date have been stockholders, directors, officers, agents or employees of any member of the NRE Group (in each case, in their respective capacities as such), release and forever discharge NRF and the other members of the NRF Group, their respective Affiliates (other than any member of the NRE Group), successors and assigns, and all Persons who at any time prior to the Distribution Date have been stockholders, directors, officers, agents or employees of any member of the NRF Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities (other than Excluded Liabilities) to or of the NRE Group whatsoever, whether at law or in equity (including any right of contribution), whether arising under any Contract or agreement, by operation of law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Distribution Date, including in connection with the transactions and all other activities to implement the Separation or the Distribution.

(b) Except as provided in Section 5.01(c), effective as of the Distribution Date, NRF does hereby, for itself and each other member of the NRF Group, their respective Affiliates (other than any member of the NRE Group), successors and assigns, and all Persons who at any time prior to the Distribution Date have been stockholders, directors, officers, agents or employees of any member of the NRF Group (in each case, in their respective capacities as such), release and forever discharge NRE, the other members of the NRE Group, their respective Affiliates (other than any member of the NRF Group), successors and assigns, and all Persons who at any time prior to the Distribution Date have been stockholders, directors, officers, agents or employees of any member of the NRE Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities to or of the NRF Group whatsoever, whether at law or in equity (including any right of contribution), whether arising under any Contract or agreement, by operation of law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on

or before the Distribution Date, including in connection with the transactions and all other activities to implement the Separation or the Distribution.

(c) Nothing contained in Section 5.01(a) or Section 5.01(b) shall impair any right of any Person to enforce this Agreement, any Ancillary Agreement or any agreements, arrangements, commitments or understandings that are specified in Section 2.03(b) not to terminate as of the Distribution Date, in each case in accordance with its terms. Nothing contained in Section 5.01(a) or Section 5.01(b) shall release any Person from:

(i) any Liability provided in or resulting from any agreement among any members of the NRF Group or the NRE Group that is specified in Section 2.03(b) as not to terminate as of the Distribution Date, or any other Liability specified in such Section 2.03(b) as not to terminate as of the Distribution Date;

(ii) any Liability, contingent or otherwise, assumed, transferred, assigned or allocated to the Group of which such Person is a member in accordance with, or any other Liability of any member of any Group under, this Agreement or any Ancillary Agreement;

(iii) any Liability that the Parties may have with respect to indemnification or contribution pursuant to this Agreement for claims brought against the Parties or the members of their respective Groups or any of their respective Subsidiaries or Affiliates or any of the respective directors, officers, employees or agents of any of the foregoing by third Persons, which Liability shall be governed by the provisions of this Article V and, if applicable, the appropriate provisions of the Ancillary Agreements; or

(iv) any Liability the release of which would result in the release of any Person other than a Person released pursuant to this Section 5.01.

In addition, nothing contained in Section 5.01(a) shall release NRF from honoring its existing obligations to indemnify any director, officer or employee of NRE or any of its Subsidiaries on or prior to the Distribution Date who was a director, officer or employee of NRF or any of its Subsidiaries on or prior to the Distribution Date, to the extent such director, officer or employee becomes a named defendant in any litigation involving NRF or any of its Subsidiaries and was entitled to such indemnification pursuant to then- existing obligations.

(d) NRE shall not make, and shall not permit any other member of the NRE Group to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification, against NRF or any other member of the NRF Group, or any other Person released pursuant to Section 5.01(a), with respect to any Liabilities released pursuant to Section 5.01(a). NRF shall not make, and shall not permit any other member of the NRF Group to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification, against NRE or any other member of the NRE Group, or any other Person released pursuant to Section 5.01(b), with respect to any Liabilities released pursuant to Section 5.01(b).

(e) It is the intent of each of NRF and NRE, by virtue of the provisions of this Section 5.01, to provide for a full and complete release and discharge of all Liabilities existing or arising from all acts and events occurring or failing to occur or alleged to have occurred or to have failed to occur and all conditions existing or alleged to have existed on or before the Distribution Date, between or among NRE or any other member of the NRE Group, on the one hand, and NRF or any other member of the NRF Group, on the other hand (including any contractual agreements or arrangements existing or alleged to exist between or among any such members on or before the Distribution Date), except as expressly set forth in Section 5.01(c). At any time, at the reasonable request of the other Party, each Party shall cause each member of its respective Group to execute and deliver releases reflecting the provisions hereof.

Section 5.02 Pending, Threatened and Unasserted Claims. NRF shall assume liability for all pending, threatened and unasserted Claims relating to actions or omissions occurring prior to the Distribution relating to the NRE Business and NRE shall be responsible for all Claims relating to actions or omissions occurring after the Distribution that relate to the NRE Business. To the extent a Claim relates to a series of actions relating to the NRE Business occurring both before and after the Distribution, NRE shall allocate liability for such Claims between NRE and NRF on a pro- rata basis or such other means as NRE determines to be reasonable. In the event of any third- party Claims that name both Parties as defendants but that do not primarily relate to either the NRE Business or the NRF Business, each Party will cooperate with the other Party to defend against such Claims. Each Party will cooperate in defending any Claims against the other for events that are related to the Distribution, but may have taken place prior to, on or after the Distribution Date.

Section 5.03 Indemnification by NRE. Except as provided in Section 5.06, NRE shall indemnify, defend and hold harmless NRF, each other member of the NRF Group and each of their respective former and current directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "NRF Indemnitees"), from and against any and all Liabilities (other than Excluded Liabilities) of the NRF Indemnitees relating to, arising out of or resulting from any of the following items (without duplication):

(a) the NRE Business, including the failure of NRE or any other member of the NRE Group or any other Person to pay, perform or otherwise promptly discharge any Liability relating to, arising out of or resulting from the NRE Business in accordance with its terms after the Distribution Date; and

(b) any breach by NRE or any other member of the NRE Group of this Agreement or any of the Ancillary Agreements.

Section 5.04 Indemnification by NRF. Except as provided in Section 5.06, NRF shall indemnify, defend and hold harmless NRE, each other member of the NRE Group and each of their respective former and current directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the

"NRE Indemnitees"), from and against any and all Liabilities of the NRE Indemnitees relating to, arising out of or resulting from any of the following items (without duplication):

(a) the NRF Business, including the failure of NRF or any other member of the NRF Group or any other Person to pay, perform or otherwise promptly discharge any Liability relating to, arising out of or resulting from the NRF Business in accordance with its terms, whether prior to or after the Distribution Date or the date hereof;

(b) the European Real Estate Business as conducted by Subsidiaries of NRF prior to the Distribution; and

(c) any breach by NRF or any other member of the NRF Group of this Agreement or any of the Ancillary Agreements.

Section 5.05 Indemnification of Third Party Claims. Except as provided in Section 5.06 and subject to any contrary provision in any Ancillary Agreement, each Party shall indemnify, defend and hold harmless the other Party, each other member of such other Party's Group and each of their respective former and current directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "Transaction Indemnitees"), from and against any Liabilities of the Transaction Indemnitees relating to, arising out of or resulting from any Third Party Claim as to which such Transaction Indemnitees are entitled to indemnification under this Agreement, including any Third Party Claim relating to, arising out of or resulting from any untrue statement or alleged untrue statement of a material fact contained in any Specified Document or any omission or alleged omission to state a material fact in any Specified Document required to be stated therein or necessary to make the statements therein not misleading (any such Third Party Claim, a "Transaction Third Party Claim").

Section 5.06 Indemnification Obligations Net of Insurance Proceeds and Other Amounts.

(a) The Parties intend that any Liability subject to indemnification or reimbursement pursuant to this Article V (an "Indemnifiable Liability") will be net of Insurance Proceeds that actually reduce the amount of, or are paid to the applicable Indemnitee in respect of, such Liability. Accordingly, the amount that either Party (an "Indemnifying Party") is required to pay to any Person entitled to indemnification hereunder (an "Indemnitee") will be reduced by any Insurance Proceeds theretofore actually recovered by or on behalf of the Indemnitee in respect of the related Liability. If an Indemnitee receives a payment (an "Indemnity Payment") required by this Agreement from an Indemnifying Party in respect of any Liability and subsequently receives Insurance Proceeds in respect of such Liability, then the Indemnitee will pay to the Indemnifying Party an amount equal to the excess of the Indemnity Payment received over the amount of the Indemnity Payment that would have been due if such Insurance Proceeds had been received, realized or recovered before the Indemnity Payment was made.

(b) An insurer that would otherwise be obligated to pay any claim shall not be relieved of the responsibility with respect thereto or have any subrogation rights with respect thereto by virtue of the indemnification provisions hereof, it being expressly understood and agreed that no insurer or any other third party shall be entitled to a "wind- fall" (i.e., a benefit they would not be entitled to receive in the absence of the indemnification provisions) by virtue of the indemnification provisions hereof. Nothing contained in this Agreement or any Ancillary Agreement shall obligate any member of any Group to seek to collect or recover any Insurance Proceeds.

Section 5.07 Indemnification Obligations Net of Taxes. The Parties intend that any Indemnifiable Liability will be net of Taxes. Accordingly, the amount which an Indemnifying Party is required to pay to an Indemnitee will be adjusted to reflect any tax benefit to the Indemnitee from the underlying Liability and to reflect any Taxes imposed upon the Indemnitee as a result of the receipt of such payment. Such an adjustment will first be made at the time that the Indemnity Payment is made and will further be made, as appropriate, to take into account any change in the liability of the Indemnitee for Taxes that occurs in connection with the final resolution of an audit by a Taxing Authority.

Section 5.08 Indemnification Payments to Protected REIT. Notwithstanding anything to the contrary in this Agreement, the amount of any indemnification payments due under this Agreement to a Protected REIT shall not exceed an amount equal to the maximum amount that can be paid to the Indemnitee in such year without causing the Protected REIT to fail to meet the REIT Requirements for any tax year, determined as if such indemnification payment was Nonqualifying Income as determined by the REIT tax counsel or independent accountants to the Protected REIT. If the amount payable for any tax year under the preceding sentence is less than the amount that the relevant Indemnifying Party would otherwise be obligated to pay to the relevant Indemnitee pursuant to this Agreement (the "Expense Amount"), then: (1) the Indemnifying Party shall place the Expense Amount into an escrow account (the "Escrow Account") using an escrow agent and agreement reasonably acceptable to the Indemnitee and shall not release any portion thereof to the Indemnitee, and (2) the Indemnitee shall not be entitled to any such amount, unless and until the Indemnitee delivers to the Indemnifying Party, at the sole option of the relevant Protected REIT, (i) an opinion of the Protected REIT's REIT tax counsel to the effect that such amount, if and to the extent paid, would not constitute Nonqualifying Income, (ii) a letter from the Protected REIT's independent accountants indicating the maximum amount that can be paid at that time to the Indemnitee without causing the Protected REIT to fail to meet the REIT Requirements for any relevant taxable year (in which case, the Indemnitee shall be entitled to receive from the Escrow Account an amount not in excess of such maximum amount), or (iii) a private letter ruling issued by the IRS to the Protected REIT indicating that the receipt of any Expense Amount hereunder will not cause the Protected REIT to fail to satisfy the REIT Requirements.

Section 5.09 Procedures for Indemnification of Third Party Claims.

(a) If an Indemnitee shall receive notice or otherwise learn of a Third Party Claim with respect to which an Indemnifying Party may be obligated to provide indemnification

to such Indemnitee pursuant to Section 5.03, Section 5.04 or Section 5.05 or any other Section of this Agreement or any Ancillary Agreement, such Indemnitee shall give such Indemnifying Party written notice thereof within 10 days after becoming aware of such Third Party Claim. Any such notice shall describe the Third Party Claim in reasonable detail. Notwithstanding the foregoing, the failure of any Indemnitee or other Person to give notice as provided in this Section 5.09(a) shall not relieve the related Indemnifying Party of its obligations under this Article V, except to the extent that such Indemnifying Party is actually materially prejudiced by such failure to give notice and then only to the extent of such prejudice.

(b) An Indemnifying Party may elect to defend, at such Indemnifying Party's own expense (subject to the requirement to share expenses related to the defense of Transaction Third Party Claims pursuant to Section 5.05) and by such Indemnifying Party's own counsel, any Third Party Claim. Within 20 days after the receipt of notice from an Indemnitee in accordance with Section 5.09(a) (or sooner, if the nature of such Third Party Claim so requires), the Indemnifying Party shall notify the Indemnitee of its election as to whether the Indemnifying Party will assume responsibility for defending such Third Party Claim. After notice from an Indemnifying Party to an Indemnitee of its election to assume the defense of a Third Party Claim, such Indemnitee shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, but (subject to Section 5.05) the fees and expenses of such counsel shall be the expense of such Indemnitee, except that the Indemnifying Party shall be liable for the fees and expenses of counsel employed by the Indemnitee (i) for any period during which the Indemnifying Party has not assumed the defense of such Third Party Claim (other than during any period in which the Indemnitee shall have failed to give notice of the Third Party Claim in accordance with Section 5.09(a)), and (ii) if a conflict exists between the positions of Indemnifying Party and Indemnitee and Indemnitee believes it is in Indemnitee's best interest to obtain independent counsel.

(c) If an Indemnifying Party elects not to assume responsibility for defending a Third Party Claim, or fails to notify an Indemnitee of its election as provided in Section 5.09(b), such Indemnitee may defend such Third Party Claim at the cost and expense of the Indemnifying Party (subject to the requirement to share expenses related to the defense of Transaction Third Party Claims pursuant to Section 5.05).

(d) If an Indemnifying Party elects to assume the defense of a Third Party Claim in accordance with the terms of this Agreement, the Indemnitee shall agree to any settlement, compromise or discharge of such Third Party Claim that the Indemnifying Party may recommend and that by its terms obligates the Indemnifying Party to pay the full amount of the liability in connection with such Third Party Claim and that releases the Indemnitee completely in connection with such Third Party Claim, provided that Indemnitee shall not be required to admit any fault.

(e) No Indemnifying Party shall consent to entry of any judgment or enter into any settlement of any Third Party Claim without the consent of the applicable Indemnitee or Indemnitees if the effect thereof is to permit any injunction, declaratory judgment, other order or other nonmonetary relief to be entered, directly or indirectly, against any Indemnitee.

(f) Whether or not the Indemnifying Party assumes the defense of a Third Party Claim, no Indemnitee shall admit any liability with respect to, or settle, compromise or discharge, such Third Party Claim without the Indemnifying Party's prior written consent.

Section 5.10 Additional Matters.

(a) Any claim on account of a Liability that does not result from a Third Party Claim shall be asserted by written notice given by the Indemnitee to the related Indemnifying Party. Such Indemnifying Party shall have a period of 30 days after the receipt of such notice within which to respond thereto. If such Indemnifying Party does not respond within such 30-day period, such Indemnifying Party shall be deemed to have refused to accept responsibility to make payment. If such Indemnifying Party does not respond within such 30- day period or rejects such claim in whole or in part, such Indemnitee shall be free to pursue such remedies as may be available to such Party as contemplated by this Agreement and the Ancillary Agreements.

(b) In the event of payment by or on behalf of any Indemnifying Party to any Indemnitee in connection with any Third Party Claim, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnitee as to any events or circumstances in respect of which such Indemnitee may have any right, defense or claim relating to such Third Party Claim against any claimant or plaintiff asserting such Third Party Claim or against any other Person. Such Indemnitee shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost and expense of such Indemnifying Party, in prosecuting any subrogated right, defense or claim.

(c) In the event of an Action in which the Indemnifying Party is not a named defendant, if either the Indemnitee or Indemnifying Party shall so request, the Parties shall endeavor to substitute the Indemnifying Party for the, or add the Indemnifying Party as an additional, named defendant, if at all practicable. If such substitution or addition cannot be achieved for any reason or is not requested, the named defendant shall allow the Indemnifying Party to manage the Action as set forth in this Section, and the Indemnifying Party shall fully indemnify the named defendant against all costs of defending the Action (including court costs, sanctions imposed by a court, attorneys' fees, experts' fees and all other external expenses), the costs of any judgment or settlement and the cost of any interest or penalties relating to any judgment or settlement.

Section 5.11 Remedies Cumulative. The remedies provided in this Article V shall be cumulative and, subject to the provisions of Article IX, shall not preclude assertion by any Indemnitee of any other rights or the seeking of any and all other remedies against any Indemnifying Party.

Section 5.12 Conflict with Section 9.03. For the avoidance of doubt, to the extent there is any conflict between the provisions of this Article V and the provisions of Section 9.03, the provisions of Section 9.03 shall control.

Section 5.13 Survival of Indemnities. The rights and obligations of each of NRF and NRE and their respective Indemnitees under this Article V shall survive the sale or other transfer by any party of any Assets or the assignment by it of any Liabilities.

ARTICLE VI
EXCHANGE OF INFORMATION; CONFIDENTIALITY

Section 6.01 Agreement for Exchange of Information; Archives.

(a) Each of NRF and NRE, on behalf of its Group, agrees to provide, or cause to be provided, to the other Group, at any time before the Distribution Date or until the fifth anniversary of the date of this Agreement, as soon as reasonably practicable after written request therefor, any Information in the possession or under the control of such Group that the requesting Party reasonably needs (i) to comply with reporting, disclosure, filing or other requirements imposed on the requesting Party or any member of its Group (including under applicable securities or tax laws) by a Governmental Authority having jurisdiction over the requesting Party or such member, (ii) for use in any other judicial, regulatory, administrative, tax or other proceeding or in order to satisfy audit, accounting, claims, regulatory, litigation, tax or other similar requirements, in each case other than claims or allegations that one Party to this Agreement has against the other, or (iii) to comply with its obligations under this Agreement or any Ancillary Agreement; provided, however, that in the event that either Party determines that any such provision of Information could be commercially detrimental, violate any Law or agreement or waive any attorney- client privilege, the Parties shall take all reasonable measures to permit the compliance with such obligations in a manner that avoids any such harm or consequence.

(b) After the Distribution Date and until the fifth anniversary thereof, each of NRF and NRE shall have access during regular business hours (as in effect from time to time) to the documents that relate, in the case of NRF, to the NRF Business that are located in archives retained or maintained by NRE or, in the case of NRE, to the NRE Business that are located in archives retained or maintained by NRF. Each of NRF and NRE may obtain copies (but not originals) of documents for bona fide business purposes and may obtain objects for exhibition purposes for commercially reasonable periods of time if required for bona fide business purposes, provided that the Party receiving such objects shall cause any such objects to be returned promptly in the same condition in which they were delivered to such Party and that each of NRF and NRE shall comply with any rules, procedures or other requirements, and shall be subject to any restrictions (including prohibitions on removal of specified objects), that are then applicable to the other. Nothing herein shall be deemed to restrict the access of any member of the NRF Group or NRE Group to any such documents or objects or to impose any liability on any member of the NRF Group or the NRE Group, as applicable, if any such documents are not maintained or preserved by NRF or NRE, as applicable.

(c) After the Distribution Date and until the fifth anniversary of the date hereof, each of NRF and NRE (i) shall maintain, or cause to be maintained, in effect at its own cost and expense adequate systems and controls to the extent necessary to enable the members of

the other Group to satisfy their respective reporting, accounting, audit and other obligations and (ii) shall provide, or cause to be provided, to the other Party in such form as such other Party shall reasonably request, at no charge to the requesting Party, all financial and other data and information as such requesting Party reasonably determines necessary or advisable in order to prepare its financial statements and reports or filings with any Governmental Authority.

Section 6.02 Ownership of Information. Any Information owned by one Group that is provided to a requesting Party pursuant to Section 6.01 shall be deemed to remain the property of the providing Party. Unless specifically set forth herein, nothing contained in this Agreement shall be construed as granting or conferring rights of license or otherwise in any such Information.

Section 6.03 Compensation for Providing Information. Except as set forth in Section 6.01(c), the Party requesting Information agrees to reimburse the other Party for the reasonable costs, if any, of creating, gathering and copying such Information, to the extent that such costs are incurred for the benefit of the requesting Party. Except as may be otherwise specifically provided elsewhere in this Agreement or in any other agreement between the Parties, such costs shall be computed in accordance with the providing Party's standard methodology and procedures.

Section 6.04 Limitations on Liability. Neither Party shall have any liability to the other Party in the event that any Information exchanged or provided pursuant to this Agreement that is an estimate or forecast, or that is based on an estimate or forecast, is found to be inaccurate in the absence of willful misconduct by the Party providing such Information. Neither Party shall have any liability to the other Party if any Information is destroyed after reasonable efforts by such Party to comply with the provisions of Section 6.01.

Section 6.05 Other Agreements Providing for Exchange of Information. The rights and obligations granted under this Article VI are subject to any specific limitations, qualifications or additional provisions on the sharing, exchange, retention or confidential treatment of Information set forth in any Ancillary Agreement.

Section 6.06 Production of Witnesses; Records; Cooperation.

(a) After the Distribution Date, except in the case of an adversarial Action by one Party against the other Party, each Party shall use reasonable efforts to make available to the other Party, upon written request, the former, current and future directors, officers, employees, other personnel and agents of the members of its Group as witnesses and any books, records or other documents within its control or that it otherwise has the ability to make available, to the extent that any such person (giving consideration to business demands of such directors, officers, employees, other personnel and agents) or books, records or other documents may reasonably be required in connection with any Action in which the requesting Party may from time to time be involved, regardless of whether such Action is a matter with respect to which indemnification may be sought hereunder. The requesting Party shall, except as otherwise required by Article VI, bear all costs and expenses in connection therewith.

(b) If an Indemnifying Party chooses to defend or to seek to compromise or settle any Third Party Claim, the other Party shall make available to such Indemnifying Party, upon written request, the former, current and future directors, officers, employees, other personnel and agents of the members of its Group as witnesses and any books, records or other documents within its control or that it otherwise has the ability to make available, to the extent that any such person (giving consideration to business demands of such directors, officers, employees, other personnel and agents) or books, records or other documents may reasonably be required in connection with such defense, compromise or settlement, and shall otherwise cooperate in such defense, compromise or settlement.

(c) Without limiting any provision of this Section, each of the Parties agrees to cooperate, and to cause each member of its Group to cooperate, with the other Party in the defense of any infringement or similar claim with respect to any Intellectual Property, and shall not acknowledge, or permit any member of its Group to acknowledge, the validity, enforceability, misappropriation or infringing use of any Intellectual Property of a third Person in a manner that would hamper or undermine the defense of such infringement, misappropriation or similar claim except as required by Law.

(d) The obligation of the Parties to provide witnesses pursuant to this Section 6.06 is intended to be interpreted to facilitate cooperation and shall include the obligation to provide as witnesses inventors and other officers without regard to whether the witness or the employer of the witness could assert a possible business conflict (subject to the exception set forth in the first sentence of Section 6.06(a)).

(e) In connection with any matter contemplated by this Section 6.06, the Parties will enter into a mutually acceptable joint defense agreement so as to maintain to the extent practicable any applicable attorney- client privilege or work product immunity of any member of either Group.

Section 6.07 Confidentiality.

(a) Subject to Section 6.08, each of NRF and NRE, on behalf of itself and each other member of its Group, agrees to hold, and to cause its directors, officers, employees, agents, accountants, counsel and other advisors and representatives to hold, in strict confidence, with at least the same degree of care that applies to confidential and proprietary Information of NRF pursuant to policies in effect as of the Distribution Date, all Information concerning the other Group that is either in its possession (including Information in its possession prior to the Distribution Date) or furnished by the other Group or its directors, officers, employees, agents, accountants, counsel and other advisors and representatives at any time pursuant to this Agreement, any Ancillary Agreement or otherwise, and shall not use any such Information other than for such purposes as shall be expressly permitted hereunder or thereunder, except, in each case, to the extent that such Information has been (i) in the public domain through no fault of such Party or any other member of such Group or any of their respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives, (ii) later lawfully acquired from other sources by such Party (or any other member of such Party's Group), which sources are not known by such Party to be themselves bound by a confidentiality obligation, or

(iii) independently generated without reference to any proprietary or confidential Information of any member of the other Group.

(b) Each Party agrees not to release or disclose, or permit to be released or disclosed, any such Information (excluding Information described in clauses (i), (ii) and (iii) of Section 6.07(a)) to any other Person, except its directors, officers, employees, agents, accountants, counsel and other advisors and representatives who need to know such Information (who shall be advised of their obligations hereunder with respect to such Information), except in compliance with Section 6.08. Without limiting the foregoing, when any Information is no longer needed for the purposes contemplated by this Agreement or any Ancillary Agreement, each Party will promptly, after request of the other Party, either return the Information to the other Party in a tangible form (including all copies thereof and all notes, extracts or summaries based thereon) or certify to the other Party that any Information not returned in a tangible form (including any such Information that exists in an electronic form) has been destroyed (and such copies thereof and such notes, extracts or summaries based thereon).

Section 6.08 Protective Arrangements. In the event that either Party or any other member of its Group either determines on the advice of its counsel that it is required to disclose any Information pursuant to applicable law or receives any demand under lawful process or from any Governmental Authority to disclose or provide Information of the other Party (or any other member of the other Party's Group) that is subject to the confidentiality provisions hereof, such Party shall, to the extent permitted by law, notify the other Party as soon as practicable prior to disclosing or providing such Information and shall cooperate, at the expense of the requesting Party, in seeking any reasonable protective arrangements requested by such other Party. Subject to the foregoing, the Person that received such request may thereafter disclose or provide Information to the extent required by such law (as so advised by counsel) or by lawful process or such Governmental Authority.

ARTICLE VII
THE NORTHSTAR NAME

Section 7.01 The NorthStar Name. To the extent that NRF and its Affiliates have a proprietary interest in the name "NorthStar," NRF hereby grants to NRE a non- transferable, non- assignable, non- exclusive royalty- free right and license to use the name "NorthStar." Further, NRE shall have the right to provide such non- transferable, non- assignable, non- exclusive royalty- free right and license to use the "NorthStar" name to any other vehicle or entity in which NRE has an economic interest, directly or indirectly.

ARTICLE VIII
DISPUTE RESOLUTION

Section 8.01 Disputes. Subject to Section 11.12 and except as otherwise specifically provided in any Ancillary Agreement, the procedures for discussion, negotiation and mediation set forth in this Article VIII shall apply to all disputes, controversies or

claims (whether arising in contract, tort or otherwise) that may arise out of or relate to, or arise under or in connection with, this Agreement or any Ancillary Agreement, or the transactions contemplated hereby or thereby (including all actions taken in furtherance of the transactions contemplated hereby or thereby on or prior to the date hereof), or the commercial or economic relationship of the parties relating hereto or thereto, between or among any members of the NRF Group, on the one hand, and any members of the NRE Group, on the other hand.

Section 8.02 Escalation; Mediation.

(a) It is the intent of the Parties to use reasonable efforts to resolve expeditiously any dispute, controversy or claim between or among them with respect to the matters covered hereby that may arise from time to time on a mutually acceptable negotiated basis. In furtherance of the foregoing, a Party involved in a dispute, controversy or claim may deliver a notice (an "Escalation Notice") demanding an in- person meeting involving representatives of the Parties at a senior level of management (or if the Parties agree, of the appropriate strategic business unit or division within such entity). A copy of any such Escalation Notice shall be given to the General Counsel, or like officer or official, of the Party involved in the dispute, controversy or claim (which copy shall state that it is an Escalation Notice pursuant to this Agreement). Any agenda, location or procedures for such discussions or negotiations between the Parties may be established by the Parties from time to time; provided, however, that the Parties shall use reasonable efforts to meet within 30 days of the Escalation Notice.

(b) If the Parties are not able to resolve the dispute, controversy or claim through the escalation process referred to above, then the matter shall be referred to mediation. The Parties shall retain a mediator to aid the Parties in their discussions and negotiations by informally providing advice to the Parties. Any opinion expressed by the mediator shall be strictly advisory and shall not be binding on the Parties or be admissible in any other proceeding. The mediator may be chosen from a list of mediators previously selected by the Parties or by other agreement of the Parties. Costs of the mediation shall be borne equally by the Parties involved in the matter, except that each Party shall be responsible for its own expenses. Mediation shall be a prerequisite to the commencement of any Action by either Party against the other Party.

(c) In the event that any resolution of any dispute, controversy or claim pursuant to the procedures set forth in Section 8.02(a) or Section 8.02(b) in any way affects an agreement or arrangement between either of the Parties and a third party insurance carrier, the consent of such third party insurance carrier to such resolution, to the extent such consent is required, shall be obtained before such resolution can take effect.

Section 8.03 Court Actions.

(a) In the event that either Party, after complying with the provisions set forth in Section 8.02, desires to commence an Action, such Party may submit the dispute, controversy or claim (or such series of related disputes, controversies or claims) to any court of competent jurisdiction.

(b) Unless otherwise agreed in writing, the Parties will continue to provide service and honor all other commitments under this Agreement and each Ancillary Agreement during the course of dispute resolution pursuant to the provisions of this Article VIII with respect to all matters not subject to such dispute, controversy or claim.

ARTICLE IX
FURTHER ASSURANCES AND ADDITIONAL COVENANTS

Section 9.01 Further Assurances.

(a) In addition to the actions specifically provided for elsewhere in this Agreement, each of the Parties shall, subject to Section 3.02 and Section 4.02, use reasonable efforts, prior to, on and after the Distribution Date, to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary, proper or advisable under applicable laws, regulations and agreements, including amending or modifying this Agreement and the Ancillary Agreements, to the extent necessary to reflect the intent of the parties in entering into the transactions contemplated by this Agreement and the Ancillary Agreements, including those set forth in Schedule I, to consummate and make effective the transactions contemplated by this Agreement and the Ancillary Agreements, including those set forth in Schedule I.

(b) Without limiting the foregoing, prior to, on and after the Distribution Date, each Party shall cooperate with the other Party, without any further consideration, but at the expense of the requesting Party, (i) to execute and deliver, or use reasonable efforts to execute and deliver, or cause to be executed and delivered, all instruments, including any bills of sale, stock powers, certificates of title, assignments of Contracts and other instruments of conveyance, assignment and transfer as such Party may reasonably be requested to execute and deliver by the other Party, (ii) to make, or cause to be made, all filings with, and to obtain, or cause to be obtained, all Consents, approvals or authorizations of, any Governmental Authority or any other Person under any permit, license, agreement, indenture or other instrument, (iii) to obtain, or cause to be obtained, any Governmental Approvals or other Consents required to effect the Separation or the Distribution and (iv) to take, or cause to be taken, all such other actions as such Party may reasonably be requested to take by the other Party from time to time, consistent with the terms of this Agreement and the Ancillary Agreements, in order to effect the provisions and purposes of this Agreement and the Ancillary Agreements and any transfers of Assets or assignments and assumptions of Liabilities hereunder or thereunder and the other transactions contemplated hereby and thereby.

(c) On or prior to the Distribution Date, NRF and NRE, in their respective capacities as direct and indirect stockholders of their respective Subsidiaries, as applicable, shall each ratify any actions that are reasonably necessary or desirable to be taken by any member of the NRE Group or the NRF Group, as the case may be, to effect the transactions contemplated by this Agreement.

(d) Prior to the Distribution Date, if either Party identifies any commercial or other service that is needed to assure a smooth and orderly transition of its business in connection

with the consummation of the transactions contemplated hereby, and that is not otherwise governed by the provisions of this Agreement or any Ancillary Agreement, the Parties will cooperate in determining whether there is a mutually acceptable arm's- length basis on which the other Party will provide such service.

Section 9.02 Insurance Matters. NRF and NRE agree to cooperate in good faith to provide for an orderly transition of insurance coverage from the date hereof through the Distribution Date and for the treatment of any Insurance Policies that will remain in effect following the Distribution Date on a mutually agreeable basis. In no event shall NRF, any other member of the NRF Group or any NRF Indemnitee have liability or obligation whatsoever to any member of the NRE Group or any NRE Indemnitee in the event that any Insurance Policy or other contract or policy of insurance shall be terminated or otherwise cease to be in effect for any reason, shall be unavailable or inadequate to cover any Liability of any member of the NRE Group or any NRE Indemnitee for any reason whatsoever or shall not be renewed or extended beyond the current expiration date. For the avoidance of doubt, all pre- Distribution claims shall be made under NRF's existing insurance policies and post- Distribution claims shall be made under NRE insurance policies. The right to proceeds and the obligation to incur certain deductibles under certain insurance policies shall be allocated on a pro- rata basis. On the Distribution Date, NRE shall be required to have in place all insurance programs to comply with NRE's contractual obligations and as reasonably necessary for the NRE Business, and NRF shall be required, subject to the terms of this Agreement, to obtain certain directors and officers Insurance Policies to apply against pre- Distribution claims.

Section 9.03 Tax Matters.

(a) Taxability of Distribution. The Parties acknowledge that the Distribution is a taxable distribution under Section 301 of the Code, and the Parties shall not take any position on any U.S. federal, state, local or foreign Tax return that is inconsistent with such treatment.

(b) NRF and NRE REIT Status.

(i) NRF has no knowledge of any fact or circumstance that would cause NRE to fail to qualify as a REIT, including a failure to qualify as a REIT due to NRF's failure to maintain REIT status.

(ii) Subject to Section 9.03(b)(iii), NRF shall use its commercially reasonable efforts to cooperate with NRE as necessary to enable NRE to qualify for taxation as a REIT and receive customary legal opinions concerning NRE's qualification and taxation as a REIT, including by providing information and representations to NRE and its tax counsel with respect to the composition of NRF's income and Assets, the composition of the holders of stock of NRF and NRF's organization, operation, and qualification as a REIT for its taxable year ending December 31, 2015.

(iii) NRF shall use reasonable best efforts to maintain its REIT status for its taxable year ending December 31, 2015, unless NRF obtains an opinion from a

nationally recognized tax counsel or a private letter ruling from the IRS, on which NRE can rely, substantially to the effect that NRF's failure to maintain its REIT status will not prevent NRE from making a valid REIT election for any taxable year, or otherwise cause NRE to fail to qualify for taxation as a REIT for any taxable year, pursuant to Section 856(g)(3) of the Code.

(iv) NRE shall use its reasonable best efforts to qualify for taxation as a REIT for its taxable year ending December 31, 2015.

(v) NRE shall use its commercially reasonable efforts to cooperate with NRF as necessary to enable NRF to qualify for taxation as a REIT and receive customary legal opinions concerning NRE's qualification and taxation as a REIT, including by providing information and representations to NRF and its tax counsel with respect to the composition of NRE's income and Assets, the composition of the holders of stock of NRE and NRE's organization, operation, and qualification as a REIT for its taxable year ending December 31, 2015.

(c) Tax Returns and Allocation of Tax Liabilities. The following provisions shall govern the allocation of responsibility and payment of Taxes as between NRF and NRE for certain Tax matters related to and following the Distribution Date:

(i) NRF shall prepare or cause to be prepared and file or cause to be filed, subject to the review and reasonable approval of NRE, all Tax Returns for each of NRE, the Subsidiaries of NRE, the European Real Estate Business, and the NRE Assets, as applicable, for all periods ending on or prior to the Distribution Date that are required to be filed after the Distribution Date. NRE hereby recognizes NRF's authority to execute and file, on behalf of each of NRE, the Subsidiaries of NRE, the European Real Estate Business and the NRE Assets, all such Tax Returns (and agrees to take all action necessary to ensure such authorization in conformity with applicable Law and principles of good governance generally). To the extent not otherwise paid by NRF to the appropriate Taxing Authority, NRF shall reimburse NRE for Taxes of NRE, the Subsidiaries of NRE, the European Real Estate Business and the NRE Assets with respect to all such Tax Returns within fifteen (15) Business Days after payment by NRE, the Subsidiaries of NRE, the NRE Business or the NRE Assets of such Taxes. All such Tax Returns shall be prepared in a manner that is consistent with the past custom and practice of NRF, NRE, the Subsidiaries of NRE, the European Real Estate Business and the NRE Assets, as applicable, except as required by a change in applicable Law.

(ii) NRE shall prepare or cause to be prepared and file or cause to be filed, subject to the review and reasonable approval of NRF, any Tax Returns of any of NRE, the Subsidiaries of NRE, the NRE Business and the NRE Assets, as applicable, for Tax periods which begin before the Distribution Date and end after the Distribution Date. NRF shall pay to NRE, within fifteen (15) Business Days before the date on which Taxes are to be paid with respect to such periods, an amount equal to the portion of such Taxes which relates to the portion of such Tax period ending on the Distribution Date. For purposes of this Section 9.03(c)(ii), in the case of any Taxes that are imposed on a

periodic basis and are payable for a Tax period that includes (but does not end on) the Distribution Date, the portion of such Tax which relates to the portion of such Tax period ending on the Distribution Date shall (x) in the case of any Taxes other than Taxes based upon or related to income, gains or receipts (including sales and use Taxes), or employment or payroll Taxes, be deemed to be the amount of such Tax for the entire Tax period multiplied by a fraction the numerator of which is the number of days in the Tax period ending on the Distribution Date and the denominator of which is the number of days in the entire Tax period, and (y) in the case of any Tax based upon or related to income, gains or receipts (including sales and use Taxes), or employment or payroll Taxes, be deemed equal to the amount which would be payable if the relevant Tax period ended on the Distribution Date. Any credits relating to a Tax period that begins before and ends after the Distribution Date shall be taken into account as though the relevant Tax period ended on the Distribution Date. All determinations necessary to give effect to the foregoing allocations shall be made in a manner consistent with reasonable prior practice of the NRF, NRE, the Subsidiaries of NRE, the European Real Estate Business, and the NRE Assets, as applicable.

(iii) NRE shall prepare and cause to be prepared and file or cause to be filed all other Tax Returns of any of NRE, the Subsidiaries of NRE, the NRE Business and the NRE Assets.

(iv) Except as provided in Section 9.03(c)(v), NRE shall be responsible for, and shall indemnify, defend and hold harmless the NRF Group against, any and all any and all Taxes attributable to the Separation and Distribution (other than Taxes incurred by NRF under Section 311(b) of the Code as a result of the Distribution), regardless of whether such Taxes are required to be reported on a Tax Return of NRE or the Subsidiaries of NRE.

(v) NRF shall be responsible for, and shall indemnify, defend, and hold harmless the NRE Group against, any and all Taxes due with respect to NRE, the Subsidiaries of NRE, the NRE Business and the NRE Assets that are attributable to NRF's failure to qualify as a REIT for its taxable year ending December 31, 2015, unless such failure was due wholly or primarily to NRE, the Subsidiaries of NRE, the NRE Business or the NRE Assets.

(vi) NRE shall be responsible for, and shall indemnify, defend, and hold harmless the NRF Group against, any and all Taxes due with respect to NRF, the NRF Subsidiaries, the NRF Business and the NRF Assets that are attributable to NRE's failure to qualify as a REIT for its taxable year ending December 31, 2015, unless such failure was due wholly or primarily to NRF, the Subsidiaries of NRF, the NRF Business or the NRF Assets.

(d) Cooperation. The Parties agree (i) to retain all books and records with respect to Tax matters pertinent to NRE, the Subsidiaries of NRE, the NRE Business and the NRE Assets and their respective assets or business relating to any taxable period beginning before the Distribution Date until the expiration of the statute of limitations (and, to the extent

notified by any member of the NRE Group, any extensions thereof) of the respective Tax periods, and to abide by all record retention agreements entered into with any taxing authority, and (ii) to give NRE reasonable written notice prior to transferring, destroying or discarding any such books and records and, if NRE so requests, NRF shall allow NRE to take possession of such books and records at NRE's expense.

(e) Transfer Taxes. All sales, use and transfer Taxes, bulk transfer Taxes, deed Taxes, conveyance fees, documentary and recording charges and similar Taxes imposed as a result of the transactions contemplated by this Agreement, together with any interest, penalties or additions to such transfer taxes or attributable to any failure to comply with any requirement regarding Tax Returns ("Transfer Taxes"), shall be paid by NRE. NRE and NRF shall cooperate in filing all necessary Tax Returns under applicable Law with respect to Transfer Taxes.

(f) Ad Valorem Tax Refunds. Any refund of ad valorem Taxes with respect to the NRE Assets for periods ending on or before the Distribution Date shall be for the benefit of NRE and the relevant member of the NRE Group, and NRF shall have no entitlement thereto. If NRF receives any refund of ad valorem Taxes with respect to the NRE Assets, NRF shall pay to NRE the full amount of such refund within five (5) Business Days.

(g) Tax Contests. Unless otherwise provided in this Section 9.03(g), NRE shall control any audit, examination or proceeding ("Tax Contest") relating in whole or in part to Taxes of NRE, the Subsidiaries of NRE, the NRE Business and the NRE Assets.

(i) With respect to any Tax Contest for which NRF acknowledges in writing that any member of the NRF Group is liable under this Agreement for any and all Liabilities relating thereto, the NRF Group shall be entitled to control, in good faith, all proceedings taken in connection with such Tax Contest; provided, however, that (x) NRF shall promptly notify NRE in writing of its intention to control such Tax Contest, and (y) if any Tax Contest could reasonably be expected to have an adverse effect on any member of the NRE Group, the Tax Contest shall not be settled or resolved without NRE's consent, which consent shall not be unreasonably withheld or delayed.

(ii) With respect to any Tax Contest the negative resolution of which could reasonably be expected to adversely affect NRF's ability to qualify as a REIT for any past or future taxable year (a "REIT- Related Contest"), NRF shall have the right to participate in all proceedings related to such REIT- Related Contest and shall receive timely notifications of all actions related to such REIT- Related Contest. NRE shall not be entitled to settle, either administratively or after the commencement of litigation, any REIT- Related Contest in a manner that would adversely affect NRF's ability to qualify as a REIT for any past or future taxable year without NRF's prior written consent.

To the extent there is any conflict between the provisions of this Section 9.03(g) and the provisions of Article VI or Sections 5.03, 5.04 or 5.05, the provisions of this Section 9.03(g) shall control.

Section 9.04 NRF Equity Awards.

(a) With respect to NRF Equity Awards that are outstanding as of the Distribution Date and are adjusted in connection with the Distribution and related transactions to provide for the issuance of shares of NRE Common Stock, LTIP Units in NRE Operating Partnership ("NRE LTIP Units") and/or dividend equivalent rights relating to shares of NRE Common Stock or NRE LTIP Units, NRE hereby agrees to issue, or cause a member of the NRE Group to issue, to the holders of such NRF Equity Awards shares of NRE Common Stock, NRE LTIP Units and/or cash, shares of NRE Common Stock or NRE LTIP Units in satisfaction of dividend equivalent rights, as applicable, at such time or times as required by the terms of the NRF Equity Awards, as adjusted, and otherwise be bound by the terms of such NRF Equity Awards, as adjusted, as they relate to such NRE Common Stock, NRE LTIP Units and/or dividend equivalents.

(b) If, after the Distribution Date, NRF or NRE identifies an administrative error in the individuals identified as holding NRF Equity Awards, the amount of NRF Equity Awards so held, the vesting level of such NRF Equity Awards, the equitable adjustments made to such NRF Equity Awards in connection with the Distribution and related transactions or any other similar error, NRF and NRE shall mutually cooperate in taking such actions as are necessary or appropriate to place, as nearly as reasonably practicable, the individual and NRF and NRE in the position in which they would have been had the error not occurred. Each of the Parties shall establish an appropriate administration system in order to handle, in an orderly manner, exercises and the settlement of equity awards. Each of the Parties will work together to make certain that each applicable entity's data and records with respect to the NRF Equity Awards, as adjusted, are correct and updated on a timely basis. The foregoing shall include employment status and information required for tax withholding/remittance, compliance with trading windows and compliance with the requirements of all applicable Laws.

(c) The Parties mutually agree to use commercially reasonable efforts to maintain effective registration statements with the Securities and Exchange Commission with respect to the NRF Equity Awards, as adjusted, including NRE Common Stock and NRE LTIP Units to be issued pursuant thereto, to the extent any such registration statement is required by applicable Law.

(d) The Parties hereby acknowledge that the provisions of this Section are intended to achieve certain tax, legal and accounting objectives and, in the event such objectives are not achieved, the Parties agree to negotiate in good faith regarding such other actions that may be necessary or appropriate to achieve such objectives.

(e) Notwithstanding anything in this Agreement to the contrary, the Parties agree to negotiate in good faith regarding the need for any treatment different from that otherwise provided herein to ensure that (i) a federal income tax deduction with respect to NRF Equity Awards is not limited by reason of Section 162(m) of the Code, and (ii) the adjustment of the NRF Equity Awards does not cause the imposition of a tax under Section 409A of the Code.

ARTICLE X

TERMINATION

Section 10.01 Termination. This Agreement may be terminated by NRF at any time, in its sole discretion, prior to the Distribution Date.

Section 10.02 Effect of Termination. In the event of any termination of this Agreement prior to the Distribution Date, neither Party (or any of its directors or officers) shall have any Liability or further obligation to the other Party.

ARTICLE XI

MISCELLANEOUS

Section 11.01 Counterparts; Entire Agreement; Corporate Power.

(a) This Agreement and each Ancillary Agreement may be executed in one or more counterparts, including by facsimile or by e- mail delivery of a ".pdf" format data file, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each party hereto or thereto and delivered to the other parties hereto or thereto.

(b) This Agreement, the Ancillary Agreements and the exhibits, schedules and appendices hereto and thereto contain the entire agreement between the Parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter and there are no agreements or understandings between the Parties with respect to the subject matter hereof other than those set forth or referred to herein or therein; provided, however, that nothing contained herein or in any Ancillary Agreement shall modify or amend the terms of the Management Agreement, and to the extent of any conflict between the terms of the Management Agreement and this Agreement, the terms of the Management Agreement shall control.

(c) NRF represents on behalf of itself and each other member of the NRF Group, and NRE represents on behalf of itself and each other member of the NRE Group, as follows:

(i) each such Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform each of this Agreement and each Ancillary Agreement to which it is a party and to consummate the transactions contemplated hereby and thereby; and

(ii) this Agreement and each Ancillary Agreement to which it is a party has been (or, in the case of any Ancillary Agreement, will be on or prior to the Distribution Date) duly executed and delivered by it and constitutes, or will constitute, a valid and binding agreement of it enforceable in accordance with the terms thereof.

Section 11.02 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN THE STATE OF NEW YORK AND WITHOUT REGARD TO ITS CHOICE OF LAW PRINCIPLES.

Section 11.03 Assignability. This Agreement shall not be assignable, in whole or in part, directly or indirectly, by any Party without the prior written Consent of the other Party, and any attempt to assign any rights or obligations under this Agreement without such Consent shall be void; provided that either Party may assign this Agreement to a purchaser of all or substantially all of the properties and assets of such Party so long as such purchase expressly assumes, in a written instrument in form reasonably satisfactory to the non- assigning Party, the due and punctual performance or observance of every agreement and covenant of this Agreement on the part of the assigning Party to be performed or observed.

Section 11.04 Successors and Assigns. The provisions to the Agreement shall be binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors and permitted assigns.

Section 11.05 Third Party Beneficiaries. Except for the indemnification rights under this Agreement of any NRF Indemnitee or NRE Indemnitee in their respective capacities as such, (a) the provisions of this Agreement and each Ancillary Agreement are solely for the benefit of the parties hereto or thereto and are not intended to confer upon any Person except the parties hereto or thereto any rights or remedies hereunder or thereunder and (b) there are no third party beneficiaries of this Agreement or any Ancillary Agreement and neither this Agreement nor any Ancillary Agreement shall provide any third person with any remedy, claim, liability, reimbursement, cause of action or other right in excess of those existing without reference to this Agreement or any Ancillary Agreement. Without limiting the generality of the foregoing, this Agreement is solely for the benefit of the Parties hereto, and no current or former director, officer, employee or independent contractor of any member of the NRF Group or any member of the NRE Group or any other individual associated therewith (including any beneficiary or dependent thereof) shall be regarded for any purpose as a third- party beneficiary of this Agreement, and no provision of this Agreement shall create such rights in any such Persons in respect of any benefits that may be provided, directly or indirectly, under any benefit plan, program, policy, agreement or arrangement of any member of the NRF Group or any member of the NRE Group. No provision of this Agreement shall constitute a limitation on the rights to amend, modify or terminate any benefit plans, programs, policies, agreements or arrangements of any member of the NRF Group or any member of the NRE Group, and nothing herein shall be construed as an amendment to any such benefit plan, program, policy, agreement or arrangement. No provision of this Agreement shall require any member of the NRF Group or any member of the NRE Group to continue the employment of any employee of any member of the NRF Group or any member of the NRE Group for any specific period of time following the Distribution Date.

Section 11.06 Notices. All notices or other communications under this Agreement or any Ancillary Agreement shall be in writing and shall be deemed to be duly given when (a) delivered in person, (b) sent by electronic mail, (c) sent by telecopier (except that, if not sent during normal business hours for the recipient, then at the opening of business on the next business day for the recipient) to the fax numbers set forth below or (d) deposited in the United States mail or private express mail, postage prepaid, addressed as follows:

If to NRF, to:
NorthStar Realty Finance Corp.
399 Park Avenue, 18th Floor
New York, New York 10022
Attn: General Counsel
Fax: (212) 547- 2700

If to NRE to:
NorthStar Realty Europe Corp.
399 Park Avenue, 18th Floor
New York, New York 10022
Attn: General Counsel
Fax: (212) 547- 2700

Either Party may, by notice to the other Party, change the address to which such notices are to be given.

Section 11.07 Severability. If any provision of this Agreement or any Ancillary Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof or thereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby or thereby, as the case may be, is not affected in any manner materially adverse to either Party. Upon any such determination, the Parties shall negotiate in good faith in an effort to agree upon a suitable and equitable provision to effect the original intent of the Parties.

Section 11.08 Publicity. Prior to the Distribution, each of NRE and NRF shall consult with each other prior to issuing any press releases or otherwise making public statements with respect to the Distribution or any of the other transactions contemplated hereby and prior to making any filings with any Governmental Authority with respect thereto.

Section 11.09 Expenses. Except as expressly set forth in this Agreement or in any Ancillary Agreement and subject to Section 3.02(g), all third party fees, costs and expenses paid or incurred in connection with the Separation and the Distribution will be paid by NRF.

Section 11.10 Headings. The article, section and paragraph headings contained in this Agreement and in the Ancillary Agreements are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement or any Ancillary Agreement.

Section 11.11 Survival of Covenants. Except as expressly set forth in this Agreement or any Ancillary Agreement, (a) the covenants in this Agreement and the liabilities for the breach of any obligations in this Agreement and (b) any covenants, representations or warranties contained in any Ancillary Agreement and any liabilities for the breach of any obligations contained in any Ancillary Agreement, in each case, shall survive each of the Separation and the Distribution and shall remain in full force and effect.

Section 11.12 Waivers of Default. Waiver by any party hereto or to any Ancillary Agreement of any default by any other party hereto or thereto of any provision of this Agreement or such Ancillary Agreement shall not be deemed a waiver by the waiving party of any subsequent or other default.

Section 11.13 Specific Performance. Subject to Section 4.02 and notwithstanding the procedures set forth in Article VIII, in the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement or any Ancillary Agreement, the party or parties who are to be hereby or thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief of its rights under this Agreement or such Ancillary Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The other party or parties shall not oppose the granting of such relief. The parties to this Agreement and any Ancillary Agreement agree that the remedies at law for any breach or threatened breach hereof or thereof, including monetary damages, are inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived.

Section 11.14 Amendments. No provisions of this Agreement or any Ancillary Agreement shall be deemed waived, amended, supplemented or modified by any party hereto or thereto, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the party against whom it is sought to enforce such waiver, amendment, supplement or modification.

Section 11.15 Interpretation. Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other genders as the context requires. The terms “hereof,” “herein, “and “herewith” and words of similar import, unless otherwise stated, shall be construed to refer to this Agreement or the

applicable Ancillary Agreement as a whole (including all of the schedules and annexes hereto or thereto) and not to any particular provision of this Agreement or such Ancillary Agreement. Article, Section, Schedule and Annex references are to the articles, sections, schedules and annexes of or to this Agreement or the applicable Ancillary Agreement unless otherwise specified. Any reference herein to this Agreement or any Ancillary Agreement, unless otherwise stated, shall be construed to refer to this Agreement or such Ancillary Agreement as amended, supplemented or otherwise modified from time to time, as permitted by Section 11.14 and the terms of any applicable provision in any Ancillary Agreement. The word "including" and words of similar import when used in this Agreement (or the applicable Ancillary Agreement) shall mean "including, without limitation," unless the context otherwise requires or unless otherwise specified. The word "or" shall not be exclusive. There shall be no presumption of interpreting this Agreement or any provision hereof against the draftsperson of this Agreement or any such provision.

Section 11.16 Jurisdiction; Service of Process. Any action or proceeding arising out of or relating to this Agreement or any Ancillary Agreement shall be brought in the courts of the State of New York located in the County of New York or in the United States District Court for the Southern District of New York (if any party to such action or proceeding has or can acquire jurisdiction), and each of the parties hereto or thereto irrevocably submits to the exclusive jurisdiction of each such court in any such action or proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the action or proceeding shall be heard and determined only in any such court and agrees not to bring any action or proceeding arising out of or relating to this Agreement or any Ancillary Agreement in any other court. The parties to this Agreement or any Ancillary Agreement agree that any of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and bargained agreement between the parties hereto and thereto irrevocably to waive any objections to venue or to convenience of forum. Process in any action or proceeding referred to in the first sentence of this Section may be served on any party to this Agreement or any Ancillary Agreement anywhere in the world.

Section 11.17 Waiver of Jury Trial. EACH PARTY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Separation Agreement to be executed as of the date first written above by their duly authorized representatives.

NORTHSTAR REALTY EUROPE CORP.

By _____
Name:
Title:

NORTHSTAR REALTY FINANCE CORP.

By _____
Name:
Title:

Schedule I

Separation Transactions

1. NRF contributes its 5.1% ownership interest in Trias Holdings- T(US), LLC and its 5.1% ownership interest in Prime Holdings- T(US), LLC to NRF Operating Partnership pursuant to the contribution agreement included in Annex II to the Contribution Agreement.
2. NRF Operating Partnership contributes (i) all of its rights, title, and interest in Trias Holdings- T(US), LLC, Prime Holdings- T(US), LLC, Symbol Holdings- T(US), LLC and Dukes Court- T(UK), LLC, and (ii) $250 million in cash to NRE Operating Partnership in exchange for a number of partnership common units in NRE Operating Partnership calculated pursuant to the contribution agreement included in Annex II to the Contribution Agreement.
3. NRF Operating Partnership distributes partnership common units of NRE Operating Partnership, pro rata, to NRF and holders of certain equity interests in NRF Operating Partnership based on their percentage ownership in NRF Operating Partnership.
4. NRF contributes all of the outstanding common units of the NRE Operating Partnership that it owns to NRE in exchange for such number of shares of NRE common stock equal to one share of NRE common stock for every six shares of NRF common stock that will be outstanding as of 5:01 PM on October 22, 2015, minus the number of shares of NRE owned by NRF prior to such issuance.
5. NRF distributes one share of NRE common stock, par value $0.01 per share, for every six shares of NRF common stock held by the Record Holders (as defined in the Separation Agreement).

Exhibit 3.1

NORTHSTAR REALTY EUROPE CORP.
FORM OF ARTICLES OF AMENDMENT AND RESTATEMENT

FIRST: NorthStar Realty Europe Corp., a Maryland corporation (the "Corporation"), desires to amend and restate its charter as currently in effect and as hereinafter amended.

SECOND: The following provisions are all the provisions of the charter currently in effect and as hereinafter amended:

ARTICLE I
INCORPORATOR

Jenny Neslin, whose address is c/o NorthStar Realty Finance Corp., 399 Park Avenue, 18th Floor, New York, New York 10022, being at least 18 years of age, formed a corporation under the general laws of the State of Maryland on June 18, 2015.

ARTICLE II
NAME

The name of the corporation (the "Corporation") is:

NorthStar Realty Europe Corp.

ARTICLE III
PURPOSE

The purposes for which the Corporation is formed are to engage in any lawful act or activity (including, without limitation or obligation, engaging in business as a real estate investment trust under the Internal Revenue Code of 1986, as amended, or any successor statute (the "Code")) for which corporations may be organized under the general laws of the State of Maryland as now or

hereafter in force. For purposes of the charter of the Corporation (the "Charter"), "REIT" means a real estate investment trust under Sections 856 through 860 of the Code.

ARTICLE IV

PRINCIPAL OFFICE IN STATE AND RESIDENT AGENT

The address of the principal office of the Corporation in the State of Maryland is c/o CSC- Lawyers Incorporating Service Company, 7 St. Paul Street, Suite 820, Baltimore, MD 21202. The name of the resident agent of the Corporation in the State of Maryland is CSC- Lawyers Incorporating Service Company, whose post address is 7 St. Paul Street, Suite 820, Baltimore, MD 21202. The resident agent is a Maryland corporation.

ARTICLE V

PROVISIONS FOR DEFINING, LIMITING
AND REGULATING CERTAIN POWERS OF THE
CORPORATION AND OF THE STOCKHOLDERS AND DIRECTORS

Section 5.1 Number of Directors. The business and affairs of the Corporation shall be managed under the direction of the Board of Directors. The number of directors of the Corporation currently is seven, which number may be increased or decreased only by the Board of Directors pursuant to the Bylaws, but shall never be less than the minimum number required by the Maryland General Corporation Law (the "MGCL"). The names of the current directors who shall serve until the next annual meeting of stockholders and until their successors are duly elected and qualify are:

David T. Hamamoto
Albert Tylis
Mario Chisholm
Judith A. Hannaway
Oscar Junquera

Wesley D. Minami
Charles W. Schoenherr

The directors of the Corporation may increase the number of directors and may fill any vacancy, whether resulting from an increase in the number of directors or otherwise, on the Board of Directors occurring before the first annual meeting of stockholders in the manner provided in the Bylaws.

The Corporation elects, effective at such time as it becomes eligible to make the election provided for under Section 3-804(c) of the MGCL, that, except as may be provided by the Board of Directors in setting the terms of any class or series of stock, any and all vacancies on the Board of Directors may be filled only by the affirmative vote of a majority of the remaining directors in office, even if the remaining directors do not constitute a quorum, and any director elected to fill a vacancy shall serve for the remainder of the full term of the directorship in which such vacancy occurred and until a successor is elected and qualifies. The Corporation may not elect to be subject to Section 3- 803 of the MGCL.

Section 5.2 Extraordinary Actions. Except as specifically provided in Section 5.8 (relating to removal of directors) and in Article VIII, notwithstanding any provision of law permitting or requiring any action to be taken or approved by the affirmative vote of stockholders entitled to cast a greater number of votes, any such action shall be effective and valid if declared advisable by the Board of Directors and taken or approved by the affirmative vote of stockholders entitled to cast a majority of all the votes entitled to be cast on the matter.

Section 5.3 Authorization by Board of Stock Issuance. The Board of Directors may authorize the issuance from time to time of shares of stock of the Corporation of any class or series, whether now or hereafter authorized, or securities or rights convertible into shares of its stock of any class or series, whether now or hereafter authorized, for such consideration as the Board of

Directors may deem advisable (or without consideration in the case of a stock split or stock dividend), subject to such restrictions or limitations, if any, as may be set forth in the Charter or the Bylaws.

Section 5.4 Preemptive Rights and Appraisal Rights. Except as may be provided by the Board of Directors in setting the terms of classified or reclassified shares of stock pursuant to Section 6.4 or as may otherwise be provided by a contract approved by the Board of Directors, no holder of shares of stock of the Corporation shall, as such holder, have any preemptive right to purchase or subscribe for any additional shares of stock of the Corporation or any other security of the Corporation which it may issue or sell. Holders of shares of stock shall not be entitled to exercise any rights of an objecting stockholder provided for under Title 3, Subtitle 2 of the MGCL or any successor statute unless the Board of Directors, upon the affirmative vote of a majority of the Board of Directors and upon such terms and conditions as specified by the Board of Directors, shall determine that such rights apply, with respect to all or any classes or series of stock, to one or more transactions occurring after the date of such determination in connection with which holders of such shares would otherwise be entitled to exercise such rights.

Section 5.5 Indemnification. The Corporation shall have the power, to the maximum extent permitted by Maryland law in effect from time to time, to obligate itself to indemnify, and to pay or reimburse reasonable expenses in advance of final disposition of a proceeding to, (a) any individual who is a present or former director or officer of the Corporation or (b) any individual who, while a director or officer of the Corporation and at the request of the Corporation, serves or has served as a director, officer, member, manager, partner or trustee of another corporation, real estate investment trust, limited liability company, partnership, joint venture, trust, employee benefit plan or any other enterprise from and against any claim or liability to which such person may become subject or which such person may incur by reason of his status as a present or former director or

officer of the Corporation. The Corporation shall have the power, with the approval of the Board of Directors, to provide such indemnification and advancement of expenses to a person who served a predecessor of the Corporation in any of the capacities described in (a) or (b) above and to any employee or agent of the Corporation or a predecessor of the Corporation.

Section 5.6 Determinations by Board. The determination as to any of the following matters, made by or pursuant to the direction of the Board of Directors, shall be final and conclusive and shall be binding upon the Corporation and every holder of shares of its stock: the amount of the net income of the Corporation for any period and the amount of assets at any time legally available for the payment of dividends, acquisition of its stock or the payment of other distributions on its stock; the amount of paid- in surplus, net assets, other surplus, cash flow, funds from operations, adjusted funds from operations, annual or other net profit, net assets in excess of capital, undivided profits or excess of profits over losses on sales of assets; the amount, purpose, time of creation, increase or decrease, alteration or cancellation of any reserves or charges and the propriety thereof (whether or not any obligation or liability for which such reserves or charges shall have been created shall have been set aside, paid or discharged); any interpretation or resolution of any ambiguity with respect to any provision of the Charter (including any of the terms, preferences, conversion or other rights, voting powers or rights, restrictions, limitations as to dividends or other distributions, qualifications or terms or conditions of redemption of any shares of any class or series of stock of the Corporation) or of the Bylaws; the number of shares of stock of any class or series of the Corporation; the fair value, or any sale, bid or asked price to be applied in determining the fair value, of any asset owned or held by the Corporation or of any shares of stock of the Corporation; any matter relating to the acquisition, holding and disposition of any assets by the Corporation; any interpretation of the terms and conditions of one or more agreements with any person, corporation,

association, company, trust, partnership (limited or general) or other organization; the compensation of directors, officers, employees or agents of the Corporation; or any other matter relating to the business and affairs of the Corporation or required or permitted by applicable law, the Charter or Bylaws or otherwise to be determined by the Board of Directors.

Section 5.7 REIT Qualification. If the Corporation elects to qualify for federal income tax treatment as a REIT, the Board of Directors shall use its reasonable best efforts to take such actions as are necessary or appropriate to preserve the status of the Corporation as a REIT; however, if the Board of Directors determines that it is no longer in the best interests of the Corporation to attempt to, or continue to, qualify as a REIT, the Board of Directors may revoke or otherwise terminate the Corporation's REIT election pursuant to Section 856(g) of the Code. The Board of Directors, in its sole and absolute discretion, also may (a) determine that compliance with any restriction or limitation on stock ownership and transfers set forth in Article VII is no longer required for REIT qualification and (b) make any other determination or take any other action pursuant to Article VII.

Section 5.8 Removal of Directors. Subject to the rights of holders of shares of one or more classes or series of Preferred Stock (as defined below) to elect or remove one or more directors, any director, or the entire Board of Directors, may be removed from office at any time, but only by the affirmative vote of at least two thirds of the votes entitled to be cast generally in the election of directors.

Section 5.9 Advisor Agreements. Subject to such approval of stockholders and other conditions, if any, as may be required by any applicable statute, rule or regulation, the Board of Directors may authorize the execution and performance by the Corporation of one or more agreements with any person, corporation, association, company, trust, partnership (limited or

general) or other organization whereby, subject to the supervision and control of the Board of Directors, any such other person, corporation, association, company, trust, partnership (limited or general) or other organization shall render or make available to the Corporation managerial, investment, advisory and/or related services, office space and other services and facilities (including, if deemed advisable by the Board of Directors, the management or supervision of the investments of the Corporation) upon such terms and conditions as may be provided in such agreement or agreements (including, if deemed fair and equitable by the Board of Directors, the compensation payable thereunder by the Corporation).

Section 5.10 Corporate Opportunities. The Corporation shall have the power, by resolution of the Board of Directors, to renounce any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, business opportunities or classes or categories of business opportunities that are presented to the Corporation or developed by or presented to one or more directors or officers of the Corporation.

ARTICLE VI
STOCK

Section 6.1 Authorized Shares. The Corporation has authority to issue 1,200,000,000 shares of stock, consisting of 1,000,000,000 shares of Common Stock, $0.01 par value per share ("Common Stock"), 200,000,000 shares of Preferred Stock, $0.01 par value per share ("Preferred Stock"). The aggregate par value of all authorized shares of stock having par value is $12,000,000. If shares of one class of stock are classified or reclassified into shares of another class of stock pursuant to Section 6.2, 6.3 or 6.4 of this Article VI, the number of authorized shares of the former class shall be automatically decreased and the number of shares of the latter class shall be

automatically increased, in each case by the number of shares so classified or reclassified, so that the aggregate number of shares of stock of all classes that the Corporation has authority to issue shall not be more than the total number of shares of stock set forth in the first sentence of this paragraph. The Board of Directors, with the approval of a majority of the entire Board of Directors and without any action by the stockholders of the Corporation, may amend the Charter from time to time to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that the Corporation has authority to issue.

Section 6.2 Common Stock. Subject to the provisions of Article VII and except as may otherwise be specified in the Charter, each share of Common Stock shall entitle the holder thereof to one vote. The Board of Directors may reclassify any unissued shares of Common Stock from time to time into one or more classes or series of stock.

Section 6.3 Preferred Stock. The Board of Directors may classify any unissued shares of Preferred Stock and reclassify any previously classified but unissued shares of Preferred Stock of any class or series from time to time, into one or more classes or series of stock.

Section 6.4 Classified or Reclassified Shares. Prior to the issuance of classified or reclassified shares of any class or series of stock, the Board of Directors by resolution shall: (a) designate that class or series to distinguish it from all other classes and series of stock of the Corporation; (b) specify the number of shares to be included in the class or series; (c) set or change, subject to the provisions of Article VII and subject to the express terms of any class or series of stock of the Corporation outstanding at the time, the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms and conditions of redemption for each class or series; and (d) cause the Corporation to file articles supplementary with the State Department of Assessments and Taxation of Maryland ("SDAT").

Any of the terms of any class or series of stock set or changed pursuant to clause (c) of this Section 6.4 may be made dependent upon facts or events ascertainable outside the Charter (including determinations by the Board of Directors or other facts or events within the control of the Corporation) and may vary among holders thereof, provided that the manner in which such facts, events or variations shall operate upon the terms of such class or series of stock is clearly and expressly set forth in the articles supplementary or other Charter document.

Section 6.5 Stockholders' Consent in Lieu of Meeting. Any action required or permitted to be taken at any meeting of the holders of Common Stock entitled to vote generally in the election of directors may be taken without a meeting by consent, in writing or by electronic transmission, in any manner and by any vote permitted by the MGCL and set forth in the Bylaws.

Section 6.6 Charter and Bylaws. The rights of all stockholders and the terms of all stock are subject to the provisions of the Charter and the Bylaws. The Board of Directors shall have the exclusive power to adopt, alter or repeal any provision of the Bylaws and to make new Bylaws.

Section 6.7 Distributions. The Board of Directors from time to time may authorize the Corporation to declare and pay to stockholders such dividends or other distributions in cash or other assets of the Corporation or in securities of the Corporation, including in shares of one class or series of the Corporation's stock payable to holders of shares of another class or series of stock of the Corporation, or from any other source as the Board of Directors in its sole and absolute discretion shall determine. The exercise of the powers and rights of the Board of Directors pursuant to this Section 6.7 shall be subject to the provisions of any class or series of shares of the Corporation's stock at the time outstanding.

ARTICLE VII
RESTRICTION ON TRANSFER AND OWNERSHIP OF SHARES

Section 7.1 Definitions. For the purpose of this Article VII, the following terms shall have the following meanings:

Aggregate Stock Ownership Limit. The term "Aggregate Stock Ownership Limit" shall mean not more than 9.8 percent in value of the aggregate of the outstanding shares of Capital Stock. The value of the outstanding shares of Capital Stock shall be determined by the Board of Directors, which determination shall be conclusive for all purposes hereof.

Beneficial Ownership. The term "Beneficial Ownership" shall mean ownership of Capital Stock by a Person, whether the interest in the shares of Capital Stock is held directly or indirectly (including by a nominee), and shall include interests that would be treated as owned through the application of Section 544 of the Code, as modified by Section 856(h)(1)(B) of the Code. The terms "Beneficial Owner," "Beneficially Owns" and "Beneficially Owned" shall have the correlative meanings.

Business Day. The term "Business Day" shall mean any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions in New York City are authorized or required by law, regulation or executive order to close.

Capital Stock. The term "Capital Stock" shall mean all classes or series of stock of the Corporation, including, without limitation, Common Stock and Preferred Stock.

Charitable Beneficiary. The term "Charitable Beneficiary" shall mean one or more beneficiaries of the Trust as determined pursuant to Section 7.3.6, provided that each such organization must be described in Section 501(c)(3) of the Code and contributions to each such organization must be eligible for deduction under each of Sections 170(b)(1)(A), 2055 and 2522 of the Code.

Charter. The term "Charter" shall mean the charter of the Corporation, as that term is defined in the MGCL.
Code. The term "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.
Common Stock Ownership Limit. The term "Common Stock Ownership Limit" shall mean not more than 9.8 percent (in value or in number of shares, whichever is more restrictive) of the aggregate of the outstanding shares of Common Stock of the Corporation. The number and value of outstanding shares of Common Stock of the Corporation shall be determined by the Board of Directors, which determination shall be conclusive for all purposes hereof.
Constructive Ownership. The term "Constructive Ownership" shall mean ownership of Capital Stock by a Person, whether the interest in the shares of Capital Stock is held directly or indirectly (including by a nominee), and shall include interests that would be treated as owned through the application of Section 318(a) of the Code, as modified by Section 856(d)(5) of the Code. The terms "Constructive Owner," "Constructively Owns" and "Constructively Owned" shall have the correlative meanings.
Excepted Holder. The term "Excepted Holder" shall mean a stockholder of the Corporation for whom an Excepted Holder Limit is created by these Articles or by the Board of Directors pursuant to Section 7.2.7.
Excepted Holder Limit. The term "Excepted Holder Limit" shall mean, provided that the affected Excepted Holder agrees to comply with the requirements established by the Board of Directors pursuant to Section 7.2.7, and subject to adjustment pursuant to Section 7.2.7, the percentage limit established by the Board of Directors pursuant to Section 7.2.7.

Initial Date. The term "Initial Date" shall mean the earlier of (i) the date on which NorthStar Realty Finance Corp., a Maryland corporation ("NRF"), distributes shares of Common Stock held by NRF to the holders of shares of common stock, par value $0.01 per share, of NRF, or (ii) such other date as determined by the Board of Directors in its sole and absolute discretion.

Market Price. The term "Market Price" on any date shall mean, with respect to any class or series of outstanding shares of Capital Stock, the Closing Price for such Capital Stock on such date. The "Closing Price" on any date shall mean the last sale price for such Capital Stock, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, for such Capital Stock, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the NYSE or, if such Capital Stock is not listed or admitted to trading on the NYSE, as reported on the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which such Capital Stock is listed or admitted to trading or, if such Capital Stock is not listed or admitted to trading on any national securities exchange, the last quoted price, or, if not so quoted, the average of the high bid and low asked prices in the over- the- counter market, as reported by the principal automated quotation system that may then be in use or, if such Capital Stock is not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in such Capital Stock selected by the Board of Directors or, in the event that no trading price is available for such Capital Stock, the fair market value of the Capital Stock, as determined by the Board of Directors.

MGCL. The term "MGCL" shall mean the Maryland General Corporation Law, as amended from time to time.

NYSE. The term "NYSE" shall mean the New York Stock Exchange.

Person. The term "Person" shall mean an individual, corporation, partnership, limited liability company, estate, trust (including a trust qualified under Sections 401(a) or 501(c)(17) of the Code), a portion of a trust permanently set aside for or to be used exclusively for the purposes described in Section 642(c) of the Code, association, private foundation within the meaning of Section 509(a) of the Code, joint stock company or other entity and also includes a group as that term is used for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, and a group to which an Excepted Holder Limit applies.

Prohibited Owner. The term "Prohibited Owner" shall mean, with respect to any purported Transfer, any Person who, but for the provisions of Section 7.2.1, would Beneficially Own or Constructively Own shares of Capital Stock, and if appropriate in the context, shall also mean any Person who would have been the record owner of the shares that the Prohibited Owner would have so owned.

REIT. The term "REIT" shall mean a real estate investment trust within the meaning of Section 856 of the Code.

Restriction Termination Date. The term "Restriction Termination Date" shall mean the first day after the Initial Date on which the Board of Directors determines pursuant to Section 5.7 of the Charter that it is no longer in the best interests of the Corporation to attempt to, or continue to, qualify as a REIT or that compliance with the restrictions and limitations on Beneficial Ownership, Constructive Ownership and Transfers of shares of Capital Stock set forth herein is no longer required in order for the Corporation to qualify as a REIT.

Transfer. The term "Transfer" shall mean any issuance, sale, transfer, gift, assignment, devise or other disposition, as well as any other event that causes any Person to acquire Beneficial Ownership or Constructive Ownership, or any agreement to take any such actions or cause any such

events, of Capital Stock or the right to vote or receive dividends on Capital Stock, including (a) the granting or exercise of any option (or any disposition of any option), (b) any disposition of any securities or rights convertible into or exchangeable for Capital Stock or any interest in Capital Stock or any exercise of any such conversion or exchange right and (c) Transfers of interests in other entities that result in changes in Beneficial Ownership or Constructive Ownership of Capital Stock; in each case, whether voluntary or involuntary, whether owned of record, Constructively Owned or Beneficially Owned and whether by operation of law or otherwise. The terms "Transferring" and "Transferred" shall have the correlative meanings.

Trust. The term "Trust" shall mean any trust provided for in Section 7.3.1.

Trustee. The term "Trustee" shall mean the Person unaffiliated with the Corporation and a Prohibited Owner, that is appointed by the Corporation to serve as trustee of the Trust.

Section 7.2 Capital Stock.

Section 7.2.1 Ownership Limitations.

(a) Basic Restrictions.

(i) During the period commencing on the Initial Date and prior to the Restriction Termination Date (1) no Person, other than an Excepted Holder, shall Beneficially Own or Constructively Own shares of Capital Stock in excess of the Aggregate Stock Ownership Limit, (2) no Person, other than an Excepted Holder, shall Beneficially Own or Constructively Own shares of Common Stock in excess of the Common Stock Ownership Limit and (3) no Excepted Holder shall Beneficially Own or Constructively Own shares of Capital Stock in excess of the Excepted Holder Limit for such Excepted Holder.

(ii) During the period commencing on the Initial Date and prior to the Restriction Termination Date, no Person shall Beneficially Own or Constructively Own shares

of Capital Stock to the extent that such Beneficial or Constructive Ownership of Capital Stock would result in the Corporation being "closely held" within the meaning of Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of a taxable year), or otherwise failing to qualify as a REIT (including, but not limited to, Beneficial Ownership or Constructive Ownership that would result in the Corporation owning (actually or Constructively) an interest in a tenant that is described in Section 856(d)(2)(B) of the Code if the income derived by the Corporation from such tenant would cause the Corporation to fail to satisfy any of the gross income requirements of Section 856(c) of the Code).

(iii) During the period commencing on the Initial Date and prior to the Restriction Termination Date, subject to Section 7.4 hereof, but notwithstanding any other provisions contained herein, any Transfer of shares of Capital Stock that, if effective, would result in the Capital Stock being beneficially owned by less than 100 Persons (determined under the principles of Section 856(a)(5) of the Code) shall be void ab initio, and the intended transferee shall acquire no rights in such shares of Capital Stock.

(b) Violations of Basic Restrictions. If any Transfer of shares of Capital Stock occurs which, if effective, would result in any Person Beneficially Owning or Constructively Owning shares of Capital Stock in violation of Section 7.2.1(a)(i) or (ii):

(i) that number of shares of the Capital Stock the Beneficial Ownership or Constructive Ownership of which otherwise would cause such Person to violate Section 7.2.1(a)(i) or (ii) (rounded up to the nearest whole share) shall be automatically transferred to a Trust for the benefit of a Charitable Beneficiary, as described in Section 7.3, effective as of the close of business on the Business Day prior to the date of such Transfer, and such Person shall acquire no rights in such shares; or

(ii) if the transfer to the Trust described in clause (i) of this Section 7.2.1(b) would not be effective for any reason to prevent the violation of Section 7.2.1(a)(i) or (ii), then the Transfer of that number of shares of Capital Stock that otherwise would cause any Person to violate Section 7.2.1(a)(i) or (ii) shall be void ab initio, and the intended transferee shall acquire no rights in such shares of Capital Stock.

Section 7.2.2 Remedies for Breach. Subject to Section 7.4 hereof, if the Board of Directors or any duly authorized committee thereof shall at any time determine that a Transfer or other event has taken place that results in a violation of Section 7.2.1 or that a Person intends to acquire or has attempted to acquire Beneficial Ownership or Constructive Ownership of any shares of Capital Stock in violation of Section 7.2.1 (whether or not such violation is intended), the Board of Directors or a committee thereof shall take such action as it deems advisable to refuse to give effect to or to prevent such Transfer or other event, including, without limitation, causing the Corporation to redeem shares, refusing to give effect to such Transfer on the books of the Corporation or instituting proceedings to enjoin such Transfer or other event; provided, however, that any Transfer or attempted Transfer or other event in violation of Section 7.2.1 shall automatically result in the transfer to the Trust described above, and, where applicable, such Transfer (or other event) shall be void ab initio as provided above irrespective of any action (or non- action) by the Board of Directors or a committee thereof.

Section 7.2.3 Notice of Restricted Transfer. Any Person who acquires or attempts or intends to acquire Beneficial Ownership or Constructive Ownership of shares of Capital Stock that will or may violate Section 7.2.1(a) or any Person who would have owned shares of Capital Stock that resulted in a transfer to the Trust pursuant to the provisions of Section 7.2.1(b) shall immediately give written notice to the Corporation of such event, or in the case of such a proposed

or attempted transaction, give at least 15 days prior written notice, and shall provide to the Corporation such other information as the Corporation may request in order to determine the effect, if any, of such Transfer on the Corporation's status as a REIT.

Section 7.2.4 Owners Required To Provide Information. From the Initial Date and prior to the Restriction Termination Date:

(a) every owner of five percent or more (or such lower percentage as required by the Code or the Treasury Regulations promulgated thereunder in order for the corporation to avoid the imposition of penalties under Section 857(f)(2) of the Internal Revenue Code) of the outstanding shares of Capital Stock, within 30 days after the end of each taxable year, shall give written notice to the Corporation stating the name and address of such owner, the number of shares of Capital Stock and other shares of the Capital Stock Beneficially Owned and a description of the manner in which such shares are held. Each such owner shall provide to the Corporation such additional information as the Corporation may request in order to determine the effect, if any, of such Beneficial Ownership on the Corporation's status as a REIT and to ensure compliance with the Aggregate Stock Ownership Limit and the Common Stock Ownership Limit; and

(b) each Person who is a Beneficial or Constructive Owner of Capital Stock and each Person (including the stockholder of record) who is holding Capital Stock for a Beneficial Owner or Constructive Owner shall provide to the Corporation such information as the Corporation may request, in good faith, in order to determine the Corporation's status as a REIT and to comply with the requirements of any taxing authority or governmental authority or to determine such compliance.

Section 7.2.5 Remedies Not Limited. Subject to Section 5.7 of the Charter, nothing contained in this Section 7.2 shall limit the authority of the Board of Directors to take such other

action as it deems necessary or advisable to protect the Corporation and the interests of its stockholders in preserving the Corporation's status as a REIT.

Section 7.2.6 Ambiguity. In the case of an ambiguity in the application of any of the provisions of this Section 7.2, Section 7.3, or any definition contained in Section 7.1, the Board of Directors shall have the power to determine the application of the provisions of this Section 7.2 or Section 7.3 or any such definition with respect to any situation based on the facts known to it. In the event Section 7.2 or 7.3 requires an action by the Board of Directors and the Charter fails to provide specific guidance with respect to such action, the Board of Directors shall have the power to determine the action to be taken so long as such action is not contrary to the provisions of Sections 7.1, 7.2 or 7.3. Absent a decision to the contrary by the Board of Directors (which the Board may make in its sole and absolute discretion), if a Person would have (but for the remedies set forth in Section 7.2.2) acquired Beneficial Ownership or Constructive Ownership of Stock in violation of Section 7.2.1, such remedies (as applicable) shall apply first to the shares of Stock which, but for such remedies, would have been Beneficially Owned or Constructively Owned (but not actually owned) by such Person, pro rata among the Persons who actually own such shares of Stock based upon the relative number of the shares of Stock held by each such Person.

Section 7.2.7 Exceptions.

(a) Subject to Section 7.2.1(a)(ii), the Board of Directors, in its sole discretion, may exempt (prospectively or retroactively) a Person from the Aggregate Stock Ownership Limit and the Common Stock Ownership Limit, as the case may be, and may establish or increase an Excepted Holder Limit for such Person if:

(i) the Board of Directors obtains such representations and undertakings from such Person as are reasonably necessary to ascertain that no individual's

Beneficial or Constructive Ownership of such shares of Capital Stock will violate Section 7.2.1(a)(ii);

(ii) such Person does not and represents that it will not own, actually or Constructively, an interest in a tenant of the Corporation (or a tenant of any entity owned or controlled by the Corporation) that would cause the Corporation to own, actually or Constructively, more than a 9.9% interest (as set forth in Section 856(d)(2)(B) of the Code) in such tenant and the Board of Directors obtains such representations and undertakings from such Person as the Board of Directors determines are reasonably necessary to ascertain this fact (for this purpose, a tenant from whom the Corporation (or an entity owned or controlled by the Corporation) derives (and is expected to continue to derive) a sufficiently small amount of revenue such that rent from such tenant would not adversely affect the Corporation's ability to qualify as a REIT, shall not be treated as a tenant of the Corporation); and

(iii) such Person agrees that any violation or attempted violation of such representations or undertakings (or other action which is contrary to the restrictions contained in Sections 7.2.1 through 7.2.6) will result in such shares of Capital Stock being automatically transferred to a Trust or the Transfer of such Capital Stock being void ab initio in accordance with Sections 7.2.1(b) and 7.3.

(b) Prior to granting any exception pursuant to Section 7.2.7(a), the Board of Directors may require a ruling from the Internal Revenue Service, or an opinion of counsel, in either case in form and substance satisfactory to the Board of Directors in its sole discretion, as it may deem necessary or advisable in order to determine or ensure the Corporation's status as a REIT. Notwithstanding the receipt of any ruling or opinion, the Board of Directors may impose such conditions or restrictions as it deems appropriate in connection with granting such exception.

(c) Subject to Section 7.2.1(a)(ii), an underwriter which participates in a public offering or a private placement of Capital Stock (or securities convertible into or exchangeable for Capital Stock) may Beneficially Own or Constructively Own shares of Capital Stock (or securities convertible into or exchangeable for Capital Stock) in excess of the Aggregate Stock Ownership Limit, the Common Stock Ownership Limit, or both such limits, but only to the extent necessary to facilitate such public offering or private placement.

(d) The Board of Directors may only reduce the Excepted Holder Limit for an Excepted Holder: (1) with the written consent of such Excepted Holder at any time, or (2) pursuant to the terms and conditions of the agreements and undertakings entered into with such Excepted Holder in connection with the establishment of the Excepted Holder Limit for that Excepted Holder. No Excepted Holder Limit shall be reduced to a percentage that is less than the Common Stock Ownership Limit.

Section 7.2.8 Increase in Aggregate Stock Ownership and Common Stock Ownership Limits. Subject to Section 7.2.1 (a)(ii), the Board of Directors may from time to time increase the Common Stock Ownership Limit and the Aggregate Stock Ownership Limit for one or more Persons and decrease the Common Stock Ownership Limit and the Aggregate Stock Ownership Limit for all other Persons; provided, however, that the decreased Common Stock Ownership Limit and/or Aggregate Stock Ownership Limit will not be effective for any Person whose percentage ownership in Stock is in excess of such decreased Common Stock Ownership Limit and/or Aggregate Stock Ownership Limit until such time as such Person's percentage of Stock equals or falls below the decreased Common Stock Ownership Limit and/or Aggregate Stock Ownership Limit, but any further acquisition of Stock in excess of such percentage ownership of Stock will be in violation of the Common Stock Ownership Limit and/or Aggregate Stock Ownership

Limit and, provided further, that the new Common Stock Ownership Limit and/or Aggregate Stock Ownership Limit would not allow five or fewer Persons to Beneficially Own more than 49.9% in value of the outstanding Stock.

Section 7.2.9 Legend. Each certificate for shares of Capital Stock shall bear substantially the following legend:

The shares represented by this certificate are subject to restrictions on Beneficial Ownership and Constructive Ownership and Transfer for the purpose, among others, of the Corporation's maintenance of its status as a Real Estate Investment Trust under the Internal Revenue Code of 1986, as amended (the "Code"). Subject to certain further restrictions and except as expressly provided in the Corporation's Charter, (i) no Person may Beneficially Own or Constructively Own shares of the Corporation's Common Stock in excess of 9.8 percent (in value or number of shares) of the outstanding shares of Common Stock of the Corporation unless such Person is an Excepted Holder (in which case the Excepted Holder Limit shall be applicable); (ii) no Person may Beneficially Own or Constructively Own shares of Capital Stock in excess of 9.8 percent of the value of the total outstanding shares of Capital Stock, unless such Person is an Excepted Holder (in which case the Excepted Holder Limit shall be applicable); (iii) no Person may Beneficially Own or Constructively Own Capital Stock that would result in the Corporation being "closely held" under Section 856(h) of the Code or otherwise cause the Corporation to fail to qualify as a REIT; and (iv) no Person may Transfer shares of Capital Stock if such Transfer would result in the Capital Stock being owned by fewer than 100 Persons. Any Person who Beneficially Owns or Constructively Owns or attempts to Beneficially Own or Constructively Own shares of Capital Stock which cause or will cause a Person to Beneficially Own or Constructively Own shares of Capital Stock in excess or in violation of the above limitations must immediately notify the Corporation. If any of the restrictions on transfer or ownership provided in (i), (ii) or (iii) above are violated, the shares of Capital Stock in excess or in violation of the above limitations will be automatically transferred to a Trustee of a Trust for the benefit of one or more Charitable Beneficiaries. In addition, the Corporation may redeem shares upon the terms and conditions specified by the Board of Directors in its sole discretion if the Board of Directors determines that ownership or a Transfer or other event may violate the restrictions described above. Furthermore, if the ownership restriction provided in (iv)

above would be violated or upon the occurrence of certain events, attempted Transfers in violation of the restrictions described above may be void ab initio. All capitalized terms in this legend have the meanings defined in the charter of the Corporation, as the same may be amended from time to time, a copy of which, including the restrictions on transfer and ownership, will be furnished to each holder of shares of Capital Stock on request and without charge. Requests for such a copy may be directed to the Secretary of the Corporation at its Principal Office.

Instead of the foregoing legend, the certificate may state that the Corporation will furnish a full statement about certain restrictions on transferability to a stockholder on request and without charge.

Section 7.3 Transfer of Capital Stock in Trust.

Section 7.3.1 Ownership in Trust. Upon any purported Transfer or other event described in Section 7.2.1(b) that would result in a transfer of shares of Capital Stock to a Trust, such shares of Capital Stock shall be deemed to have been transferred to the Trustee as trustee of a Trust for the exclusive benefit of one or more Charitable Beneficiaries. Such transfer to the Trustee shall be deemed to be effective as of the close of business on the Business Day prior to the purported Transfer or other event that results in the transfer to the Trust pursuant to Section 7.2.1(b). The Trustee shall be appointed by the Corporation and shall be a Person unaffiliated with the Corporation and any Prohibited Owner. Each Charitable Beneficiary shall be designated by the Corporation as provided in Section 7.3.6.

Section 7.3.2 Status of Shares Held by the Trustee. Shares of Capital Stock held by the Trustee shall be issued and outstanding shares of Capital Stock. The Prohibited Owner shall have no rights in the shares held by the Trustee. The Prohibited Owner shall not benefit economically from ownership of any shares held in trust by the Trustee, shall have no rights to dividends or other

distributions and shall not possess any rights to vote or other rights attributable to the shares held in the Trust.

Section 7.3.3 Dividend and Voting Rights. The Trustee shall have all voting rights and rights to dividends or other distributions with respect to shares of Capital Stock held in the Trust, which rights shall be exercised for the exclusive benefit of the Charitable Beneficiary. Any dividend or other distribution paid prior to the discovery by the Corporation that the shares of Capital Stock have been transferred to the Trustee shall be paid by the recipient of such dividend or distribution to the Trustee upon demand and any dividend or other distribution authorized but unpaid shall be paid when due to the Trustee. Any dividend or other distribution so paid to the Trustee shall be held in trust for the Charitable Beneficiary. The Prohibited Owner shall have no voting rights with respect to shares of Capital Stock held in the Trust and, subject to Maryland law, effective as of the date that the shares of Capital Stock have been transferred to the Trust, the Trustee shall have the authority (at the Trustee's sole discretion) (i) to rescind as void any vote cast by a Prohibited Owner prior to the discovery by the Corporation that the shares of Capital Stock have been transferred to the Trustee and (ii) to recast such vote in accordance with the desires of the Trustee acting for the benefit of the Charitable Beneficiary; provided, however, that if the Corporation has already taken irreversible corporate action, then the Trustee shall not have the authority to rescind and recast such vote. Notwithstanding the provisions of this Article VII, until the Corporation has received notification that shares of Capital Stock have been transferred into a Trust, the Corporation shall be entitled to rely on its stock transfer and other stockholder records for purposes of preparing lists of stockholders entitled to vote at meetings, determining the validity and authority of proxies and otherwise conducting votes of stockholders.

Section 7.3.4 Sale of Shares by Trustee. Within 20 days of receiving notice from the Corporation that shares of Capital Stock have been transferred to the Trust, the Trustee of the Trust shall sell the shares held in the Trust to a person, designated by the Trustee, whose ownership of the shares will not violate the ownership limitations set forth in Section 7.2.1(a). Upon such sale, the interest of the Charitable Beneficiary in the shares sold shall terminate and the Trustee shall distribute the net proceeds of the sale to the Prohibited Owner and to the Charitable Beneficiary as provided in this Section 7.3.4. The Prohibited Owner shall receive the lesser of (1) the price paid by the Prohibited Owner for the shares or, if the Prohibited Owner did not give value for the shares in connection with the event causing the shares to be held in the Trust (e.g., in the case of a gift, devise or other such transaction), the Market Price of the shares on the day of the event causing the shares to be held in the Trust and (2) the price per share received by the Trustee (net of any commissions and other expenses of sale) from the sale or other disposition of the shares held in the Trust. The Trustee may reduce the amount payable to the Prohibited Owner by the amount of dividends and distributions which have been paid to the Prohibited Owner and are owed by the Prohibited Owner to the Trustee pursuant to Section 7.3.3 of this Article VII. Any net sales proceeds in excess of the amount payable to the Prohibited Owner shall be immediately paid to the Charitable Beneficiary. If, prior to the discovery by the Corporation that shares of Capital Stock have been transferred to the Trustee, such shares are sold by a Prohibited Owner, then (i) such shares shall be deemed to have been sold on behalf of the Trust and (ii) to the extent that the Prohibited Owner received an amount for such shares that exceeds the amount that such Prohibited Owner was entitled to receive pursuant to this Section 7.3.4, such excess shall be paid to the Trustee upon demand.

Section 7.3.5 Purchase Right in Stock Transferred to the Trustee. Shares of Capital Stock transferred to the Trustee shall be deemed to have been offered for sale to the Corporation,

or its designee, at a price per share equal to the lesser of (i) the price per share in the transaction that resulted in such transfer to the Trust (or, in the case of a devise or gift, the Market Price at the time of such devise or gift) and (ii) the Market Price on the date the Corporation, or its designee, accepts such offer. The Corporation may reduce the amount payable to the Prohibited Owner by the amount of dividends and distributions which has been paid to the Prohibited Owner and are owed by the Prohibited Owner to the Trustee pursuant to Section 7.3.3 of this Article VII. The Corporation may pay the amount of such reduction to the Trustee for the benefit of the Charitable Beneficiary. The Corporation shall have the right to accept such offer until the Trustee has sold the shares held in the Trust pursuant to Section 7.3.4. Upon such a sale to the Corporation, the interest of the Charitable Beneficiary in the shares sold shall terminate and the Trustee shall distribute the net proceeds of the sale to the Prohibited Owner.

Section 7.3.6 Designation of Charitable Beneficiaries. By written notice to the Trustee, the Corporation shall designate one or more nonprofit organizations to be the Charitable Beneficiary or Charitable Beneficiaries of the interest in the Trust such that (i) the shares of Capital Stock held in the Trust would not violate the restrictions set forth in Section 7.2.1(a) in the hands of such Charitable Beneficiary or Charitable Beneficiaries and (ii) each such organization must be described in Section 501(c)(3) of the Code and contributions to each such organization must be eligible for deduction under each of Sections 170(b)(1)(A), 2055 and 2522 of the Code. Neither the failure of the Corporation to make such designation nor the failure of the Corporation to appoint the Trustee before the automatic transfer provided in Section 7.2.1(b) shall make such transfer ineffective, provided that the Corporation thereafter makes such designation and appointment.

Section 7.4 NYSE Transactions. Nothing in this Article VII shall preclude the settlement of any transaction entered into through the facilities of the NYSE or any other national securities

exchange or automated inter- dealer quotation system. The fact that the settlement of any transaction occurs shall not negate the effect of any other provision of this Article VII and any transferee in such a transaction shall be subject to all of the provisions and limitations set forth in this Article VII.

Section 7.5 Enforcement. The Corporation is authorized specifically to seek equitable relief, including injunctive relief, to enforce the provisions of this Article VII.

Section 7.6 Non- Waiver. No delay or failure on the part of the Corporation or the Board of Directors in exercising any right hereunder shall operate as a waiver of any right of the Corporation or the Board of Directors, as the case may be, except to the extent specifically waived in writing.

ARTICLE VIII
AMENDMENTS

The Corporation reserves the right from time to time to make any amendment to its Charter, now or hereafter authorized by law, including any amendment altering the terms or contract rights, as expressly set forth in the Charter, of any shares of outstanding stock. All rights and powers conferred by the Charter on stockholders, directors and officers are granted subject to this reservation. Any amendment to Section 5.8 or this sentence of the Charter shall require the affirmative vote of holders of shares two- thirds of all the votes entitled to be cast on the matter.

ARTICLE IX
LIMITATION OF LIABILITY

To the maximum extent that Maryland law in effect from time to time permits limitation of the liability of directors and officers of a corporation, no present or former director or officer of the Corporation shall be liable to the Corporation or its stockholders for money damages. Neither the amendment nor repeal of this Article IX, nor the adoption or amendment of any other provision of

the charter or Bylaws inconsistent with this Article IX, shall apply to or affect in any respect the applicability of the preceding sentence with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption.

THIRD: The amendment to and restatement of the charter as hereinabove set forth have been duly advised by the Board of Directors and approved by the stockholders of the Corporation as required by law.

FOURTH: The current address of the principal office of the Corporation is as set forth in Article IV of the foregoing amendment and restatement of the charter.

FIFTH: The name and address of the Corporation's current resident agent are as set forth in Article IV of the foregoing amendment and restatement of the charter.

SIXTH: The number of directors of the Corporation and the names of those currently in office are as set forth in Article V of the foregoing amendment and restatement of the charter.

SEVENTH: The total number of shares of stock which the Corporation had authority to issue immediately prior to this amendment and restatement was 1,000,000,000, consisting of 1,000,000,000 shares of Common Stock, $0.01 par value per share. The aggregate par value of all shares of stock having par value was $10,000,000.

EIGHTH: The total number of shares of stock which the Corporation has authority to issue pursuant to the foregoing amendment and restatement of the charter is 1,200,000,000, consisting of 1,000,000,000 shares of Common Stock, $0.01 par value per share, and 200,000,000 shares of Preferred Stock, $0.01 par value per share. The aggregate par value of all authorized shares of stock having par value is $12,000,000.

NINTH: The undersigned officer acknowledges these Articles of Amendment and Restatement to be the corporate act of the Corporation and as to all matters or facts required to be

verified under oath, the undersigned officer acknowledges that, to the best of his knowledge, information and belief, these matters and facts are true in all material respects and that this statement is made under the penalties for perjury.

IN WITNESS WHEREOF, the Corporation has caused these Articles of Amendment and Restatement to be signed in its name and on its behalf by its Chief Executive Officer and President and attested to by its General Counsel and Secretary on this ___ day of _____, 2015.

ATTEST:

_____
Name: Trevor K. Ross
Title: General Counsel and Secretary

NORTHSTAR REALTY EUROPE CORP.

By: _____(SEAL)
Name: Mahbod Nia
Title: Chief Executive Officer and President

Exhibit 3.2

NORTHSTAR REALTY EUROPE CORP.

BYLAWS

Adopted as of June 18, 2015

ARTICLE I

OFFICES

Section 1. PRINCIPAL OFFICE. The principal office of the Corporation in the State of Maryland shall be located at such place as the Board of Directors may designate.

Section 2. ADDITIONAL OFFICES. The Corporation may have additional offices, including a principal executive office, at such places as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II

MEETINGS OF STOCKHOLDERS

Section 1. PLACE. All meetings of stockholders shall be held at the principal executive office of the Corporation or at such other place as shall be set in accordance with these Bylaws and stated in the notice of the meeting.

Section 2. ANNUAL MEETING. An annual meeting of stockholders for the election of directors and the transaction of any business within the powers of the Corporation shall be held on the date and at the time and place set by the Board of Directors.

Section 3. SPECIAL MEETINGS.

(a) General. Each of the chairman of the board, chief executive officer, president and Board of Directors may call a special meeting of stockholders. Except as provided in subsection (b)(4) of this Section 3, a special meeting of stockholders shall be held on the date and at the time and place set by the chairman of the board, chief executive officer, president or Board of Directors, whoever has called the meeting. Subject to subsection (b) of this Section 3, a special meeting of stockholders shall also be called by the secretary of the Corporation to act on

any matter that may properly be considered at a meeting of stockholders upon the written request of stockholders entitled to cast not less than a majority of all the votes entitled to be cast on such matter at such meeting.

(b) Stockholder- Requested Special Meetings. (1) Any stockholder of record seeking to have stockholders request a special meeting shall, by sending written notice to the secretary (the "Record Date Request Notice") by registered mail, return receipt requested, request the Board of Directors to fix a record date to determine the stockholders entitled to request a special meeting (the "Request Record Date"). The Record Date Request Notice shall set forth the purpose of the meeting and the matters proposed to be acted on at it, shall be signed by one or more stockholders of record as of the date of signature (or their agents duly authorized in a writing accompanying the Record Date Request Notice), shall bear the date of signature of each such stockholder (or such agent) and shall set forth all information relating to each such stockholder and each matter proposed to be acted on at the meeting that would be required to be disclosed in connection with the solicitation of proxies for the election of directors in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such a solicitation, in each case pursuant to Regulation 14A (or any successor provision) under the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the "Exchange Act"). Upon receiving the Record Date Request Notice, the Board of Directors may fix a Request Record Date. The Request Record Date shall not precede and shall not be more than ten days after the close of business on the date on which the resolution fixing the Request Record Date is adopted by the Board of Directors. If the Board of Directors, within ten days after the date on which a valid Record Date Request Notice is received, fails to adopt a resolution fixing the Request Record Date, the Request Record Date shall be the close of business on the tenth day after the first date on which a Record Date Request Notice is received by the secretary.

(2) In order for any stockholder to request a special meeting to act on any matter that may properly be considered at a meeting of stockholders, one or more written requests for a special meeting (collectively, the "Special Meeting Request") signed by stockholders of record (or their agents duly authorized in a writing accompanying the request) as of the Request Record Date entitled to cast not less than a majority of all of the votes entitled to be cast on such matter at such meeting (the "Special Meeting Percentage") shall be delivered to the secretary. In addition, the Special Meeting Request shall (a) set forth the purpose of the meeting and the matters proposed to be acted on at it (which shall be limited to those lawful matters set forth in the Record Date Request Notice received by the secretary), (b) bear the date of signature of each such stockholder (or such agent) signing the Special Meeting Request, (c)

set forth (i) the name and address, as they appear in the Corporation's books, of each stockholder signing such request (or on whose behalf the Special Meeting Request is signed), (ii) the class, series and number of all shares of stock of the Corporation which are owned (beneficially or of record) by each such stockholder and (iii) the nominee holder for, and number of, shares of stock of the Corporation owned beneficially but not of record by such stockholder, (d) be sent to the secretary by registered mail, return receipt requested, and (e) be received by the secretary within 60 days after the Request Record Date. Any requesting stockholder (or agent duly authorized in an accompanying writing) may revoke his, her or its request for a special meeting at any time by written revocation delivered to the secretary.

(3) The secretary shall inform the requesting stockholders of the reasonably estimated cost of preparing and mailing or delivering the notice of the meeting (including the Corporation's proxy materials). The secretary shall not be required to call a special meeting upon stockholder request and such meeting shall not be held unless, in addition to the documents required by paragraph (2) of this Section 3(b), the secretary receives payment of such reasonably estimated cost prior to the preparation and mailing or delivery of such notice of the meeting (including the Corporation's proxy materials).

(4) In the case of any special meeting called by the secretary upon the request of stockholders (a "Stockholder-Requested Meeting"), such meeting shall be held at such place, date and time as may be designated by the Board of Directors;provided, however, that the date of any Stockholder- Requested Meeting shall be not more than 90 days after the record date for such meeting (the "Meeting Record Date"); and provided further that if the Board of Directors fails to designate, within ten days after the date that a valid Special Meeting Request is actually received by the secretary (the "Delivery Date"), a date and time for a Stockholder- Requested Meeting, then such meeting shall be held at 2:00 p.m., local time, on the 90th day after the Meeting Record Date or, if such 90th day is not a Business Day (as defined below), on the first preceding Business Day; and provided further that in the event that the Board of Directors fails to designate a place for a Stockholder- Requested Meeting within ten days after the Delivery Date, then such meeting shall be held at the principal executive office of the Corporation. In fixing a date for a Stockholder- Requested Meeting, the Board of Directors may consider such factors as it deems relevant, including, without limitation, the nature of the matters to be considered, the facts and circumstances surrounding any request for the meeting and any plan of the Board of Directors to call an annual meeting or a special meeting. In the case of any Stockholder- Requested Meeting, if the Board of Directors fails to fix a Meeting Record Date that is a date within 30 days after the Delivery Date, then the close of business on the 30th day after the Delivery Date shall be the Meeting Record Date. The Board of Directors may revoke the

notice for any Stockholder- Requested Meeting in the event that the requesting stockholders fail to comply with the provisions of paragraph (3) of this Section 3(b).

(5) If written revocations of the Special Meeting Request have been delivered to the secretary and the result is that stockholders of record (or their agents duly authorized in writing), as of the Request Record Date, entitled to cast less than the Special Meeting Percentage have delivered, and not revoked, requests for a special meeting on the matter to the secretary: (i) if the notice of meeting has not already been delivered, the secretary shall refrain from delivering the notice of the meeting and send to all requesting stockholders who have not revoked such requests written notice of any revocation of a request for a special meeting on the matter, or (ii) if the notice of meeting has been delivered and if the secretary first sends to all requesting stockholders who have not revoked requests for a special meeting on the matter written notice of any revocation of a request for the special meeting and written notice of the Corporation's intention to revoke the notice of the meeting or for the chairman of the meeting to adjourn the meeting without action on the matter, (A) the secretary may revoke the notice of the meeting at any time before ten days before the commencement of the meeting or (B) the chairman of the meeting may call the meeting to order and adjourn the meeting without acting on the matter. Any request for a special meeting received after a revocation by the secretary of a notice of a meeting shall be considered a request for a new special meeting.

(6) The chairman of the board, chief executive officer, president or Board of Directors may appoint regionally or nationally recognized independent inspectors of elections to act as the agent of the Corporation for the purpose of promptly performing a ministerial review of the validity of any purported Special Meeting Request received by the secretary. For the purpose of permitting the inspectors to perform such review, no such purported Special Meeting Request shall be deemed to have been received by the secretary until the earlier of (i) five Business Days after actual receipt by the secretary of such purported request and (ii) such date as the independent inspectors certify to the Corporation that the valid requests received by the secretary represent, as of the Request Record Date, stockholders of record entitled to cast not less than the Special Meeting Percentage. Nothing contained in this paragraph (6) shall in any way be construed to suggest or imply that the Corporation or any stockholder shall not be entitled to contest the validity of any request, whether during or after such five Business Day period, or to take any other action (including, without limitation, the commencement, prosecution or defense of any litigation with respect thereto, and the seeking of injunctive relief in such litigation).

(7) For purposes of these Bylaws, "Business Day" shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close.

Section 4. NOTICE. Not less than ten nor more than 90 days before each meeting of stockholders, the secretary shall give to each stockholder entitled to vote at such meeting and to each stockholder not entitled to vote who is entitled to notice of the meeting notice in writing or by electronic transmission stating the time and place of the meeting and, in the case of a special meeting or as otherwise may be required by any statute, the purpose for which the meeting is called, by mail, by presenting it to such stockholder personally, by leaving it at the stockholder's residence or usual place of business, by electronic transmission or by any other means permitted by Maryland law. If mailed, such notice shall be deemed to be given when deposited in the United States mail addressed to the stockholder at the stockholder's address as it appears on the records of the Corporation, with postage thereon prepaid. If transmitted electronically, such notice shall be deemed to be given when transmitted to the stockholder by an electronic transmission to any address or number of the stockholder at which the stockholder receives electronic transmissions. The Corporation may give a single notice to all stockholders who share an address, which single notice shall be effective as to any stockholder at such address, unless such stockholder objects to receiving such single notice or revokes a prior consent to receiving such single notice. Failure to give notice of any meeting to one or more stockholders, or any irregularity in such notice, shall not affect the validity of any meeting fixed in accordance with this Article II or the validity of any proceedings at any such meeting.

Subject to Section 11(a) of this Article II, any business of the Corporation may be transacted at an annual meeting of stockholders without being specifically designated in the notice, except such business as is required by any statute to be stated in such notice. No business shall be transacted at a special meeting of stockholders except as specifically designated in the notice. The Corporation may postpone or cancel a meeting of stockholders by making a public announcement (as defined in Section 11(c)(3) of this Article II) of such postponement or cancellation prior to the meeting. Notice of the date, time and place to which the meeting is postponed shall be given not less than ten days prior to such date and otherwise in the manner set forth in this section.

Section 5. ORGANIZATION AND CONDUCT. Every meeting of stockholders shall be conducted by an individual appointed by the Board of Directors to be chairman of the meeting or, in the absence of such appointment or appointed individual, by the chairman of the

board or, in the case of a vacancy in the office or absence of the chairman of the board, by one of the following officers present at the meeting in the following order: the vice chairman of the board, if there is one, the chief executive officer, the president, the vice presidents in their order of rank and, within each rank, in their order of seniority, the secretary, or, in the absence of such officers, a chairman chosen by the stockholders by the vote of a majority of the votes cast by stockholders present in person or by proxy. The secretary, or, in the case of a vacancy in the office or absence of the secretary, an assistant secretary, or, in the case of a vacancy in the office of assistant secretary or the absence of both the secretary and all assistant secretaries, an individual appointed by the Board of Directors or, in the absence of such appointment, an individual appointed by the chairman of the meeting shall act as secretary. In the event that the secretary presides at a meeting of stockholders, an assistant secretary, or, in the absence of all assistant secretaries, an individual appointed by the Board of Directors or the chairman of the meeting, shall record the minutes of the meeting. The order of business and all other matters of procedure at any meeting of stockholders shall be determined by the chairman of the meeting. The chairman of the meeting may prescribe such rules, regulations and procedures and take such action as, in the discretion of the chairman and without any action by the stockholders, are appropriate for the proper conduct of the meeting, including, without limitation, (a) restricting admission to the time set for the commencement of the meeting; (b) limiting attendance at the meeting to stockholders of record of the Corporation, their duly authorized proxies and such other individuals as the chairman of the meeting may determine; (c) limiting participation at the meeting on any matter to stockholders of record of the Corporation entitled to vote on such matter, their duly authorized proxies and other such individuals as the chairman of the meeting may determine; (d) limiting the time allotted to questions or comments; (e) determining when and for how long the polls should be opened and when the polls should be closed; (f) maintaining order and security at the meeting; (g) removing any stockholder or any other individual who refuses to comply with meeting procedures, rules or guidelines as set forth by the chairman of the meeting; (h) concluding a meeting or recessing or adjourning the meeting, whether or not a quorum is present, to a later date and time and at a place announced at the meeting; and (i) complying with any state and local laws and regulations concerning safety and security. Unless otherwise determined by the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

Section 6. QUORUM. At any meeting of stockholders, the presence in person or by proxy of stockholders entitled to cast a majority of all the votes entitled to be cast at such meeting on any matter shall constitute a quorum; but this section shall not affect any requirement under any statute or the charter of the Corporation for the vote necessary for the approval of any matter. If such quorum is not established at any meeting of the stockholders, the chairman of the

meeting may adjourn the meeting sine die or from time to time to a date not more than 120 days after the original record date without notice other than announcement at the meeting. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

The stockholders present either in person or by proxy, at a meeting which has been duly called and at which a quorum has been established, may continue to transact business until adjournment, notwithstanding the withdrawal from the meeting of enough stockholders to leave fewer than would be required to establish a quorum.

Section 7. VOTING. A plurality of all the votes cast at a meeting of stockholders duly called and at which a quorum is present shall be sufficient to elect a director. Each share may be voted for as many individuals as there are directors to be elected and for whose election the holder is entitled to vote. A majority of the votes cast at a meeting of stockholders duly called and at which a quorum is present shall be sufficient to approve any other matter which may properly come before the meeting, unless more than a majority of the votes cast is required by statute or by the charter of the Corporation. Unless otherwise provided by statute or by the charter, each outstanding share, regardless of class, entitles the holder thereof to cast one vote on each matter submitted to a vote at a meeting of stockholders. Voting on any question or in any election may be viva voce unless the chairman of the meeting shall order that voting be by ballot or otherwise.

Section 8. PROXIES. A holder of record of shares of stock of the Corporation may cast votes in person or by proxy executed by the stockholder or by the stockholder's duly authorized agent in any manner permitted by law. Such proxy or evidence of authorization of such proxy shall be filed with the secretary of the Corporation before or at the meeting. No proxy shall be valid more than eleven months after its date unless otherwise provided in the proxy.

Section 9. VOTING OF STOCK BY CERTAIN HOLDERS. Stock of the Corporation registered in the name of a corporation, partnership, trust, limited liability company or other entity, if entitled to be voted, may be voted by the president or a vice president, general partner, trustee or managing member thereof, as the case may be, or a proxy appointed by any of the foregoing individuals, unless some other person who has been appointed to vote such stock pursuant to a bylaw or a resolution of the governing body of such corporation or other entity or agreement of the partners of a partnership presents a certified copy of such bylaw, resolution or agreement, in which case such person may vote such stock. Stock of the Corporation registered

in the name of a fiduciary may be voted by such fiduciary in such fiduciary's capacity, either in person or by proxy.

Shares of stock of the Corporation directly or indirectly owned by it shall not be voted at any meeting and shall not be counted in determining the total number of outstanding shares entitled to be voted at any given time, unless they are held by it in a fiduciary capacity, in which case they may be voted and shall be counted in determining the total number of outstanding shares at any given time.

The Board of Directors may adopt by resolution a procedure by which a stockholder may certify in writing to the Corporation that any shares of stock registered in the name of the stockholder are held for the account of a specified person other than the stockholder. The resolution shall set forth the class of stockholders who may make the certification, the purpose for which the certification may be made, the form of certification and the information to be contained in it; if the certification is with respect to a record date, the time after the record date within which the certification must be received by the Corporation; and any other provisions with respect to the procedure which the Board of Directors considers necessary or desirable. On receipt by the Corporation of such certification, the person specified in the certification shall be regarded as, for the purposes set forth in the certification, the holder of record of the specified stock in place of the stockholder who makes the certification.

Section 10. INSPECTORS. The Board of Directors or the chairman of the meeting may appoint, before or at the meeting, one or more inspectors for the meeting and any successor to the inspector. Except as otherwise provided by the chairman of the meeting, the inspectors, if any, shall (i) determine the number of shares of stock represented at the meeting, in person or by proxy, and the validity and effect of proxies, (ii) receive and tabulate all votes, ballots or consents, (iii) report such tabulation to the chairman of the meeting, (iv) hear and determine all challenges and questions arising in connection with the right to vote, and (v) do such acts as are proper to fairly conduct the election or vote. Each such report shall be in writing and signed by the inspector or by a majority of them if there is more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors. The report of the inspector or inspectors on the number of shares represented at the meeting and the results of the voting shall be prima facie evidence thereof.

Section 11. ADVANCE NOTICE OF STOCKHOLDER NOMINEES FOR DIRECTOR AND OTHER STOCKHOLDER PROPOSALS.

(a) Annual Meetings of Stockholders. (1) Nominations of individuals for election to the Board of Directors and the proposal of other business to be considered by the stockholders may be made at an annual meeting of stockholders (i) pursuant to the Corporation's notice of meeting, (ii) by or at the direction of the Board of Directors or (iii) by any stockholder of the Corporation who was a stockholder of record as of the record date set by the Board of Directors for the purpose of determining stockholders entitled to vote at the annual meeting, at the time of giving of notice by the stockholder as provided for in this Section 11(a) and at the time of the annual meeting, who is entitled to vote at the meeting in the election of each individual so nominated or on any such other business and who has complied with this Section 11(a).

(2) For any nomination or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of paragraph (a)(1) of this Section 11, the stockholder must have given timely notice thereof in writing to the secretary of the Corporation and any such other business must otherwise be a proper matter for action by the stockholders. To be timely, a stockholder's notice shall set forth all information required under this Section 11 and shall be delivered to the secretary at the principal executive office of the Corporation not earlier than the 150th day nor later than 5:00 p.m., Eastern Time, on the 120th day prior to the first anniversary of the date of the proxy statement (as defined in Section 11(c)(3) of this Article II) for the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced or delayed by more than 30 days from the first anniversary of the date of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not earlier than the 150th day prior to the date of such annual meeting and not later than 5:00 p.m., Eastern Time, on the later of the 120th day prior to the date of such annual meeting, as originally convened, or the tenth day following the day on which public announcement of the date of such meeting is first made. The public announcement of a postponement or adjournment of an annual meeting shall not commence a new time period for the giving of a stockholder's notice as described above.

(3) Such stockholder's notice shall set forth:

(i) as to each individual whom the stockholder proposes to nominate for election or reelection as a director (each, a "Proposed Nominee"), all information relating to the Proposed Nominee that would be required to be disclosed in connection with the

solicitation of proxies for the election of the Proposed Nominee as a director in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such solicitation, in each case pursuant to Regulation 14A (or any successor provision) under the Exchange Act;

(ii) as to any other business that the stockholder proposes to bring before the meeting, a description of such business, the stockholder's reasons for proposing such business at the meeting and any material interest in such business of such stockholder or any Stockholder Associated Person (as defined below), individually or in the aggregate, including any anticipated benefit to the stockholder or the Stockholder Associated Person therefrom;

(iii) as to the stockholder giving the notice, any Proposed Nominee and any Stockholder Associated Person,

(A) the class, series and number of all shares of stock or other securities of the Corporation or any affiliate thereof (collectively, the "Company Securities"), if any, which are owned (beneficially or of record) by such stockholder, Proposed Nominee or Stockholder Associated Person, the date on which each such Company Security was acquired and the investment intent of such acquisition,

(B) the nominee holder for, and number of, any Company Securities owned beneficially but not of record by such stockholder, Proposed Nominee or Stockholder Associated Person**,** and

(C) whether and the extent to which such stockholder, Proposed Nominee or Stockholder Associated Person, directly or indirectly (through brokers, nominees or otherwise), is subject to or since the most recent annual meeting of stockholders of the Company has engaged in any hedging, derivative or other transaction or series of transactions or entered into any other agreement, arrangement or understanding (including any short interest, any borrowing or lending of securities or any proxy or voting agreement), the effect or intent of which is to (I) manage risk or benefit of changes in the price of Company Securities or (II) increase or decrease the voting power of such stockholder, Proposed Nominee or Stockholder Associated Person in the Corporation or any affiliate thereof disproportionately to such person's economic interest in the Company Securities; and

(D) any substantial interest, direct or indirect (including, without limitation, any existing or prospective commercial, business or contractual relationship with the Corporation), by security holdings or otherwise, of such stockholder, Proposed Nominee or Stockholder Associated Person, in the Corporation or any affiliate thereof, other than an interest arising from the ownership of Company Securities where such stockholder, Proposed Nominee or Stockholder Associated Person receives no extra or special benefit not shared on a pro rata basis by all other holders of the same class or series;

(iv) as to the stockholder giving the notice, any Stockholder Associated Person with an interest or ownership referred to in clauses (ii) or (iii) of this paragraph (3) of this Section 11(a) and any Proposed Nominee,

(A) the name and address of such stockholder, as they appear on the Corporation's stock ledger, and the current name and business address, if different, of each such Stockholder Associated Person and any Proposed Nominee and

(B) the investment strategy or objective, if any, of such stockholder and each such Stockholder Associated Person who is not an individual and a copy of the prospectus, offering memorandum or similar document, if any, provided to investors or potential investors in such stockholder and each such Stockholder Associated Person;

(v) the name and address of any person who contacted or was contacted by the stockholder giving the notice or any Stockholder Associated Person about the Proposed Nominee or other business proposal prior to the date of such stockholder's notice; and

(vi) to the extent known by the stockholder giving the notice, the name and address of any other stockholder supporting the nominee for election or reelection as a director or the proposal of other business on the date of such stockholder's notice.

(4) Such stockholder's notice shall, with respect to any Proposed Nominee, be accompanied by a certificate executed by the Proposed Nominee (i) certifying that such Proposed Nominee (a) is not, and will not become, a party to any agreement, arrangement or understanding with any person or entity other than the Corporation in connection with service or action as a director that has not been disclosed to the Corporation and (b) will serve as a director of the Corporation if elected; and (ii) attaching a completed Proposed Nominee questionnaire (which questionnaire shall be provided by the Corporation, upon request, to the stockholder providing the notice and shall include all information relating to the Proposed Nominee that would be required to be disclosed in connection with the solicitation of proxies for

the election of the Proposed Nominee as a director in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such solicitation, in each case pursuant to Regulation 14A (or any successor provision) under the Exchange Act, or would be required pursuant to the rules of any national securities exchange on which any securities of the Corporation are listed or over- the- counter market on which any securities of the Corporation are traded).

(5) Notwithstanding anything in this subsection (a) of this Section 11 to the contrary, in the event that the number of directors to be elected to the Board of Directors is increased, and there is no public announcement of such action at least 130 days prior to the first anniversary of the date of the proxy statement (as defined in Section 11(c)(3) of this Article II) for the preceding year's annual meeting, a stockholder's notice required by this Section 11(a) shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the secretary at the principal executive office of the Corporation not later than 5:00 p.m., Eastern Time, on the tenth day following the day on which such public announcement is first made by the Corporation.

(6) For purposes of this Section 11, "Stockholder Associated Person" of any stockholder shall mean (i) any person acting in concert with such stockholder, (ii) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such stockholder and (iii) any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such stockholder or such Stockholder Associated Person.

(b) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of individuals for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected only (i) by or at the direction of the Board of Directors or (ii) provided that the special meeting has been called in accordance with Section 3(a) of this Article II for the purpose of electing directors, by any stockholder of the Corporation who is a stockholder of record as of the record date set by the Board of Directors for the purpose of determining stockholders entitled to vote at the special meeting, at the time of giving of notice provided for in this Section 11 and at the time of the special meeting, who is entitled to vote at the meeting in the election of each individual so nominated and who has complied with the notice procedures set forth in this Section 11. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more individuals to the Board of Directors, any stockholder may nominate an individual or

individuals (as the case may be) for election as a director as specified in the Corporation's notice of meeting, if the stockholder's notice, containing and accompanied by the information required by paragraphs (a)(3) and (a)(4) of this Section 11, is delivered to the secretary at the principal executive office of the Corporation not earlier than the 120th day prior to such special meeting and not later than 5:00 p.m., Eastern Time, on the later of the 90th day prior to such special meeting or the tenth day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. The public announcement of a postponement or adjournment of a special meeting shall not commence a new time period for the giving of a stockholder's notice as described above.

(c) General. (1) If information submitted pursuant to this Section 11 by any stockholder proposing a nominee for election as a director or any proposal for other business at a meeting of stockholders shall be inaccurate in any material respect, such information may be deemed not to have been provided in accordance with this Section 11. Any such stockholder shall notify the Corporation of any inaccuracy or change (within two Business Days of becoming aware of such inaccuracy or change) in any such information. Upon written request by the secretary or the Board of Directors, any such stockholder shall provide, within five Business Days of delivery of such request (or such other period as may be specified in such request), (A) written verification, satisfactory, in the discretion of the Board of Directors or any authorized officer of the Corporation, to demonstrate the accuracy of any information submitted by the stockholder pursuant to this Section 11, and (B) a written update of any information (including, if requested by the Corporation, written confirmation by such stockholder that it continues to intend to bring such nomination or other business proposal before the meeting) submitted by the stockholder pursuant to this Section 11 as of an earlier date. If a stockholder fails to provide such notification, written verification or written update within the applicable time period, the information as to which notification, written verification or a written update was required may be deemed not to have been provided in accordance with this Section 11.

(2) Only such individuals who are nominated in accordance with this Section 11 shall be eligible for election by stockholders as directors, and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with this Section 11. The chairman of the meeting shall have the power to determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with this Section 11.

(3) For purposes of this Section 11, "the date of the proxy statement" shall have the same meaning as "the date of the company's proxy statement released to shareholders" as used in Rule 14a- 8(e) promulgated under the Exchange Act, as interpreted by the Securities and Exchange Commission from time to time. "Public announcement" shall mean disclosure (A) in a press release reported by the Dow Jones News Service, Associated Press, Business Wire, PR Newswire or other widely circulated news or wire service or (B) in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to the Exchange Act.

(4) Notwithstanding the foregoing provisions of this Section 11, a stockholder shall also comply with all applicable requirements of state law and of the Exchange Act with respect to the matters set forth in this Section 11. Nothing in this Section 11 shall be deemed to apply to or otherwise affect any right of a stockholder to request inclusion of a proposal in, or the right of the Corporation to omit a proposal from, the Corporation's proxy statement pursuant to Rule 14a- 8 (or any successor provision) under the Exchange Act. Nothing in this Section 11 shall require disclosure of revocable proxies received by the stockholder or Stockholder Associated Person pursuant to a solicitation of proxies after the filing of an effective Schedule 14A by such stockholder or Stockholder Associated Person under Section 14(a) of the Exchange Act.

Section 12. CONTROL SHARE ACQUISITION ACT. Notwithstanding any other provision of the charter of the Corporation or these Bylaws, Title 3, Subtitle 7 of the Maryland General Corporation Law, or any successor statute (the "MGCL"), shall not apply to any acquisition by any person of shares of stock of the Corporation. This section may be repealed, in whole or in part, at any time, whether before or after an acquisition of control shares and, upon such repeal, may, to the extent provided by any successor bylaw, apply to any prior or subsequent control share acquisition.

ARTICLE III

DIRECTORS

Section 1. GENERAL POWERS. The business and affairs of the Corporation shall be managed under the direction of its Board of Directors.

Section 2. NUMBER, TENURE AND RESIGNATION. At any regular meeting or at any special meeting called for that purpose, a majority of the entire Board of Directors may

establish, increase or decrease the number of directors, provided that the number thereof shall never be less than the minimum number required by the Maryland General Corporation Law (the "MGCL"), nor more than 15, and further provided that the tenure of office of a director shall not be affected by any decrease in the number of directors. Any director of the Corporation may resign at any time by delivering his or her resignation to the Board of Directors, the chairman of the board or the secretary. Any resignation shall take effect immediately upon its receipt or at such later time specified in the resignation. The acceptance of a resignation shall not be necessary to make it effective unless otherwise stated in the resignation.

Section 3. ANNUAL AND REGULAR MEETINGS. An annual meeting of the Board of Directors shall be held immediately after and at the same place as the annual meeting of stockholders, no notice other than this Bylaw being necessary. In the event such meeting is not so held, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors. The Board of Directors may provide, by resolution, the time and place for the holding of regular meetings of the Board of Directors without other notice than such resolution.

Section 4. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the chairman of the board, the chief executive officer, the president or a majority of the directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix any place as the place for holding any special meeting of the Board of Directors called by them. The Board of Directors may provide, by resolution, the time and place for the holding of special meetings of the Board of Directors without other notice than such resolution.

Section 5. NOTICE. Notice of any special meeting of the Board of Directors shall be delivered personally or by telephone, electronic mail, facsimile transmission, courier or United States mail to each director at his or her business or residence address. Notice by personal delivery, telephone, electronic mail or facsimile transmission shall be given at least 24 hours prior to the meeting. Notice by United States mail shall be given at least three days prior to the meeting. Notice by courier shall be given at least two days prior to the meeting. Telephone notice shall be deemed to be given when the director or his or her agent is personally given such notice in a telephone call to which the director or his or her agent is a party. Electronic mail notice shall be deemed to be given upon transmission of the message to the electronic mail address given to the Corporation by the director. Facsimile transmission notice shall be deemed to be given upon completion of the transmission of the message to the number given to the Corporation by the director and receipt of a completed answer-back indicating

receipt. Notice by United States mail shall be deemed to be given when deposited in the United States mail properly addressed, with postage thereon prepaid. Notice by courier shall be deemed to be given when deposited with or delivered to a courier properly addressed. Neither the business to be transacted at, nor the purpose of, any annual, regular or special meeting of the Board of Directors need be stated in the notice, unless specifically required by statute or these Bylaws.

Section 6. QUORUM. A majority of the directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided that, if less than a majority of such directors is present at such meeting, a majority of the directors present may adjourn the meeting from time to time without further notice, and provided further that if, pursuant to applicable law, the charter of the Corporation or these Bylaws, the vote of a majority or other percentage of a particular group of directors is required for action, a quorum must also include a majority or such other percentage of such group.

The directors present at a meeting which has been duly called and at which a quorum has been established may continue to transact business until adjournment, notwithstanding the withdrawal from the meeting of enough directors to leave fewer than required to establish a quorum.

Section 7. VOTING. The action of a majority of the directors present at a meeting at which a quorum is present shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable law, the charter or these Bylaws. If enough directors have withdrawn from a meeting to leave fewer than required to establish a quorum, but the meeting is not adjourned, the action of the majority of that number of directors necessary to constitute a quorum at such meeting shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable law, the charter of the Corporation or these Bylaws.

Section 8. ORGANIZATION. At each meeting of the Board of Directors, the chairman of the board or, in the absence of the chairman, the vice chairman of the board, if any, shall act as chairman of the meeting. In the absence of both the chairman and vice chairman of the board, the chief executive officer or, in the absence of the chief executive officer, the president or, in the absence of the president, a director chosen by a majority of the directors present, shall act as chairman of the meeting. The secretary or, in his or her absence, an assistant secretary of the Corporation, or, in the absence of the secretary and all assistant secretaries, an individual appointed by the chairman of the meeting, shall act as secretary of the meeting.

Section 9. TELEPHONE MEETINGS. Directors may participate in a meeting by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 10. CONSENT BY DIRECTORS WITHOUT A MEETING. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if a consent in writing or by electronic transmission to such action is given by each director and is filed with the minutes of proceedings of the Board of Directors.

Section 11. VACANCIES. If for any reason any or all the directors cease to be directors, such event shall not terminate the Corporation or affect these Bylaws or the powers of the remaining directors hereunder. Except as may be provided by the Board of Directors in setting the terms of any class or series of preferred stock, any vacancy on the Board of Directors may be filled only by a majority of the remaining directors, even if the remaining directors do not constitute a quorum. Any director elected to fill a vacancy shall serve for the remainder of the full term of the class in which the vacancy occurred and until a successor is elected and qualifies.

Section 12. COMPENSATION. Directors shall not receive any stated salary for their services as directors but, by resolution of the Board of Directors, may receive compensation per year and/or per meeting and/or per visit to real property or other facilities owned or leased by the Corporation and for any service or activity they performed or engaged in as directors. Directors may be reimbursed for expenses of attendance, if any, at each annual, regular or special meeting of the Board of Directors or of any committee thereof and for their expenses, if any, in connection with each property visit and any other service or activity they perform or engage in as directors; but nothing herein contained shall be construed to preclude any directors from serving the Corporation in any other capacity and receiving compensation therefor.

Section 13. RELIANCE. Each director and officer of the Corporation shall, in the performance of his or her duties with respect to the Corporation, be entitled to rely on any information, opinion, report or statement, including any financial statement or other financial data, prepared or presented by an officer or employee of the Corporation whom the director or officer reasonably believes to be reliable and competent in the matters presented, by a lawyer, certified public accountant or other person, as to a matter which the director or officer reasonably believes to be within the person's professional or expert competence, or, with respect to a

director, by a committee of the Board of Directors on which the director does not serve, as to a matter within its designated authority, if the director reasonably believes the committee to merit confidence.

Section 14. CERTAIN RIGHTS OF DIRECTORS AND OFFICERS. The directors shall have no responsibility to devote their full time to the affairs of the Corporation. Any director or officer, in his or her personal capacity or in a capacity as an affiliate, employee, or agent of any other person, or otherwise, may have business interests and engage in business activities similar to, in addition to or in competition with those of or relating to the Corporation.

Section 15. RATIFICATION. The Board of Directors or the stockholders may ratify and make binding on the Corporation any action or inaction by the Corporation or its officers to the extent that the Board of Directors or the stockholders could have originally authorized the matter. Moreover, any action or inaction questioned in any stockholders' derivative proceeding or any other proceeding on the ground of lack of authority, defective or irregular execution, adverse interest of a director, officer or stockholder, non- disclosure, miscomputation, the application of improper principles or practices of accounting or otherwise, may be ratified, before or after judgment, by the Board of Directors or by the stockholders, and if so ratified, shall have the same force and effect as if the questioned action or inaction had been originally duly authorized, and such ratification shall be binding upon the Corporation and its stockholders and shall constitute a bar to any claim or execution of any judgment in respect of such questioned action or inaction.

Section 16. EMERGENCY PROVISIONS. Notwithstanding any other provision in the charter or these Bylaws, this Section 16 shall apply during the existence of any catastrophe, or other similar emergency condition, as a result of which a quorum of the Board of Directors under Article III of these Bylaws cannot readily be obtained (an "Emergency"). During any Emergency, unless otherwise provided by the Board of Directors, (i) a meeting of the Board of Directors or a committee thereof may be called by any director or officer by any means feasible under the circumstances; (ii) notice of any meeting of the Board of Directors during such an Emergency may be given less than 24 hours prior to the meeting to as many directors and by such means as may be feasible at the time, including publication, television or radio; and (iii) the number of directors necessary to constitute a quorum shall be one- third of the entire Board of Directors.

ARTICLE IV

COMMITTEES

Section 1. NUMBER, TENURE AND QUALIFICATIONS. The Board of Directors may appoint from among its members an Executive Committee, an Audit Committee, a Compensation Committee, and other committees, composed of one or more directors, to serve at the pleasure of the Board of Directors.

Section 2. POWERS. The Board of Directors may delegate to committees appointed under Section 1 of this Article any of the powers of the Board of Directors, except as prohibited by law.

Section 3. MEETINGS. Notice of committee meetings shall be given in the same manner as notice for special meetings of the Board of Directors. A majority of the members of the committee shall constitute a quorum for the transaction of business at any meeting of the committee. Unless the Board of Directors prescribes voting rules to the contrary, the act of a majority of the committee members present at a meeting shall be the act of such committee. The Board of Directors may designate a chairman of any committee, and such chairman or, in the absence of a chairman, any two members of any committee (if there are at least two members of the committee) may fix the time and place of its meeting unless the Board shall otherwise provide. In the absence of any member of any such committee, the members thereof present at any meeting, whether or not they constitute a quorum, may appoint another director to act in the place of such absent member.

Section 4. TELEPHONE MEETINGS. Members of a committee of the Board of Directors may participate in a meeting by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 5. CONSENT BY COMMITTEES WITHOUT A MEETING. Any action required or permitted to be taken at any meeting of a committee of the Board of Directors may be taken without a meeting, if a consent in writing or by electronic transmission to such action is given by each member of the committee and is filed with the minutes of proceedings of such committee.

Section 6. VACANCIES. Subject to the provisions hereof, the Board of Directors shall have the power at any time to change the membership of any committee, to fill any vacancy, to designate an alternate member to replace any absent or disqualified member or to dissolve any such committee.

ARTICLE V

OFFICERS

Section 1. GENERAL PROVISIONS. The officers of the Corporation shall include a president, a secretary and a treasurer and may include a chairman of the board, a vice chairman of the board, a chief executive officer, one or more vice presidents, a chief operating officer, a chief financial officer, one or more assistant secretaries and one or more assistant treasurers. In addition, the Board of Directors may from time to time elect such other officers with such powers and duties as it shall deem necessary or desirable. The officers of the Corporation shall be elected annually by the Board of Directors, except that the chief executive officer or president may from time to time appoint one or more vice presidents, assistant secretaries and assistant treasurers or other officers. The Board of Directors may elect, or the chief executive officer may appoint, as the case may be, one or more persons to each office. Each officer shall serve until his or her successor is elected and qualifies or until his or her death, or his or her resignation or removal in the manner hereinafter provided. Any two or more offices except president and vice president may be held by the same person. Election of an officer or agent shall not of itself create contract rights between the Corporation and such officer or agent.

Section 2. REMOVAL AND RESIGNATION. Any officer or agent of the Corporation may be removed, with or without cause, by the Board of Directors if in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer of the Corporation may resign at any time by delivering his or her resignation to the Board of Directors, the chairman of the board, the chief executive officer, the president or the secretary. Any resignation shall take effect immediately upon its receipt or at such later time specified in the resignation. The acceptance of a resignation shall not be necessary to make it effective unless otherwise stated in the resignation. Such resignation shall be without prejudice to the contract rights, if any, of the Corporation.

Section 3. VACANCIES. A vacancy in any office may be filled by the Board of Directors for the balance of the term.

Section 4. CHAIRMAN OF THE BOARD. The Board of Directors may designate from among its members a chairman of the board, who shall not, solely by reason of these Bylaws, be an officer of the Corporation. The Board of Directors may designate the chairman of the board as an executive or non- executive chairman. The chairman of the board shall preside over the meetings of the Board of Directors. The chairman of the board shall perform such other duties as may be assigned to him or her by these Bylaws or the Board of Directors.

Section 5. CHIEF EXECUTIVE OFFICER. The Board of Directors may designate a chief executive officer. In the absence of such designation, the chairman of the board shall be the chief executive officer of the Corporation. The chief executive officer shall have general responsibility for implementation of the policies of the Corporation, as determined by the Board of Directors, and for the management of the business and affairs of the Corporation. He or she may execute any deed, mortgage, bond, contract or other instrument, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise executed; and in general shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. CHIEF OPERATING OFFICER. The Board of Directors may designate a chief operating officer. The chief operating officer shall have the responsibilities and duties as determined by the Board of Directors or the chief executive officer.

Section 7. CHIEF FINANCIAL OFFICER. The Board of Directors may designate a chief financial officer. The chief financial officer shall have the responsibilities and duties as determined by the Board of Directors or the chief executive officer.

Section 8. PRESIDENT. In the absence of a chief executive officer, the president shall in general supervise and control all of the business and affairs of the Corporation. In the absence of a designation of a chief operating officer by the Board of Directors, the president shall be the chief operating officer. He or she may execute any deed, mortgage, bond, contract or other instrument, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

Section 9. VICE PRESIDENTS. In the absence of the president or in the event of a vacancy in such office, the vice president (or in the event there be more than one vice president, the vice presidents in the order designated at the time of their election or, in the absence of any designation, then in the order of their election) shall perform the duties of the president and when so acting shall have all the powers of and be subject to all the restrictions upon the president; and shall perform such other duties as from time to time may be assigned to such vice president by the chief executive officer, the president or the Board of Directors. The Board of Directors may designate one or more vice presidents as executive vice president, senior vice president, or vice president for particular areas of responsibility.

Section 10. SECRETARY. The secretary shall (a) keep the minutes of the proceedings of the stockholders, the Board of Directors and committees of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation; (d) keep a register of the post office address of each stockholder which shall be furnished to the secretary by such stockholder; (e) have general charge of the stock transfer books of the Corporation; and (f) in general perform such other duties as from time to time may be assigned to him or her by the chief executive officer, the president or the Board of Directors.

Section 11. TREASURER. The treasurer shall have the custody of the funds and securities of the Corporation, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors and in general perform such other duties as from time to time may be assigned to him or her by the chief executive officer, the president or the Board of Directors. In the absence of a designation of a chief financial officer by the Board of Directors, the treasurer shall be the chief financial officer of the Corporation.

The treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the president and Board of Directors, at the regular meetings of the Board of Directors or whenever it may so require, an account of all his or her transactions as treasurer and of the financial condition of the Corporation.

Section 12. ASSISTANT SECRETARIES AND ASSISTANT TREASURERS. The assistant secretaries and assistant treasurers, in general, shall perform such duties as shall be assigned to them by the secretary or treasurer, respectively, or by the chief executive officer, the president or the Board of Directors.

Section 13. COMPENSATION. The compensation of the officers shall be fixed from time to time by or under the authority of the Board of Directors and no officer shall be prevented from receiving such compensation by reason of the fact that he or she is also a director.

ARTICLE VI

CONTRACTS, CHECKS AND DEPOSITS

Section 1. CONTRACTS. The Board of Directors may authorize any officer or agent to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances. Any agreement, deed, mortgage, lease or other document shall be valid and binding upon the Corporation when duly authorized or ratified by action of the Board of Directors and executed by an authorized person.

Section 2. CHECKS AND DRAFTS. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or agent of the Corporation in such manner as shall from time to time be determined by the Board of Directors.

Section 3. DEPOSITS. All funds of the Corporation not otherwise employed shall be deposited or invested from time to time to the credit of the Corporation as the Board of Directors, the chief executive officer, the president, the chief financial officer, or any other officer designated by the Board of Directors may determine.

ARTICLE VII

STOCK

Section 1. CERTIFICATES. Except as may be otherwise provided by the Board of Directors, stockholders of the Corporation are not entitled to certificates representing the

shares of stock held by them. In the event that the Corporation issues shares of stock represented by certificates, such certificates shall be in such form as prescribed by the Board of Directors or a duly authorized officer, shall contain the statements and information required by the MGCL and shall be signed by the officers of the Corporation in any manner permitted by the MGCL. In the event that the Corporation issues shares of stock without certificates, to the extent then required by the MGCL, the Corporation shall provide to the record holders of such shares a written statement of the information required by the MGCL to be included on stock certificates. There shall be no differences in the rights and obligations of stockholders based on whether or not their shares are represented by certificates.

Section 2. TRANSFERS. All transfers of shares of stock shall be made on the books of the Corporation, by the holder of the shares, in person or by his or her attorney, in such manner as the Board of Directors or any officer of the Corporation may prescribe and, if such shares are certificated, upon surrender of certificates duly endorsed. The issuance of a new certificate upon the transfer of certificated shares is subject to the determination of the Board of Directors that such shares shall no longer be represented by certificates. Upon the transfer of any uncertificated shares, to the extent then required by the MGCL, the Corporation shall provide to the record holders of such shares a written statement of the information required by the MGCL to be included on stock certificates.

The Corporation shall be entitled to treat the holder of record of any share of stock as the holder in fact thereof and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such share or on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise expressly provided by the laws of the State of Maryland.

Notwithstanding the foregoing, transfers of shares of any class or series of stock will be subject in all respects to the charter of the Corporation and all of the terms and conditions contained therein.

Section 3. REPLACEMENT CERTIFICATE. Any officer of the Corporation may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, destroyed, stolen or mutilated, upon the making of an affidavit of that fact by the person claiming the certificate to be lost, destroyed, stolen or mutilated; provided, however, if such shares have ceased to be certificated, no new certificate shall be issued unless requested in writing by such stockholder and the Board of Directors has determined that such certificates may be issued. Unless otherwise determined

by an officer of the Corporation, the owner of such lost, destroyed, stolen or mutilated certificate or certificates, or his or her legal representative, shall be required, as a condition precedent to the issuance of a new certificate or certificates, to give the Corporation a bond in such sums as it may direct and/or provide the Corporation with a written indemnity as indemnity against any claim that may be made against the Corporation.

Section 4. FIXING OF RECORD DATE. The Board of Directors may set, in advance, a record date for the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders or determining stockholders entitled to receive payment of any dividend or the allotment of any other rights, or in order to make a determination of stockholders for any other proper purpose. Such date, in any case, shall not be prior to the close of business on the day the record date is fixed and shall be not more than 90 days and, in the case of a meeting of stockholders, not less than ten days, before the date on which the meeting or particular action requiring such determination of stockholders of record is to be held or taken.

When a record date for the determination of stockholders entitled to notice of and to vote at any meeting of stockholders has been set as provided in this section, such record date shall continue to apply to the meeting if adjourned or postponed, except if the meeting is adjourned or postponed to a date more than 120 days after the record date originally fixed for the meeting, in which case a new record date for such meeting shall be determined as set forth herein.

Section 5. STOCK LEDGER. The Corporation shall maintain at its principal office or at the office of its counsel, accountants or transfer agent, an original or duplicate stock ledger containing the name and address of each stockholder and the number of shares of each class held by such stockholder.

Section 6. FRACTIONAL STOCK; ISSUANCE OF UNITS. The Board of Directors may authorize the Corporation to issue fractional shares of stock or authorize the issuance of scrip, all on such terms and under such conditions as it may determine. Notwithstanding any other provision of the charter or these Bylaws, the Board of Directors may authorize the issuance of units consisting of different securities of the Corporation. Any security issued in a unit shall have the same characteristics as any identical securities issued by the Corporation, except that the Board of Directors may provide that for a specified period securities of the Corporation issued in such unit may be transferred on the books of the Corporation only in such unit.

ARTICLE VIII

ACCOUNTING YEAR

The Board of Directors shall have the power, from time to time, to fix the fiscal year of the Corporation by a duly adopted resolution.

ARTICLE IX

DISTRIBUTIONS

Section 1. AUTHORIZATION. Dividends and other distributions upon the stock of the Corporation may be authorized by the Board of Directors, subject to the provisions of law and the charter of the Corporation. Dividends and other distributions may be paid in cash, property or stock of the Corporation, subject to the provisions of law and the charter.

Section 2. CONTINGENCIES. Before payment of any dividends or other distributions, there may be set aside out of any assets of the Corporation available for dividends or other distributions such sum or sums as the Board of Directors may from time to time, in its absolute discretion, think proper as a reserve fund for contingencies, for equalizing dividends or other distributions, for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors shall determine, and the Board of Directors may modify or abolish any such reserve.

ARTICLE X

INVESTMENT POLICY

Subject to the provisions of the charter of the Corporation, the Board of Directors may from time to time adopt, amend, revise or terminate any policy or policies with respect to investments by the Corporation as it shall deem appropriate in its sole discretion.

ARTICLE XI

SEAL

Section 1. SEAL. The Board of Directors may authorize the adoption of a seal by the Corporation. The seal shall contain the name of the Corporation and the year of its incorporation and the words "Incorporated Maryland." The Board of Directors may authorize one or more duplicate seals and provide for the custody thereof.

Section 2. AFFIXING SEAL. Whenever the Corporation is permitted or required to affix its seal to a document, it shall be sufficient to meet the requirements of any law, rule or regulation relating to a seal to place the word "(SEAL)" adjacent to the signature of the person authorized to execute the document on behalf of the Corporation.

ARTICLE XII

INDEMNIFICATION AND ADVANCE OF EXPENSES

To the maximum extent permitted by Maryland law in effect from time to time, the Corporation shall indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, shall pay or reimburse reasonable expenses in advance of final disposition of a proceeding to (a) any individual who is a present or former director or officer of the Corporation and who is made or threatened to be made a party to, or witness in, the proceeding by reason of his or her service in that capacity or (b) any individual who, while a director or officer of the Corporation and at the request of the Corporation, serves or has served as a director, officer, partner, trustee, member or manager of another corporation, real estate investment trust, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise and who is made or threatened to be made a party to, or witness in, the proceeding by reason of his or her service in that capacity. The rights to indemnification and advance of expenses provided by the charter of the Corporation and these Bylaws shall vest immediately upon election of a director or officer. The Corporation may, with the approval of its Board of Directors, provide such indemnification and advance for expenses to an individual who served a predecessor of the Corporation in any of the capacities described in (a) or (b) above and to any employee or agent of the Corporation or a predecessor of the Corporation. The indemnification and payment or reimbursement of expenses provided in these Bylaws shall not be deemed exclusive of or limit in any way other rights to which any person seeking

indemnification or payment or reimbursement of expenses may be or may become entitled under any bylaw, resolution, insurance, agreement or otherwise.

Neither the amendment nor repeal of this Article, nor the adoption or amendment of any other provision of the charter of the Corporation or these Bylaws inconsistent with this Article, shall apply to or affect in any respect the applicability of the preceding paragraph with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption.

ARTICLE XIII

WAIVER OF NOTICE

Whenever any notice of a meeting is required to be given pursuant to the charter of the Corporation or these Bylaws or pursuant to applicable law, a waiver thereof in writing or by electronic transmission, given by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at nor the purpose of any meeting need be set forth in the waiver of notice of such meeting, unless specifically required by statute. The attendance of any person at any meeting shall constitute a waiver of notice of such meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

ARTICLE XIV
EXCLUSIVE FORUM FOR CERTAIN LITIGATION

Unless the Corporation consents in writing to the selection of an alternative forum, the Circuit Court for Baltimore City, Maryland, or, if that Court does not have jurisdiction, the United States District Court for the District of Maryland, Baltimore Division, shall be the sole and exclusive forum for (a) any derivative action or proceeding brought on behalf of the Corporation, (b) any action asserting a claim of breach of any duty owed by any director or officer or other employee of the Corporation to the Corporation or to the stockholders of the Corporation, (c) any action asserting a claim against the Corporation or any director or officer or other employee of the Corporation arising pursuant to any provision of the MGCL or the charter or Bylaws of the Corporation, or (d) any action asserting a claim against the Corporation or any director or officer or other employee of the Corporation that is governed by the internal affairs doctrine.

ARTICLE XV

AMENDMENT OF BYLAWS

The Board of Directors shall have the exclusive power to adopt, alter or repeal any provision of these Bylaws and to make new Bylaws.

VENABLE® LLP

750 E. PRATT STREET
T 410.244.7400 F 410

Exhibit 5.1

October 9, 2015

NorthStar Realty Europe Corp.
399 Park Avenue
18th Floor
New York, NY 10022

Re: Registration Statement on Form S- 11 (File No. 333- 205440)

Ladies and Gentlemen:

We have served as Maryland counsel to NorthStar Realty Europe Corp., a Maryland corporation (the "Company"), in connection with certain matters of Maryland law relating to the registration by the Company of shares (the "Shares") of common stock, $0.01 par value per share, of the Company, to be issued by the Company to, and then distributed (the "Distribution") by, NorthStar Realty Finance Corp., a Maryland corporation ("NRF"), at a ratio of one Share for every six shares of common stock, $0.01 par value per share, of NRF outstanding as of the record date for the Distribution, covered by the above- referenced Registration Statement, and all amendments thereto (the "Registration Statement"), filed by the Company with the United States Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "1933 Act").

In connection with our representation of the Company, and as a basis for the opinion hereinafter set forth, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the following documents (hereinafter collectively referred to as the "Documents"):

1.The Registration Statement and the Prospectus included therein, in the form in which they were transmitted to the Commission under the 1933 Act;

2.The charter of the Company (the "Charter"), certified by the State Department of Assessments and Taxation of Maryland (the "SDAT");

3.The Bylaws of the Company, certified as of the date hereof by an officer of the Company;

4.The form of Contribution Agreement (the "Contribution Agreement"), to be entered into by the Company and NRF;

5.A certificate of the SDAT as to the good standing of the Company, dated as of a recent date;
6.Resolutions adopted by the Board of Directors of the Company or a duly authorized committee thereof relating to, among other matters, the registration and issuance of the Shares (the "Resolutions"), certified as of the date hereof by an officer of the Company;
7.A certificate executed by an officer of the Company, dated as of the date hereof; and
8.Such other documents and matters as we have deemed necessary or appropriate to express the opinion set forth below, subject to the assumptions, limitations and qualifications stated herein.

In expressing the opinion set forth below, we have assumed the following:

1. Each individual executing any of the Documents, whether on behalf of such individual or another person, is legally competent to do so.
2. Each individual executing any of the Documents on behalf of a party (other than the Company) is duly authorized to do so.
3. Each of the parties (other than the Company) executing any of the Documents has duly and validly executed and delivered each of the Documents to which such party is a signatory, and such party's obligations set forth therein are legal, valid and binding and are enforceable in accordance with all stated terms.
4. All Documents submitted to us as originals are authentic. The form and content of all Documents submitted to us as unexecuted drafts do not differ in any respect relevant to this opinion from the form and content of such Documents as executed and delivered. All Documents submitted to us as certified or photostatic copies conform to the original documents. All signatures on all Documents are genuine. All public records reviewed or relied upon by us or on our behalf are true and complete. All representations, warranties, statements and information contained in the Documents are true and complete. There has been no oral or written modification of or amendment to any of the Documents, and there has been no waiver of any provision of any of the Documents, by action or omission of the parties or otherwise.

Based upon the foregoing, and subject to the assumptions, limitations and qualifications stated herein, it is our opinion that:

1. The Company is a corporation duly incorporated and existing under and by virtue of the laws of the State of Maryland and is in good standing with the SDAT.
2. The issuance of the Shares has been duly authorized and, when and if delivered against payment therefor in accordance with the Registration Statement, the Resolutions and the Contribution Agreement, the Shares will be validly issued, fully paid and nonassessable.

The foregoing opinion is limited to the laws of the State of Maryland and we do not express any opinion herein concerning any other law. We express no opinion as to compliance with, or applicability of, any federal or state securities laws, including the securities laws of the State of Maryland, or as to federal or state laws regarding fraudulent transfers. To the extent that any matter as to which our opinion is expressed herein would be governed by the laws of any jurisdiction other than the State of Maryland, we do not express any opinion on such matter. The opinion expressed herein is subject to the effect of any judicial decision which may permit the introduction of parol evidence to modify the terms or the interpretation of agreements.

The opinion expressed herein is limited to the matters specifically set forth herein and no other opinion shall be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable law changes after the date hereof or if we become aware of any fact that might change the opinion expressed herein after the date hereof.

This opinion is being furnished to you for submission to the Commission as an exhibit to the Registration Statement. We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and the said incorporation by reference and to the use of the name of our firm therein. In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the 1933 Act.

Very truly yours,

/s/ Venable LLP

Exhibit 8.1

HUNTON & WILLIAMS LLP
RIVERFRONT PLAZA, EAST TOWER
951 EAST BYRD STREET
RICHMOND, VIRGINIA 23219- 4074

TEL 804 • 788 • 8200
FAX 804 • 788 • 8218

October 9, 2015

NorthStar Realty Europe Corp.
399 Park Avenue, 18th Fl.
New York, NY 10022

NorthStar Realty Europe Corp.
Qualification as a
Real Estate Investment Trust

Ladies and Gentlemen:

We have acted as special tax counsel to NorthStar Realty Europe Corp., a Maryland corporation (the "Company"), in connection with the preparation of a registration statement on Form S- 11 (File No. 333- 205440) filed with the Securities and Exchange Commission on July 2, 2015, as amended through the date hereof (the "Registration Statement"), with respect to the distribution of shares of common stock, par value $0.01 per share, of the Company (the "Distribution") to the holders of the common stock, par value $0.01 per share, of NorthStar Realty Finance Corp., a Maryland corporation ("NRF"). You have requested our opinion regarding certain U.S. federal income tax matters in connection with the Distribution.

In giving this opinion letter, we have examined the following:

1. the Registration Statement and the prospectus (the "Prospectus") filed as part of the Registration Statement;
2. the Company's Articles of Incorporation, filed with the Maryland Department of Assessment and Taxation on June 18, 2015 and the Articles of Amendment and Restatement (the "Amended Articles"), in the form attached as an exhibit to the Registration Statement;
3. the Agreement of Limited Partnership of NorthStar Realty Europe Limited Partnership, a Delaware limited partnership (the "Operating Partnership") and the Amended and Restated Agreement of Limited Partnership of the Operating Partnership (the "Amended and

Restated Partnership Agreement"), in the form attached as an exhibit to the Registration Statement;

4. the Management Agreement, by and between the Company and NorthStar Asset Management Group, Inc. (the "Management Agreement"), in the form attached as an exhibit to the Registration Statement;
5. the Separation Agreement, by and between the Company and NRF, in the form attached as an exhibit to the Registration Statement; and
6. such other documents as we have deemed necessary or appropriate for purposes of this opinion.

In connection with the opinions rendered below, we have assumed, with your consent, that:

1. each of the documents referred to above has been duly authorized, executed, and delivered; is authentic, if an original, or is accurate, if a copy; and has not been amended;
2. the Amended Articles, the Amended and Restated Partnership Agreement, the Management Agreement, and the Separation Agreement will be executed, delivered, adopted and filed, as applicable, in a form that is substantially similar to the forms filed as exhibits to the Registration Statement;
3. during its short taxable year beginning immediately prior to the Distribution and ending December 31, 2015, and future taxable years, the Company will operate in a manner that will make the factual representations contained in a certificate, dated the date hereof and executed by a duly appointed officer of the Company (the "Company Officer's Certificate"), true for such years;
4. during its taxable year ending December 31, 2015, NRF will operate in a manner that will make the factual representations contained in a certificate, dated the date hereof and executed by a duly appointed officer of NRF (the "NRF Officer's Certificate"), true for such year;
5. during its short taxable year ending December 31, 2015, NRF RED REIT Corp. ("RED REIT") will operate in a manner that will make the factual representations contained in a certificate, dated the date hereof and executed by a duly appointed officer of RED REIT (the "RED REIT Officer's Certificate" and together with the Company Officer's Certificate and the NRF Officer's Certificate, the "Officer's Certificates"), true for such year;
6. the Company will not make any amendments to its organizational documents after the date of this opinion that would affect its qualification as a REIT for any taxable year
7. NRF will not make any amendments to its organizational documents after the date of this opinion that would affect its qualification as a REIT for any taxable year ending on or before December 31, 2015;

8. RED REIT will not make any amendments to its organizational documents after the date of this opinion that would affect its qualification as a REIT for its short taxable year ending on December 31, 2015; and
9. no action will be taken by the Company, NRF, RED REIT or the Operating Partnership after the date hereof that would have the effect of altering the facts upon which the opinions set forth below are based.

In connection with the opinions rendered below, we also have relied upon the correctness of the factual representations contained in the Officer's Certificates. No facts have come to our attention that would cause us to question the accuracy and completeness of such factual representations in a material way.

Based solely on the documents and assumptions set forth above and the representations set forth in the Officer's Certificates, and the discussions in the Prospectus under the captions "The Distribution—Material U.S. Federal Income Tax Consequences of the Distribution" and "Federal Income Tax Consequences of Our Status as a REIT" (which are incorporated herein by reference), we are of the opinion that:

(a) commencing with its short taxable year beginning immediately prior the Distribution and ending December 31, 2015, the Company will be organized in conformity with the requirements for qualification and taxation as a REIT pursuant to sections 856 through 860 of the Internal Revenue Code of 1986, as amended (the "Code"), and the Company's intended method of operation will enable it to qualify as a REIT for its short taxable year ending December 31, 2015, and thereafter; and
(b) the descriptions of law and the legal conclusions contained in the Prospectus under the captions "The Distribution—Material U.S. Federal Income Tax Consequences of the Distribution" and "Federal Income Tax Consequences of Our Status as a REIT" are correct in all material respects.

We will not review on a continuing basis the Company's, NRF's or RED REIT's compliance with the documents or assumptions set forth above, or the representations set forth in the Officer's Certificates. Accordingly, no assurance can be given that the actual results of the Company's operations will satisfy the requirements for qualification and taxation as a REIT in any given period. Although we have made such inquiries and performed such investigations as we have deemed necessary to fulfill our professional responsibilities as counsel, we have not undertaken an independent investigation of all of the facts referred to in this letter or the Officer's Certificates.

The foregoing opinions are based on current provisions of the Code, the Treasury regulations (the "Regulations"), published administrative interpretations thereof, and published court decisions. The Internal Revenue Service has not issued Regulations or administrative interpretations with respect to various provisions of the Code relating to REIT qualification. No assurance can be given that the law will not change in a way that will prevent the Company from qualifying as a REIT.

The foregoing opinions are limited to the U.S. federal income tax matters addressed herein, and no other opinions are rendered with respect to other federal tax matters or to any issues arising under the tax laws of any other country, or any state or locality. We undertake no obligation to update the opinions expressed herein after the date of this letter. This opinion letter speaks only as of the date hereof. Except as provided in the next paragraph, this opinion letter may not be distributed, relied upon for any purpose by any other person, quoted in whole or in part or otherwise reproduced in any document, or filed with any governmental agency without our express written consent.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement. We also consent to the references to Hunton & Williams LLP under the captions "Risk Factors—Risks Related to Regulatory Matters and Our REIT Tax Status," "The Distribution," "Certain Relationships and Related Party Transactions," "Federal Income Tax Consequences of our Status as a REIT" and "Legal Matters" in the Prospectus. In giving this consent, we do not admit that we are in the category of person whose consent is required by Section 7 of the Securities Act of 1933, as amended, or the rules and regulations promulgated thereunder by the Securities and Exchange Commission.

Very truly yours,

/s/ Hunton & Williams LLP

Exhibit 10.1

FORM OF AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP
OF
NORTHSTAR REALTY EUROPE LIMITED PARTNERSHIP
a Delaware limited partnership

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THE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION, UNLESS THE TRANSFEROR DELIVERS TO THE PARTNERSHIP AN OPINION OF COUNSEL SATISFACTORY TO THE PARTNERSHIP, IN FORM AND SUBSTANCE SATISFACTORY TO THE PARTNERSHIP, TO THE EFFECT THAT THE PROPOSED SALE, TRANSFER OR OTHER DISPOSITION MAY BE EFFECTED WITHOUT REGISTRATION UNDER THE ACT AND UNDER APPLICABLE STATE SECURITIES OR "BLUE SKY" LAWS.

Dated as of _____, 2015

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AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP
OF NORTHSTAR REALTY EUROPE LIMITED PARTNERSHIP

THIS AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF NORTHSTAR REALTY EUROPE LIMITED PARTNERSHIP, dated as of _____, 2015 is entered into by and among NorthStar Realty Europe Corp., a Maryland corporation (the "Company"), as the General Partner and a Limited Partner, and the limited partners that are a party hereto from time to time.

WHEREAS, the General Partner and NorthStar Realty Finance Limited Partnership, a Delaware limited partnership, as the initial limited partner (the "Initial Limited Partner"), formed the Partnership pursuant to a Certificate of Limited Partnership filed with the Secretary of State of the State of Delaware and entered into an Agreement of Limited Partnership, dated as of _____, 2015 (the "Original Agreement").

WHEREAS, on the date hereof, pursuant to that certain contribution agreement, dated as of the date hereof (the "NRE OP Contribution Agreement"), the Initial Limited Partner contributed the assets and liabilities specified in the NRE OP Contribution Agreement to the Partnership in exchange for _____ Partnership Common Units.

WHEREAS, on the date hereof, the Initial Limited Partner made a distribution of the Partnership Common Units received pursuant to the NRE OP Contribution Agreement to NorthStar Realty Finance Corp., a Maryland corporation ("NRF") and the holders of long- term incentive plan units of limited partnership in the Initial Limited Partner.

WHEREAS, on the date hereof, pursuant to that certain contribution agreement, dated as of the date hereof (the "NRE Contribution Agreement"), NRF contributed the Partnership Common Units distributed to it by the Initial Limited Partner to the Company in exchange for shares of Common Stock as specified in the NRE Contribution Agreement.

WHEREAS, the parties hereto wish to: (i) amend and restate the Original Agreement as hereinafter set forth; (ii) admit the Limited Partners listed on the signature pages hereto as limited partners of the Partnership; (iii) effect the withdrawal of the Initial Limited Partner from the Partnership; (iv) issue to the Company 340,000 Series SN Preferred Units; and (v) continue the Partnership on the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
DEFINED TERMS

The following definitions shall be for all purposes, unless otherwise clearly indicated to the contrary, applied to the terms used in this Agreement.

"Act" means the Delaware Revised Uniform Limited Partnership Act, as it may be amended from time to time, and any successor to such statute.

"Actions" has the meaning set forth in Section 7.7 hereof.

"Additional Funds" has the meaning set forth in Section 4.3(a) hereof.

"Additional Limited Partner" means a Person who is admitted to the Partnership as a Limited Partner pursuant to Section 4.2, Section 4.5 and Section 12.2 hereof and who is shown as such on the books and records of the Partnership.

"Adjusted Capital Account Deficit" means, with respect to any Partner, the deficit balance, if any, in such Partner's Capital Account as of the end of the relevant Partnership Year, after giving effect to the following adjustments:

(i) decrease such deficit by any amounts that such Partner is obligated to restore pursuant to this Agreement or by operation of law upon liquidation of such Partner's Partnership Interest or is deemed to be obligated to restore pursuant to the penultimate sentence of each of Regulations Sections 1.704- 2(g)(1) and 1.704- 2(i)(5); and

(ii) increase such deficit by the items described in Regulations Section 1.704- 1(b)(2)(ii)(d)(4), (5) and (6).

The foregoing definition of "Adjusted Capital Account Deficit" is intended to comply with the provisions of Regulations Section 1.704- 1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"Adjustment Event" has the meaning set forth in Section 4.5(b) hereof.

"Adjustment Factor" means 1.0; provided, however, that in the event that:

(i) the Company (a) declares or pays a dividend on its outstanding REIT Shares in REIT Shares or makes a distribution to all holders of its outstanding REIT Shares in REIT Shares, (b) splits or subdivides its outstanding REIT Shares or (c) effects a reverse stock split or otherwise combines its outstanding REIT Shares into a smaller number of REIT Shares, the Adjustment Factor shall be adjusted by multiplying the Adjustment Factor previously in effect by a fraction, (i) the numerator of which shall be the number of REIT Shares issued and outstanding on the record date for such dividend, distribution, split, subdivision, reverse split or combination (assuming for such purposes

that such dividend, distribution, split, subdivision, reverse split or combination has occurred as of such time) and (ii) the denominator of which shall be the actual number of REIT Shares (determined without the above assumption) issued and outstanding on the record date for such dividend, distribution, split, subdivision, reverse split or combination;

(ii) the Company distributes any rights, options or warrants to all holders of its REIT Shares to subscribe for or to purchase or to otherwise acquire REIT Shares (or other securities or rights convertible into, exchangeable for or exercisable for REIT Shares) at a price per share less than the Value of a REIT Share on the record date for such distribution (each a "Distributed Right"), then the Adjustment Factor shall be adjusted by multiplying the Adjustment Factor previously in effect by a fraction (a) the numerator of which shall be the number of REIT Shares issued and outstanding on the record date plus the maximum number of REIT Shares purchasable under such Distributed Rights and (b) the denominator of which shall be the number of REIT Shares issued and outstanding on the record date plus a fraction (1) the numerator of which is the maximum number of REIT Shares purchasable under such Distributed Rights times the minimum purchase price per REIT Share under such Distributed Rights and (2) the denominator of which is the Value of a REIT Share as of the record date; provided, however, that, if any such Distributed Rights expire or become no longer exercisable, then the Adjustment Factor shall be adjusted, effective retroactive to the date of distribution of the Distributed Rights, to reflect a reduced maximum number of REIT Shares or any change in the minimum purchase price for the purposes of the above fraction; and

(iii) the Company shall, by dividend or otherwise, distribute to all holders of its REIT Shares evidences of its indebtedness or assets (including securities, but excluding any dividend or distribution referred to in subsection (i) above), which evidences of indebtedness or assets relate to assets not received by the Company (or its direct or indirect wholly owned Subsidiaries) pursuant to a pro rata distribution by the Partnership, then the Adjustment Factor shall be adjusted to equal the amount determined by multiplying the Adjustment Factor in effect immediately prior to the close of business on the date fixed for determination of stockholders entitled to receive such distribution by a fraction (i) the numerator of which shall be such Value of a REIT Share on the date fixed for such determination and (ii) the denominator of which shall be the Value of a REIT Share on the dates fixed for such determination less the then fair market value (as determined by the General Partner, whose determination shall be conclusive) of the portion of the evidences of indebtedness or assets so distributed applicable to one REIT Share. For the avoidance of doubt, an adjustment to the Adjustment Factor is not required under this subsection (iii) in the case of a distribution by the Company of securities of a Subsidiary to all holders of the REIT Shares where substantially all the assets of such Subsidiary are received by the Company pursuant to a pro rata distribution by the Partnership and are subsequently contributed by the Company to the Subsidiary, but the securities of the Subsidiary themselves are not distributed pro rata by the Partnership.

Any adjustments to the Adjustment Factor shall become effective immediately after the effective date of such event, retroactive to the record date, if any, for such event. If, however, General Partner received a Notice of Redemption after the record date, if any, but prior to the effective date of such event, the Adjustment Factor shall be determined as if the General Partner had received the Notice of Redemption immediately prior to the record date for such event. Notwithstanding the foregoing, the Adjustment Factor shall not be adjusted in connection with an event described in clauses (i) or (ii) above if, in connection with such event, the Partnership makes a distribution of cash, Partnership Units, REIT Shares and/or rights, options or warrants to acquire Partnership Units and/or REIT Shares with respect to all applicable Partnership Common Units or effects a split of, or otherwise subdivides, or a reverse split of, or otherwise combines, the Partnership Common Units, as applicable, that is comparable as a whole in all material respects with such event.

"Affected Units" has the meaning set forth in Section 14.2 hereof.

"Affiliate" means, with respect to any Person, any Person directly or indirectly controlling or controlled by or under common control with such Person. For the purposes of this definition, "control" when used with respect to any Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Agreement" means this Amended and Restated Agreement of Limited Partnership of NorthStar Realty Europe Limited Partnership, as it may be amended, supplemented or restated from time to time.

"Alternative Mandatory Redemption Price" has the meaning set forth in Section 16.4(a)(ii) hereof.

"Applicable Percentage" has the meaning set forth in Section 8.6(b) hereof.

"Appraisal" means, with respect to any assets, the written opinion of an independent third party experienced in the valuation of similar assets, selected by the General Partner in good faith. Such opinion may be in the form of an opinion by such independent third party that the value for such property or asset as set by the General Partner is fair, from a financial point of view, to the Partnership.

"Assignee" means a Person to whom one or more Partnership Common Units have been Transferred in a manner permitted under this Agreement, but who has not become a Substituted Limited Partner, and who has the rights set forth in Section 11.5 hereof.

“Available Cash” means, with respect to any period for which such calculation is being made,
(i) the sum, without duplication, of:
(1) the Partnership’s Net Income or Net Loss (as the case may be) for such period,
(2) Depreciation and all other noncash charges to the extent deducted in determining Net Income or Net Loss for such period,
(3) the amount of any reduction in reserves of the Partnership referred to in clause (ii)(6) below (including, without limitation, reductions resulting because the General Partner determines such amounts are no longer necessary),
(4) the excess, if any, of the net cash proceeds from the sale, exchange, disposition, financing or refinancing of Partnership property for such period over the gain (or loss, as the case may be) recognized from such sale, exchange, disposition, financing or refinancing during such period (excluding Terminating Capital Transactions), and
(5) all other cash received (including amounts previously accrued as Net Income and amounts of deferred income) or any net amounts borrowed by the Partnership for such period that was not included in determining Net Income or Net Loss for such period;
(ii) less the sum, without duplication, of:
(1) all principal debt payments made during such period by the Partnership,
(2) capital expenditures made by the Partnership during such period,
(3) investments in any entity (including loans made thereto) to the extent that such investments are not otherwise described in clause (ii)(1) or clause (ii)(2) above,
(4) all other expenditures and payments not deducted in determining Net Income or Net Loss for such period (including amounts paid in respect of expenses previously accrued),
(5) any amount included in determining Net Income or Net Loss for such period that was not received by the Partnership during such period,
(6) the amount of any increase in reserves (including, without limitation, working capital reserves) established during such period that the

General Partner determines are necessary or appropriate in its sole and absolute discretion, and

(7) any amount distributed or paid in redemption of any Limited Partner Interest or Partnership Units including, without limitation, any Cash Amount paid.

Notwithstanding the foregoing, Available Cash shall not include (a) any cash received or reductions in reserves, or take into account any disbursements made, or reserves established, after dissolution and the commencement of the liquidation and winding up of the Partnership or (b) any Capital Contributions, whenever received.

"Business Day" means any day except a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to close.

"Book Up Target" for each LTIP Unit means (i) initially, the Partnership Common Unit Economic Balance as determined on the date such LTIP Unit was granted over the Capital Contribution, if any, made by such LTIP Unitholder with respect to such LTIP Unit and (ii) thereafter, the amount required to be allocated to such LTIP Unit for the Economic Capital Account Balance, to the extent attributable to such LTIP Unit, to be equal to the Partnership Common Unit Economic Balance. Notwithstanding the foregoing, the Book Up Target shall be equal to zero for any LTIP Unit for which the Economic Capital Account Balance attributable to such LTIP Unit has, at any time, reached an amount equal to the Partnership Common Unit Economic Balance determined as of such time.

"Capital Account" means, with respect to any Partner, the Capital Account maintained by the General Partner for such Partner on the Partnership's books and records in accordance with the following provisions:

(a) To each Partner's Capital Account, there shall be added such Partner's Capital Contributions, such Partner's distributive share of Net Income and any items in the nature of income or gain that are specially allocated pursuant to Section 6.3 hereof, and the principal amount of any Partnership liabilities assumed by such Partner or that are secured by any property distributed to such Partner.

(b) From each Partner's Capital Account, there shall be subtracted the amount of cash and the Gross Asset Value of any property distributed to such Partner pursuant to any provision of this Agreement, such Partner's distributive share of Net Losses and any items in the nature of expenses or losses that are specially allocated pursuant to Section 6.3 hereof, and the principal amount of any liabilities of such Partner assumed by the Partnership or that are secured by any property contributed by such Partner to the Partnership.

(c) In the event any interest in the Partnership is Transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent that it relates to the Transferred interest.

(d) In determining the principal amount of any liability for purposes of subsections (a) and (b) hereof, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.
(e) The provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Sections 1.704- 1(b) and 1.704- 2, and shall be interpreted and applied in a manner consistent with such Regulations. If the General Partner shall determine that it is prudent to modify the manner in which the Capital Accounts are maintained in order to comply with such Regulations, the General Partner may make such modification provided that such modification will not have a material effect on the amounts distributable to any Partner without such Partner's Consent. The General Partner also shall (i) make any adjustments that are necessary or appropriate to maintain equality between the Capital Accounts of the Partners and the amount of Partnership capital reflected on the Partnership's balance sheet, as computed for book purposes, in accordance with Regulations Section 1.704- 1(b)(2)(iv)(q) and (ii) make any appropriate modifications in the event that unanticipated events might otherwise cause this Agreement not to comply with Regulations Section 1.704- 1(b) or Section 1.704- 2.
"Capital Account Deficit" has the meaning set forth in Section 13.2(c) hereof.
"Capital Contribution" means, with respect to any Partner, the amount of money and the initial Gross Asset Value of any Contributed Property that such Partner contributes or is deemed to contribute to the Partnership pursuant to Section 4.1, 4.2 or 4.3 hereof.
"Cash Amount" means an amount of cash equal to the product of (i) the Value of a REIT Share and (ii) the REIT Shares Amount determined as of the applicable Valuation Date; provided that the Cash Amount will be reduced by the amount of any distributions payable with respect to such REIT Shares Amount that have an ex- dividend date after the Valuation Date and a record date before the Specified Redemption Date.
"Certificate" means the Certificate of Limited Partnership of the Partnership filed in the office of the Secretary of State of the State of Delaware, as amended from time to time in accordance with the terms hereof and the Act.
"Change in Control Purchase Price" shall have the meaning given in Article I of the Indenture.
"Charter" means the charter of the Company.
"Code" means the Internal Revenue Code of 1986, as amended and in effect from time to time or any successor statute thereto, as interpreted by the applicable Regulations thereunder. Any reference herein to a specific section or sections of the Code shall be deemed to include a reference to any corresponding provision of future law.
"Common Stock" shall mean the common stock of the Company, par value $0.01 per share.

“Company” has the meaning set forth in the introductory paragraph hereof.
“Consent” means the consent to, approval of, or vote in favor of a proposed action by a Partner given in accordance with Article XIV hereof.
“Consent of the Limited Partners” means the Consent of a Majority in Interest of the Limited Partners, which Consent shall be obtained prior to the taking of any action for which it is required by this Agreement and, except as otherwise provided in this Agreement, may be given or withheld by a Majority in Interest of the Limited Partners.
“Constituent Person” means (a) with respect to the Partnership, a Person with which the Partnership consolidated or into which the Partnership merged or which merged into the Partnership or to which a such sale or transfer of all or substantially all of the Partnership’s was made, as the case may be; and (b) with respect to the Company, a Person with which the Company consolidated or into which the Company merged or which merged into the General Partner or to which a sale or transfer of all or substantially all of the Company’s assets was made, as the case may be.
“Contributed Property” means each item of Property or other asset, in such form as may be permitted by the Act, but excluding cash, contributed or deemed contributed to the Partnership (or deemed contributed by the Partnership to a “new” partnership pursuant to Code Section 708).
“Controlled Entity” means, as to any Limited Partner, (a) any corporation more than fifty percent (50%) of the outstanding voting stock of which is owned by such Limited Partner or such Limited Partner’s Family Members, (b) any trust, whether or not revocable, of which such Limited Partner or such Limited Partner’s Family Members are the sole beneficiaries, (c) any partnership of which such Limited Partner is the managing partner and in which such Limited Partner or such Limited Partner’s Family Members hold partnership interests representing at least twenty- five percent (25%) of such partnership’s capital and profits and (d) any limited liability company of which such Limited Partner is the manager and in which such Limited Partner or such Limited Partner’s Family Members hold membership interests representing at least twenty- five percent (25%) of such limited liability company’s capital and profits.
“Conversion Date” has the meaning set forth in Section 4.9 hereof.
“Conversion Notice” has the meaning set forth in Section 4.9 hereof.
“Conversion Right” has the meaning set forth in Section 4.9 hereof.
“Cut- Off Date” means the fifth (5th) Business Day after the General Partner’s receipt of a Notice of Redemption.
“Debt” means, as to any Person, as of any date of determination, (i) all indebtedness of such Person for borrowed money or for the deferred purchase price of property or services; (ii) all amounts owed by such Person to banks or other Persons in respect of reimbursement obligations under letters of credit, surety bonds and other similar instruments guaranteeing

payment or other performance of obligations by such Person; (iii) all indebtedness for borrowed money or for the deferred purchase price of property or services secured by any lien on any property owned by such Person, to the extent attributable to such Person's interest in such property, even though such Person has not assumed or become liable for the payment thereof; and (iv) lease obligations of such Person that, in accordance with generally accepted accounting principles, should be capitalized.

"Depreciation" means, for each Partnership Year or other applicable period, an amount equal to the federal income tax depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such year or other period, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year or period, Depreciation shall be in an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis; provided, however, that if the federal income tax depreciation, amortization or other cost recovery deduction for such year or period is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the General Partner.

"Distribution Payment Date" means December 15, 2015, June 15, 2016 and the Mandatory Redemption Date.

"Distribution Period" semi- annual distribution periods commencing on July 1, 2015 or the most recent Distribution Payment Date, to but excluding the next following Distribution Payment Date.

"Distributed Right" has the meaning set forth in the definition of "Adjustment Factor."

"Economic Capital Account Balance" has the meaning set forth in Section 6.3(b)(vi) hereof.

"Effective Date" means _____, 2015.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Extraordinary Transaction" means, with respect to the Company, the occurrence of one or more of the following events: (i) a merger (including a triangular merger), consolidation or other combination of the Company with or into another Person (other than in connection with a change in the Company's state of incorporation or organizational form); (ii) the direct or indirect sale, lease, exchange or other transfer of all or substantially all of its assets in one transaction or a series of related transactions; (iii) any reclassification, recapitalization or change of its outstanding equity interests (other than a change in par value, or from par value to no par value, or as a result of a split, dividend or similar subdivision); or (iv) the adoption of any plan of

liquidation or dissolution of the Company (whether or not in compliance with the provisions of this Agreement).
"Family Members" means, as to a Person that is an individual, such Person's spouse, ancestors, descendants (whether by blood or by adoption), brothers and sisters and intervivos or testamentary trusts of which only such Person and his spouse, ancestors, descendants (whether by blood or by adoption), brothers and sisters are beneficiaries.
"Forced Conversion" has the meaning set forth in Section 4.9 hereof.
"Forced Conversion Notice" has the meaning set forth in Section 4.9 hereof.
"Fundamental Change" has the meaning set forth in Section 8.6(h) hereof.
"Funding Debt" means any Debt incurred by or on behalf of the General Partner or the Company for the purpose of providing funds to the Partnership.
"Funds from Operations" is as defined by the National Association of Real Estate Investment Trusts ("NAREIT") and means net income (computed in accordance with GAAP) excluding gains (or losses) from debt restructuring and sales of property, plus depreciation and amortization on real estate assets, and after adjustments for unconsolidated partnerships and joint ventures.
"General Partner" means the Company and its successors and assigns, as the general partner of the Partnership in their capacities as general partner of the Partnership.
"General Partner Interest" means the Partnership Interest held by the General Partner in its capacity as General Partner, which Partnership Interest is an interest as a general partner under the Act.
"Gross Asset Value" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:
(a) The initial Gross Asset Value of any asset contributed by a Partner to the Partnership shall be the gross fair market value of such asset as determined by the General Partner and agreed to by the contributing Partner. In any case in which the General Partner and the contributing Partner are unable to agree as to the gross fair market value of any contributed asset or assets, such gross fair market value shall be determined by Appraisal.
(b) The Gross Asset Values of all Partnership assets immediately prior to the occurrence of any event described in clause (i), clause (ii), clause (iii), clause (iv) or clause (v) hereof shall be adjusted to equal their respective gross fair market values, as determined by the General Partner using such reasonable method of valuation as it may adopt, as of the following times:
(i) the acquisition of an additional interest in the Partnership (other than in connection with the execution of this Agreement but including, without

limitation, acquisitions pursuant to Section 4.2 hereof or contributions or deemed contributions by the General Partner pursuant to Section 4.2 hereof) by a new or existing Partner in exchange for more than a de minimis Capital Contribution, if the General Partner reasonably determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership;

(ii) the distribution by the Partnership to a Partner of more than a de minimis amount of Partnership property as consideration for an interest in the Partnership, if the General Partner reasonably determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership;

(iii) the liquidation of the Partnership within the meaning of Regulations Section 1.704- 1(b)(2)(ii)(g);

(iv) upon the admission of a successor General Partner pursuant to Section 12.1 hereof; and

(v) at such other times as the General Partner shall reasonably determine to be necessary and advisable if permitted by, or required in order to comply with, Regulations Sections 1.7041(b) and 1.7042.

(c) The Gross Asset Value of any Partnership asset distributed to a Partner shall be the gross fair market value of such asset on the date of distribution as determined by the distributee and the General Partner provided that, if the distributee is the General Partner or if the distributee and the General Partner cannot agree on such a determination, such gross fair market value shall be determined by Appraisal.

(d) The Gross Asset Values of Partnership assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulations Section 1.704-1(b)(2)(iv)(m); provided, however, that Gross Asset Values shall not be adjusted pursuant to this subsection (d) to the extent that the General Partner reasonably determines that an adjustment pursuant to subsection (b) above is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this subsection (d).

(e) If the Gross Asset Value of a Partnership asset has been determined or adjusted pursuant to subsection (a), subsection (b) or subsection (d) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Net Income and Net Losses.

“Holder” means either (a) a Partner or (b) an Assignee, owning a Partnership Unit, that is treated as a member of the Partnership for federal income tax purposes.

"Incapacity" or "Incapacitated" means, (i) as to any Partner who is an individual, death, total physical disability or entry by a court of competent jurisdiction adjudicating such Partner incompetent to manage his or her person or his or her estate; (ii) as to any Partner that is a corporation or limited liability company, the filing of a certificate of dissolution, or its equivalent, for the corporation or the revocation of its charter; (iii) as to any Partner that is a partnership, the dissolution and commencement of winding up of the partnership; (iv) as to any Partner that is an estate, the distribution by the fiduciary of the estate's entire interest in the Partnership; (v) as to any trustee of a trust that is a Partner, the termination of the trust (but not the substitution of a new trustee); or (vi) as to any Partner, the bankruptcy of such Partner. For purposes of this definition, bankruptcy of a Partner shall be deemed to have occurred when (a) the Partner commences a voluntary proceeding seeking liquidation, reorganization or other relief of or against such Partner under any bankruptcy, insolvency or other similar law now or hereafter in effect, (b) the Partner is adjudged as bankrupt or insolvent, or a final and nonappealable order for relief under any bankruptcy, insolvency or similar law now or hereafter in effect has been entered against the Partner, (c) the Partner executes and delivers a general assignment for the benefit of the Partner's creditors, (d) the Partner files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against the Partner in any proceeding of the nature described in clause (b) above, (e) the Partner seeks, consents to or acquiesces in the appointment of a trustee, receiver or liquidator for the Partner or for all or any substantial part of the Partner's properties, (f) any proceeding seeking liquidation, reorganization or other relief under any bankruptcy, insolvency or other similar law now or hereafter in effect has not been dismissed within one hundred twenty (120) days after the commencement thereof, (g) the appointment without the Partner's consent or acquiescence of a trustee, receiver or liquidator has not been vacated or stayed within ninety (90) days of such appointment, or (h) an appointment referred to in clause (g) above is not vacated within ninety (90) days after the expiration of any such stay.

"Indemnitee" means (i) any Person made a party to a proceeding by reason of its status as (A) the General Partner or (B) a director of the General Partner or an officer of the Partnership or the General Partner and (ii) such other Persons (including Affiliates of the General Partner or the Partnership) as the General Partner may designate from time to time (whether before or after the event giving rise to potential liability), in its sole and absolute discretion.

"Indenture" means the indenture, dated as of July 1, 2015 with respect to the 4.625% Senior Stock Settleable Notes due December 2016 of the Company, among the Company, NorthStar Realty Finance Corp., NorthStar Realty Finance Limited Partnership and Wilmington Trust, National Association, as the Trustee.

"Interest" means interest, original issue discount and other similar payments or amounts paid by the Partnership for the use or forbearance of money.

"IRS" means the Internal Revenue Service, which administers the internal revenue laws of the United States.

“Junior Units” means Partnership Common Units and all classes or series of Partnership Preferred Units ranking junior to the Series SN Preferred Units with respect to distributions and rights upon liquidation, dissolution or winding up the Partnership.

“Junior Share” means a share of capital stock of the Company now or hereafter authorized or reclassified that has dividend rights, or rights upon liquidation, winding up and dissolution, that are inferior or junior to the REIT Shares.

“Limited Partner” means any Person named as a Limited Partner in Exhibit A attached hereto, as such Exhibit A may be amended from time to time, or any Substituted Limited Partner or Additional Limited Partner, in such Person’s capacity as a Limited Partner in the Partnership.

“Limited Partner Interest” means a Partnership Interest of a Limited Partner in the Partnership representing a fractional part of the Partnership Interests of all Limited Partners and includes any and all benefits to which the holder of such a Partnership Interest may be entitled as provided in this Agreement, together with all obligations of such Person to comply with the terms and provisions of this Agreement. A Limited Partner Interest may be expressed as a number of Partnership Common Units, Partnership Preferred Units or other Partnership Units.

“Liquidation Preference” has the meaning set forth in Section 16.3(a) hereof.

“Liquidating Event” has the meaning set forth in Section 13.1 hereof.

“Liquidating Gains” has the meaning set forth in Section 6.3(b)(vi) hereof.

“Liquidating Losses” has the meaning set forth in Section 6.3(b)(vi) hereof.

“Liquidator” has the meaning set forth in Section 13.2(a) hereof.

“LTIP Unit” means a Partnership Unit which is designated as an LTIP Unit, with such further designation as the General Partner may assign to distinguish any series of LTIP Units from other series, and which has the rights, preferences and other privileges designated in Section 4.5 hereof, in any Partnership Unit Designation establishing an additional series of LTIP Units and elsewhere in this Agreement in respect of Holders of LTIP Units. The allocation of LTIP Units among the Partners shall be set forth on Exhibit A, as may be amended from time to time. For the avoidance of doubt, an LTIP Unit shall include a Special LTIP Unit.

“LTIP Unitholder” means a Partner that holds LTIP Units.

“Majority in Interest of the Limited Partners” means Limited Partners (including the Company and any of its Affiliates that are deemed to be Limited Partners pursuant to this Agreement) holding more than fifty percent (50%) of the outstanding Partnership Common Units held by all Limited Partners.

“Majority in Interest of the Outside Limited Partners” means Limited Partners (excluding for this purpose (i) the Company, the General Partner and any Subsidiaries of the Company or the General Partner, (ii) any Person of which the Company or its Subsidiaries directly or

indirectly owns or controls more than 50% of the voting interests and (iii) any Person directly or indirectly owning or controlling more than 50% of the outstanding interests of the General Partner) holding in the aggregate more than 50% of the outstanding Partnership Common Units held by all Limited Partners who are not excluded for the purposes hereof.
"Mandatory Redemption Date" shall have the meaning given in Section 16.4(a)(i) hereof.
"Mandatory Redemption Price" shall have the meaning given in Section 16.4(a)(i) hereof.
"Net Income" or "Net Loss" means, for each Partnership Year of the Partnership, an amount equal to the Partnership's taxable income or loss for such year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:
(a) Any income of the Partnership that is exempt from federal income tax and not otherwise taken into account in computing Net Income (or Net Loss) pursuant to this definition of "Net Income" or "Net Loss" shall be added to (or subtracted from, as the case may be) such taxable income (or loss);
(b) Any expenditure of the Partnership described in Code Section 705(a)(2)(B) or treated as a Code Section 705(a)(2)(B) expenditure pursuant to Regulations Section 1.704- 1(b)(2)(iv)(i), and not otherwise taken into account in computing Net Income (or Net Loss) pursuant to this definition of "Net Income" or "Net Loss," shall be subtracted from (or added to, as the case may be) such taxable income (or loss);
(c) In the event the Gross Asset Value of any Partnership asset is adjusted pursuant to subsection (b) or subsection (c) of the definition of "Gross Asset Value," the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Net Income or Net Loss;
(d) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;
(e) In lieu of the depreciation, amortization and other cost recovery deductions that would otherwise be taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Partnership Year;
(f) To the extent that an adjustment to the adjusted tax basis of any Partnership asset pursuant to Code Section 734(b) or Code Section 743(b) is required pursuant to Regulations Section 1.704- 1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Partner's interest in the Partnership, the amount of such adjustment shall be treated as an item of gain (if the adjustment

increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Net Income or Net Loss; and

(g) Notwithstanding any other provision of this definition of "Net Income" or "Net Loss," any item that is specially allocated pursuant to Section 6.3 hereof shall not be taken into account in computing Net Income or Net Loss. The amounts of the items of Partnership income, gain, loss or deduction available to be specially allocated pursuant to Section 6.3 hereof shall be determined by applying rules analogous to those set forth in this definition of "Net Income" or "Net Loss."

"Net Operating Income" has the meaning set forth in Section 6.2(c) hereof .

"New Securities" means (i) any rights, options, warrants or convertible or exchangeable securities having the right to subscribe for or purchase REIT Shares or Preferred Shares, or (ii) any Debt issued by the Company that provides any of the rights described in clause (i).

"Non- Electing Shares" has the meaning set forth in Section 8.6(h) hereof.

"Nonrecourse Deductions" has the meaning set forth in Regulations Section 1.704- 2(b)(1), and the amount of Nonrecourse Deductions for a Partnership Year shall be determined in accordance with the rules of Regulations Section 1.704- 2(c).

"Nonrecourse Liability" has the meaning set forth in Regulations Section 1.752- 1(a)(2).

"Notes" means the 4.625% Senior Stock- Settleable Notes due December 2016 of the Company.

"Notice of Redemption" means the Notice of Redemption substantially in the form of Exhibit B attached to this Agreement.

"Optional Redemption Date" has the meaning set forth in Section 16.4(b)(i) hereof.

"Optional Redemption Price" has the meaning set forth in Section 16.4(b)(i) hereof.

"Ownership Limit" means the applicable restriction or restrictions on ownership and transfer of shares of the Company imposed under the Charter.

"Partner" means the General Partner or a Limited Partner, and "Partners" means the General Partner and the Limited Partners.

"Partner Minimum Gain" means an amount, with respect to each Partner Nonrecourse Debt, equal to the Partnership Minimum Gain that would result if such Partner Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Regulations Section 1.704- 2(i)(3).

“Partner Nonrecourse Debt” has the meaning set forth in Regulations Section 1.704- 2(b)(4).
“Partner Nonrecourse Deductions” has the meaning set forth in Regulations Section 1.704- 2(i)(2), and the amount of Partner Nonrecourse Deductions with respect to a Partner Nonrecourse Debt for a Partnership Year shall be determined in accordance with the rules of Regulations Section 1.704- 2(i)(2).
“Partnership” means the limited partnership formed under the Act and pursuant to this Agreement, and any successor thereto.
“Partnership Common Unit” means a fractional share of the Partnership Interests of all Partners issued pursuant to Sections 4.1 and 4.2 hereof, but does not include any Partnership Preferred Unit or any other Partnership Unit specified in a Partnership Unit Designation as being other than a Partnership Common Unit.
“Partnership Common Unit Economic Balance” has the meaning set forth in Section 6.3(b) hereof.
“Partnership Interest” means an ownership interest in the Partnership held by either a Limited Partner or the General Partner and includes any and all benefits to which the holder of such a Partnership Interest may be entitled as provided in this Agreement, together with all obligations of such Person to comply with the terms and provisions of this Agreement. A Partnership Interest may be expressed as a number of Partnership Common Units, Partnership Preferred Units or other Partnership Units.
“Partnership Junior Unit” means a fractional share of the Partnership Interests that the General Partner has authorized pursuant to Section 4.1 or Section 4.2 or Section 4.3 hereof that has distribution rights, or rights upon liquidation, winding up and dissolution, that are inferior or junior to the Partnership Common Units.
“Partnership Minimum Gain” has the meaning set forth in Regulations Section 1.704- 2(b)(2), and the amount of Partnership Minimum Gain, as well as any net increase or decrease in Partnership Minimum Gain, for a Partnership Year shall be determined in accordance with the rules of Regulations Section 1.704- 2(d).
“Partnership Preferred Unit” means a fractional share of the Partnership Interests that the General Partner has authorized pursuant to Section 4.1 or Section 4.2 or Section 4.3 hereof that has distribution rights, or rights upon liquidation, winding up and dissolution, that are superior or prior to the Partnership Common Units.
“Partnership Record Date” means a record date established by the General Partner for a distribution of Available Cash pursuant to Section 5.1 hereof, which record date shall generally be the same as the record date established by the Company for a distribution to its stockholders of some or all of its portion of such distribution.

“Partnership Unit” shall mean a Partnership Common Unit, a Partnership Preferred Unit, a Partnership Junior Unit or any other fractional share of the Partnership Interests that the General Partner has authorized pursuant to Section 4.1 or Section 4.2 or Section 4.3 hereof.
“Partnership Unit Designation” shall have the meaning set forth in Section 4.2 hereof.
“Partnership Year” means the fiscal year of the Partnership, which shall be the calendar year.
“Percentage Interest” means, as to each Partner, the percentage represented by a fraction (expressed as a percentage), the numerator of which is the total number of Partnership Common Units and LTIP Units then owned by such Partner, and the denominator of which is the total number of Partnership Common Units and LTIP Units then owned by all of the Partners; provided that, for purposes of allocations and distributions prior to the Special LTIP Unit Full Participation Date for any Special LTIP Unit, the Percentage Interest will be calculated by only including in the numerator and denominator a number of such Special LTIP Units equal to the number of such Special LTIP Units outstanding multiplied by the Special LTIP Unit Sharing Percentage for such Special LTIP Units.
“Permitted Transfer” has the meaning set forth in Section 11.3(a) hereof.
“Person” means an individual or a corporation, partnership, trust, unincorporated organization, association, limited liability company or other entity.
“Pledge” has the meaning set forth in Section 11.3(a) hereof.
“Preferred Share” means a share of capital stock of the Company now or hereafter authorized or reclassified that has dividend rights, or rights upon liquidation, winding up and dissolution, that are superior or prior to the REIT Shares.
“Preferred Junior Share” means Common Stock or any other class or series or capital stock of the Company that is junior to the Preferred Shares as to the payment of dividends or as to the distribution of assets upon liquidation.
“Properties” means any assets and property of the Partnership such as, but not limited to, interests in real property and personal property, including, without limitation, fee interests, interests in ground leases, interests in limited liability companies, joint ventures or partnerships, interests in mortgages, and Debt instruments as the Partnership may hold from time to time and “Property” shall mean any one such asset or property.
“PTP Safe Harbors” has the meaning set forth in Section 11.6(f) hereof.
“Qualified REIT Subsidiary” means a qualified REIT subsidiary of the Company within the meaning of Code Section 856(i)(2).
“Qualified Transferee” means an “accredited investor” as defined in Rule 501 promulgated under the Securities Act.

"Redemption" has the meaning set forth in Section 8.6(a) hereof.
"Regulations" means the applicable income tax regulations under the Code, whether such regulations are in proposed, temporary or final form, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).
"Regulatory Allocations" has the meaning set forth in Section 6.3(c)(viii) hereof.
"REIT" means a real estate investment trust qualifying under Code Section 856.
"REIT Partner" means (a) a Partner, including, without limitation, the Company, that is a REIT or has made an election to qualify as a REIT, (b) any Qualified REIT Subsidiary of any Partner that is a REIT or has made an election to qualify as a REIT and (c) any Partner that is a Qualified REIT Subsidiary of a REIT.
"REIT Payment" has the meaning set forth in Section 15.11 hereof.
"REIT Requirements" has the meaning set forth in Section 5.1 hereof.
"REIT Share" means a share of the Common Stock. Where relevant in this Agreement, "REIT Shares" includes shares of the Common Stock issued upon conversion of Preferred Shares or Junior Shares.
"REIT Shares Amount" means a number of REIT Shares equal to the product of (a) the number of Tendered Units and (b) the Adjustment Factor; provided, however, that, in the event that the Company issues to all holders of REIT Shares as of a certain record date rights, options, warrants or convertible or exchangeable securities entitling the Company's stockholders to subscribe for or purchase REIT Shares, or any other securities or property (collectively, the "Rights"), with the record date for such Rights issuance falling within the period starting on the date of the Notice of Redemption and ending on the day immediately preceding the Specified Redemption Date, which Rights will not be distributed before the relevant Specified Redemption Date, then the REIT Shares Amount shall also include such Rights that a holder of that number of REIT Shares would be entitled to receive, expressed, where relevant hereunder, in a number of REIT Shares determined by the General Partner in good faith.
"Related Party" means, with respect to any Person, any other Person whose ownership of shares of the Company's capital stock would be attributed to the first such Person under Code Section 544 (as modified by Code Section 856(h)(1)(B)).
"Restricted Partnership Common Units" has the meaning set forth in Section 4.12 hereof.
"Rights" has the meaning set forth in the definition of "REIT Shares Amount."
"Safe Harbor" has the meaning set forth in Section 10.2(b) hereof.
"Safe Harbor Election" has the meaning set forth in Section 10.2(b) hereof.

“Safe Harbor Interests” has the meaning set forth in Section 10.2(b) hereof.
“SEC” means the Securities and Exchange Commission.
“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.
“Series SN Annual Distribution Rate” has the meaning set forth in Section 16.2 hereof.
“Services Agreement” means any management, development or advisory agreement with a property and/or asset manager for the provision of property management, asset management, leasing, development and/or similar services with respect to the Properties and any agreement for the provision of services of accountants, legal counsel, appraisers, insurers, brokers, transfer agents, registrars, developers, financial advisors and other professional services.
“Special LTIP Unit” means an LTIP Unit designated as a “Special LTIP Unit” as set forth in the documentation pursuant to which such LTIP Unit is granted.
“Special LTIP Unit Full Participation Date” means, for a Special LTIP Unit, the date specified as such in the documentation pursuant to which such Special LTIP Unit is granted.
“Special LTIP Unit Sharing Percentage” means, with respect to a Special LTIP Unit, ten percent (10%) or such other percentage designated as the Special LTIP Unit Sharing Percentage for such Special LTIP Unit as set forth in the documentation pursuant to which such Special LTIP Unit is granted.
“Specified Redemption Date” means the tenth (10th) Business Day after the receipt by the General Partner of a Notice of Redemption; provided, however, that the Specified Redemption Date, as well as the closing of a Redemption, or an acquisition of Tendered Units by the General Partner pursuant to Section 8.6 hereof, on any Specified Redemption Date, may be deferred, in the General Partner’s sole and absolute discretion, for such time (but in any event not more than one hundred fifty (150) days in the aggregate) as may reasonably be required to effect, as applicable, (i) compliance with the Securities Act or other law (including, but not limited to, (a) state “blue sky” or other securities laws and (b) the expiration or termination of the applicable waiting period, if any, under the Hart- Scott- Rodino Antitrust Improvements Act of 1976, as amended) and (ii) satisfaction or waiver of other commercially reasonable and customary closing conditions and requirements for a transaction of such nature; provided, further, that if the Company combines its outstanding REIT Shares, no Specified Redemption Date shall occur after the record date of such combination of REIT Shares and prior to the effective date of such combination.
“Stock Incentive Plan” means any stock incentive plan hereafter adopted by the Partnership, the General Partner or the Company.
“Subsidiary” means, with respect to any Person, any corporation or other entity of which a majority of (i) the voting power of the voting equity securities or (ii) the outstanding equity

interests is owned, directly or indirectly, by such Person; provided, however, that, with respect to the Partnership, "Subsidiary" means solely a partnership or limited liability company (taxed, for federal income tax purposes, as a partnership and not as an association or publicly traded partnership taxable as a corporation) of which the Partnership is a member unless the General Partner has received an unqualified opinion from independent counsel of recognized standing, or a ruling from the IRS, that the ownership of shares of stock of a corporation or other entity will not jeopardize the Company's status as a REIT, in which event the term "Subsidiary" shall include the corporation or other entity which is the subject of such opinion or ruling.

"Substituted Limited Partner" means a Person who is admitted as a Limited Partner to the Partnership pursuant to Section 11.4 hereof.

"Tax Items" has the meaning set forth in Section 6.4(a) hereof.

"Tendered Units" has the meaning set forth in Section 8.6(a) hereof.

"Tendering Party" has the meaning set forth in Section 8.6(a) hereof.

"Terminating Capital Transaction" means any sale or other disposition of all or substantially all of the assets of the Partnership or a related series of transactions that, taken together, result in the sale or other disposition of all or substantially all of the assets of the Partnership.

"Transaction" has the meaning set forth in Section 4.9 hereof.

"Transfer," when used with respect to a Partnership Unit or all or any portion of a Partnership Interest, means any sale, assignment, bequest, conveyance, devise, gift (outright or in trust), Pledge, encumbrance, hypothecation, mortgage, exchange, transfer or other disposition or act of alienation, whether voluntary or involuntary or by operation of law; provided, however, that when the term is used in Article XI hereof, "Transfer" does not include (a) any Redemption of Partnership Common Units by the Partnership, or acquisition of Tendered Units by the General Partner, pursuant to Section 8.6 hereof or (b) any redemption of Partnership Units pursuant to any Partnership Unit Designation. The terms "Transferred" and "Transferring" have correlative meanings.

"Unit Business Day" shall mean any day other than a Saturday, Sunday or a day on which state or federally chartered banking institutions in New York, New York are not required to be open.

"Unitholder" means any Holder of Partnership Units.

"Unvested LTIP Units" has the meaning set forth in Section 4.5(d) hereof.

"Valuation Date" means the date of receipt by the General Partner of a Notice of Redemption or, if such date is not a Business Day, the immediately preceding Business Day.

"Value" means, on any Valuation Date with respect to a REIT Share, the Market Price on the Valuation Date or, if the Valuation Date is not a trading day, the immediately preceding trading day. The term "Market Price" on any date shall mean, with respect to any class or series of outstanding REIT Shares, the Closing Price for such REIT Shares on such date. The "Closing Price" on any date shall mean the last sale price for such REIT Shares, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, for such REIT Shares, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if such REIT Shares are not listed or admitted to trading on the New York Stock Exchange, as reported on the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which such REIT Shares are listed or admitted to trading or, if such REIT Shares are not listed or admitted to trading on any national securities exchange, the last quoted price, or, if not so quoted, the average of the high bid and low asked prices in the over- the- counter market, as reported by a reliable quotation source designated by the General Partner, or, in the event that no such quotes or bid and asked prices are available for such REIT Shares, the fair market value of the REIT Shares, as determined in good faith by the Board of Directors of the Company.

In the event that the REIT Shares Amount includes Rights (as defined in the definition of "REIT Shares Amount") that a holder of REIT Shares would be entitled to receive, then the Value of such Rights shall be determined by the Company acting in good faith on the basis of such quotations and other information as it considers, in its reasonable judgment, appropriate.

"Vested LTIP Units" has the meaning set forth in Section 4.5(d) hereof.

"Vesting Agreement" means each or any, as the context implies, an award, vesting or other similar agreement, between the Partnership or the General Partner (on behalf of the Partnership) and a holder of LTIP Units entered into upon acceptance of an award of LTIP Units or thereafter that relates to the vesting of LTIP Units.

"voting stock" shall mean stock of any class or series of the Company having the power to vote generally in the election of directors.

ARTICLE II
ORGANIZATIONAL MATTERS

Section 2.1 Organization. The Partnership is a limited partnership organized pursuant to the provisions of the Act and upon the terms and subject to the conditions set forth in this Agreement. Except as expressly provided herein to the contrary, the rights and obligations of the Partners and the administration and termination of the Partnership shall be governed by the Act. The Partnership Interest of each Partner shall be personal property for all purposes.

Section 2.2 Withdrawal of Initial Limited Partner. Upon the admission of one or more Limited Partners to the Partnership on the date of the hereof, the Initial Limited Partner shall (a) receive a return of any amounts contributed by the Initial Limited Partner to the Partnership,

(b) withdraw as the Initial Limited Partner of the Partnership and (c) have no further right, interest, liability or obligation of any kind whatsoever as a Partner in the Partnership.

Section 2.3 Name. The name of the Partnership is "NorthStar Realty Europe Limited Partnership" The Partnership's business may be conducted under any other name or names deemed advisable by the General Partner, including the name of the General Partner or any Affiliate thereof. The words "Limited Partnership," "L.P.," "Ltd." or similar words or letters shall be included in the Partnership's name where necessary for the purposes of complying with the laws of any jurisdiction that so requires. The General Partner in its sole and absolute discretion may change the name of the Partnership at any time and from time to time and shall notify the Partners of such change in the next regular communication to the Partners.

Section 2.4 Registered Office and Agent; Principal Office. The address of the registered office of the Partnership in the State of Delaware is located at Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, County of New Castle, and the registered agent for service of process on the Partnership in the State of Delaware at such registered office is Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, County of New Castle. The principal office of the Partnership is located at 399 Park Avenue, 18th Floor, New York, New York 10022 or such other place as the General Partner may from time to time designate by notice to the Limited Partners. The Partnership may maintain offices at such other place or places within or outside the State of Delaware as the General Partner deems advisable.

Section 2.5 Power of Attorney.

(a) Each Limited Partner and each Assignee hereby irrevocably constitutes and appoints the General Partner, any Liquidator, and authorized officers and attorneys- in- fact of each, and each of those acting singly, in each case with full power of substitution, as its true and lawful agent and attorney- in- fact, with full power and authority in its name, place and stead to:

(i) execute, swear to, seal, acknowledge, deliver, file and record in the appropriate public offices (a) all certificates, documents and other instruments (including, without limitation, this Agreement and the Certificate and all amendments, supplements or restatements thereof) that the General Partner or the Liquidator deems appropriate or necessary to form, qualify or continue the existence or qualification of the Partnership as a limited partnership (or a partnership in which the limited partners have limited liability to the extent provided by applicable law) in the State of Delaware and in all other jurisdictions in which the Partnership may conduct business or own property; (b) all instruments that the General Partner or the Liquidator deems appropriate or necessary to reflect any amendment, change, modification or restatement of this Agreement in accordance with its terms; (c) all conveyances and other instruments or documents that the General Partner or the Liquidator deems appropriate or necessary to reflect the dissolution and liquidation of the Partnership pursuant to the terms of this Agreement, including, without limitation, a certificate of cancellation; (d) all conveyances and other instruments or

documents that the General Partner or the Liquidator deems appropriate or necessary to reflect the distribution or exchange of assets of the Partnership pursuant to the terms of this Agreement; (e) all instruments relating to the admission, withdrawal, removal or substitution of any Partner pursuant to, or other events described in, Article XI, Article XII or Article XIII hereof or the Capital Contribution of any Partner; and (f) all certificates, documents and other instruments relating to the determination of the rights, preferences and privileges relating to Partnership Interests; and

(ii) execute, swear to, acknowledge and file all ballots, consents, approvals, waivers, certificates and other instruments appropriate or necessary, in the sole and absolute discretion of the General Partner or the Liquidator, to make, evidence, give, confirm or ratify any vote, consent, approval, agreement or other action that is made or given by the Partners hereunder or is consistent with the terms of this Agreement or appropriate or necessary, in the sole and absolute discretion of the General Partner or the Liquidator, to effectuate the terms or intent of this Agreement.

Nothing contained herein shall be construed as authorizing the General Partner or the Liquidator to amend this Agreement except in accordance with Article XIV hereof or as may be otherwise expressly provided for in this Agreement.

(b) The foregoing power of attorney is hereby declared to be irrevocable and a special power coupled with an interest, in recognition of the fact that each of the Limited Partners and Assignees will be relying upon the power of the General Partner or the Liquidator to act as contemplated by this Agreement in any filing or other action by it on behalf of the Partnership, and it shall survive and not be affected by the subsequent Incapacity of any Limited Partner or Assignee and the Transfer of all or any portion of such Limited Partner's or Assignee's Partnership Units or Partnership Interest and shall extend to such Limited Partner's or Assignee's heirs, successors, assigns and personal representatives. Each such Limited Partner or Assignee hereby agrees to be bound by any representation made by the General Partner or the Liquidator, acting in good faith pursuant to such power of attorney; and each such Limited Partner or Assignee hereby waives any and all defenses that may be available to contest, negate or disaffirm the action of the General Partner or the Liquidator, taken in good faith under such power of attorney. Each Limited Partner or Assignee shall execute and deliver to the General Partner or the Liquidator, within fifteen (15) days after receipt of the General Partner's or the Liquidator's request therefor, such further designation, powers of attorney and other instruments as the General Partner or the Liquidator, as the case may be, deems necessary to effectuate this Agreement and the purposes of the Partnership.

Section 2.6 Term. The term of the Partnership commenced on _____, 2015, the date that the original Certificate was filed in the office of the Secretary of State of Delaware in accordance with the Act, and shall continue until the Partnership is dissolved pursuant to the provisions of Article XIII hereof or as otherwise provided by law.

Section 2.7 Partnership Interests are Securities. All Partnership Interests shall be securities within the meaning of, and governed by, (i) Article 8 of the Delaware Uniform Commercial Code as in effect from time to time in the State of Delaware and (ii) Article 8 of the Uniform Commercial Code of any other applicable jurisdiction.

ARTICLE III
PURPOSE

Section 3.1 Purpose and Business. The purpose and nature of the Partnership is to conduct any business, enterprise or activity permitted by or under the Act; provided, however, such business and arrangements and interests may be limited to and conducted in such a manner as to permit the Company, in the sole and absolute discretion of the General Partner, at all times to be classified as a REIT. The Partnership shall have all powers necessary or desirable to accomplish the purposes enumerated. In connection with the foregoing, the Partnership shall have full power and authority to enter into, perform and carry out contracts of any kind, to borrow and lend money and to issue evidence of indebtedness, whether or not secured by mortgage, deed of trust, pledge or other lien and, directly or indirectly, to acquire and construct additional Properties necessary, useful or desirable in connection with its business.

Section 3.2 Powers.

(a) The Partnership shall be empowered to do any and all acts and things necessary, appropriate, proper, advisable, incidental to or convenient for the furtherance and accomplishment of the purposes and business described herein and for the protection and benefit of the Partnership.

(b) The Partnership may contribute from time to time Partnership capital to one or more newly formed entities solely in exchange for equity interests therein (or in a wholly- owned subsidiary entity thereof).

(c) Notwithstanding any other provision in this Agreement, the General Partner may cause the Partnership not to take, or to refrain from taking, any action that, in the judgment of the General Partner, in its sole and absolute discretion, (i) could adversely affect the ability of the Company to continue to qualify as a REIT, (ii) could subject the Company to any additional taxes under Code Section 857 or Code Section 4981 or any other related or successor provision of the Code, or (iii) could violate any law or regulation of any governmental body or agency having jurisdiction over the General Partner, its securities or the Partnership, unless such action (or inaction) under clause (i), clause (ii) or clause (iii) above shall have been specifically consented to by the General Partner in writing.

Section 3.3 Partnership Only for Partnership Purposes. This Agreement shall not be deemed to create a company, venture or partnership between or among the Partners with respect to any activities whatsoever other than the activities within the purposes of the Partnership as specified in Section 3.1 hereof. Except as otherwise provided in this Agreement, no Partner shall have any authority to act for, bind, commit or assume any obligation or responsibility on behalf

of the Partnership, its properties or any other Partner. No Partner, in its capacity as a Partner under this Agreement, shall be responsible or liable for any indebtedness or obligation of another Partner, and the Partnership shall not be responsible or liable for any indebtedness or obligation of any Partner, incurred either before or after the execution and delivery of this Agreement by such Partner, except as to those responsibilities, liabilities, indebtedness or obligations incurred pursuant to and as limited by the terms of this Agreement and the Act.

Section 3.4 Representations and Warranties by the Parties.

(a) Each Partner (including, without limitation, each Additional Limited Partner or Substituted Limited Partner as a condition to becoming an Additional Limited Partner or a Substituted Limited Partner) that is an individual represents and warrants to each other Partner(s) that (i) the consummation of the transactions contemplated by this Agreement to be performed by such Partner will not result in a breach or violation of, or a default under, any material agreement by which such Partner or any of such Partner's property is bound, or any statute, regulation, order or other law to which such Partner is subject, (ii) subject to the last sentence of this Section 3.4(a), such Partner is neither a "foreign person" within the meaning of Code Section 1445(f) nor a "foreign partner" within the meaning of Code Section 1446(e), (iii) such Partner does not own, directly or indirectly, (a) nine and eight tenths percent (9.8%) or more of the total combined voting power of all classes of stock entitled to vote, or nine and eight tenths percent (9.8%) or more of the total number of shares of all classes of stock, of any corporation that is a tenant of either (I) the General Partner, the Company or any Qualified REIT Subsidiary, (II) the Partnership or (III) any partnership, venture or limited liability company of which the General Partner, the Company, any Qualified REIT Subsidiary or the Partnership is a member or (b) an interest of nine and eight tenths percent (9.8%) or more in the assets or net profits of any noncorporate tenant of either (I) the General Partner, the Company or any Qualified REIT Subsidiary, (II) the Partnership or (III) any partnership, venture, or limited liability company of which the General Partner, the Company, any Qualified REIT Subsidiary or the Partnership is a member and (iv) this Agreement is binding upon, and enforceable against, such Partner in accordance with its terms. Notwithstanding anything contained herein to the contrary, in the event that the representation contained in clause (ii) foregoing would be inaccurate if given by a Partner, such Partner (w) shall not be required to make and shall not be deemed to have made such representation, (x) shall deliver to the General Partner in connection with or prior to its execution of this Agreement written notice that it may not truthfully make such representation, (y) hereby agrees that it is subject to, and hereby authorizes the General Partner to withhold, all withholdings to which such a "foreign person" or "foreign partner", as applicable, is subject under the Code and (z) hereby agrees to cooperate fully with the General Partner with respect to such withholdings, including by effecting the timely completion and delivery to the General Partner of all internal revenue forms required in connection therewith.

(b) Each Partner (including, without limitation, each Additional Limited Partner or Substituted Limited Partner as a condition to becoming an Additional Limited Partner or a Substituted Limited Partner) that is not an individual represents and warrants to each other Partner(s) that (i) all transactions contemplated by this Agreement to be performed by it have been duly authorized by all necessary action, including, without limitation, that of its general

partner(s), committee(s), trustee(s), beneficiaries, directors and/or stockholder(s), as the case may be, as required, (ii) the consummation of such transactions shall not result in a breach or violation of, or a default under, its partnership or operating agreement, trust agreement, articles, charter or bylaws, as the case may be, any material agreement by which such Partner or any of such Partner's properties or any of its partners, members, beneficiaries, trustees or stockholders, as the case may be, is or are bound, or any statute, regulation, order or other law to which such Partner or any of its partners, members, trustees, beneficiaries or stockholders, as the case may be, is or are subject, (iii) subject to the last sentence of this Section 3.4(b), such Partner is neither a "foreign person" within the meaning of Code Section 1445(f) nor a "foreign partner" within the meaning of Code Section 1446(e), (iv) such Partner does not own, directly or indirectly, (a) nine and eight tenths percent (9.8%) or more of the total combined voting power of all classes of stock entitled to vote, or nine and eight tenths percent (9.8%) or more of the total number of shares of all classes of stock, of any corporation that is a tenant of either (I) the General Partner, the Company or any Qualified REIT Subsidiary, (II) the Partnership or (III) any partnership, venture or limited liability company of which the General Partner, the Company, any Qualified REIT Subsidiary or the Partnership is a member or (b) an interest of nine and eight tenths percent (9.8%) or more in the assets or net profits of any noncorporate tenant of either (I) the General Partner, the Company, or any Qualified REIT Subsidiary, (II) the Partnership or (III) any partnership, venture or limited liability company for which the General Partner, the Company, any Qualified REIT Subsidiary or the Partnership is a member and (v) this Agreement is binding upon, and enforceable against, such Partner in accordance with its terms. Notwithstanding anything contained herein to the contrary, in the event that the representation contained in clause (iii) foregoing would be inaccurate if given by a Partner, such Partner (w) shall not be required to make and shall not be deemed to have made such representation, (x) shall deliver to the General Partner in connection with or prior to its execution of this Agreement written notice that it may not truthfully make such representation, (y) hereby agrees that it is subject to, and hereby authorizes the General Partner to withhold, all withholdings to which such a "foreign person" or "foreign partner", as applicable, is subject under the Code and (z) hereby agrees to cooperate fully with the General Partner with respect to such withholdings, including by effecting the timely completion and delivery to the General Partner of all internal revenue forms required in connection therewith.

(c) Each Partner (including, without limitation, each Substituted Limited Partner as a condition to becoming a Substituted Limited Partner) represents, warrants and agrees that it has acquired and continues to hold its interest in the Partnership for its own account for investment purposes only and not for the purpose of, or with a view toward, the resale or distribution of all or any part thereof, and not with a view toward selling or otherwise distributing such interest or any part thereof at any particular time or under any predetermined circumstances. Each Partner further represents and warrants that it is a sophisticated investor, able and accustomed to handling sophisticated financial matters for itself, particularly real estate investments, and that it has a sufficiently high net worth that it does not anticipate a need for the funds that it has invested in the Partnership in what it understands to be a highly speculative and illiquid investment.

(d) The representations and warranties contained in Sections 3.4(a), 3.4(b) and 3.4(c) hereof shall survive the execution and delivery of this Agreement by each Partner (and, in the case of an Additional Limited Partner or a Substituted Limited Partner, the admission of such Additional Limited Partner or Substituted Limited Partner as a Limited Partner in the Partnership) and the dissolution, liquidation and termination of the Partnership.

(e) Each Partner (including, without limitation, each Substituted Limited Partner as a condition to becoming a Substituted Limited Partner) hereby acknowledges that no representations as to potential profit, cash flows, funds from operations, cash available for distribution, yield or other metrics, if any, in respect of the Partnership or the General Partner have been made by any Partner or any employee or representative or Affiliate of any Partner, and that projections and any other information, including, without limitation, financial and descriptive information and documentation, that may have been in any manner submitted to such Partner, if any, shall not constitute any representation or warranty of any kind or nature, express or implied.

(f) Notwithstanding the foregoing, the General Partner may, in its sole and absolute discretion, permit the modification of any of the representations and warranties contained in Sections 3.4(a), 3.4(b) and 3.4(c) above as applicable to any Partner (including, without limitation any Additional Limited Partner or Substituted Limited Partner or any transferee of either) provided that such representations and warranties, as modified, shall be set forth in either (i) a Partnership Unit Designation applicable to the Partnership Units held by such Partner or (ii) a separate writing addressed to the Partnership and the General Partner.

ARTICLE IV
CAPITAL CONTRIBUTIONS

Section 4.1 Capital Contributions of the Partners. The Partners have made or shall be deemed to have made Capital Contributions to the Partnership and/or have surrendered their existing interests in the Partnership in exchange for the Partnership Units of each such Partner, as set forth in the books and records of the Partnership, which number of Partnership Units and Percentage Interests shall be adjusted from time to time by the General Partner to the extent necessary to reflect accurately sales, exchanges or other Transfers, redemptions, Capital Contributions, the issuance of additional Partnership Units, or similar events having an effect on a Partner's ownership of Partnership Units. Except as provided by law or in Sections 4.2, 4.3 or 10.4 hereof, the Partners shall have no obligation or right to make any additional Capital Contributions or loans to the Partnership. The General Partner holds a General Partner Interest which shall have no economic interest and is not represented by any Partnership Units. All Partnership Units held by the Company shall be deemed to be Limited Partner Interests and shall be held by the Company in its capacity as a Limited Partner in the Partnership.

Section 4.2 Issuances of Additional Partnership Interests.

(a) General. The General Partner is hereby authorized to cause the Partnership to issue additional Partnership Interests, in the form of Partnership Units, for any

Partnership purpose, at any time or from time to time, to the Partners (including the General Partner, the Company or its Affiliates) or to other Persons, and to admit such Persons as Additional Limited Partners, for such consideration and on such terms and conditions as shall be established by the General Partner in its sole and absolute discretion, all without the approval of any Limited Partners. Without limiting the foregoing, the General Partner is expressly authorized to cause the Partnership to issue Partnership Units (i) upon the conversion, redemption or exchange of any Debt, Partnership Units or other securities issued by the Partnership, (ii) for less than fair market value, so long as the General Partner concludes in good faith that such issuance is in the best interests of the General Partner and the Partnership, and (iii) in connection with any merger of any other Person into the Partnership if the applicable merger agreement provides that Persons are to receive Partnership Units in exchange for their interests in the Person merging into the Partnership. Subject to Delaware law, any additional Partnership Interests may be issued in one or more classes, or one or more series of any of such classes, with such designations, preferences and relative, participating, optional or other special rights, powers and duties as shall be determined by the General Partner, in its sole and absolute discretion without the approval of any Limited Partner, and set forth in a written document thereafter attached to and made an exhibit to this Agreement (each, a "Partnership Unit Designation"). Without limiting the generality of the foregoing, the General Partner shall have authority to specify (a) the allocations of items of Partnership income, gain, loss, deduction and credit to each such class or series of Partnership Interests; (b) the right of each such class or series of Partnership Interests to share in Partnership distributions; (c) the rights of each such class or series of Partnership Interests upon dissolution and liquidation of the Partnership; (d) the voting rights, if any, of each such class or series of Partnership Interests; and (e) the conversion, redemption or exchange rights applicable to each such class or series of Partnership Interests. Upon the issuance of any additional Partnership Interest, the General Partner shall amend Exhibit A as appropriate to reflect such issuance.

(b) Issuances to the General Partner or the Company. No Partnership Units shall be issued to the General Partner and no additional Partnership Units shall be issued to the Company or any direct or indirect wholly owned Subsidiary of the Company unless (i) the additional Partnership Units are issued to all Partners in proportion to their respective Percentage Interests or, if such additional Partnership Units are issued with respect to one or more classes of Partnership Preferred Units or Partnership Junior Units, to all holders of such classes of Partnership Units in accordance with the terms thereof, (ii) (a) the additional Partnership Units are (x) Partnership Common Units issued in connection with an issuance of REIT Shares, or (y) Partnership Units (other than Partnership Common Units) issued in connection with an issuance of Preferred Shares, New Securities or other interests in the Company (other than REIT Shares), which Preferred Shares, New Securities or other interests have designations, preferences and other rights, terms and provisions that are substantially the same as the designations, preferences and other rights, terms and provisions of the additional Partnership Units issued to the General Partner or the Company or any direct or indirect wholly owned Subsidiary of the Company, and (b) the Company, directly or indirectly, contributes to the Partnership the net cash proceeds or other consideration received in connection with the issuance of such REIT Shares, Preferred Shares, New Securities or other interests in the Company, (iii) the additional Partnership Units are issued upon the conversion, redemption or exchange of Debt, Partnership Units or other

securities issued by the Partnership, or (iv) the additional Partnership Units are issued pursuant to Section 4.7 or Section 4.8.

(c) No Preemptive Rights. No Person, including, without limitation, any Partner or Assignee, shall have any preemptive, preferential, participation or similar right or rights to subscribe for or acquire any Partnership Interest.

(d) Issuance of Series SN Preferred Units. The Partnership is authorized to issue a series designated as "Series SN Preferred Units," which units shall have the terms set forth in Article XVI. Article XVI shall constitute a Partnership Unit Designation for purposes of this Agreement.

Section 4.3 Additional Funds and Capital Contributions.

(a) General. The General Partner may, at any time and from time to time, determine that the Partnership requires additional funds ("Additional Funds") for the acquisition or development of additional Properties, for the redemption of Partnership Units or for such other purposes as the General Partner may determine in its sole and absolute discretion. Additional Funds may be obtained by the Partnership, at the election of the General Partner, in any manner provided in, and in accordance with, the terms of this Section 4.3 without the approval of any Limited Partners.

(b) Additional Capital Contributions. The General Partner, on behalf of the Partnership, may obtain any Additional Funds by accepting Capital Contributions from any Partners or other Persons. In connection with any such Capital Contribution (of cash or property), the General Partner is hereby authorized to cause the Partnership from time to time to issue additional Partnership Units (as set forth in Section 4.2 above) in consideration therefor and the Percentage Interests of the Partners shall be adjusted, as applicable, to reflect the issuance of such additional Partnership Units.

(c) Loans by Third Parties. The General Partner, on behalf of the Partnership, may obtain any Additional Funds by causing the Partnership to incur Debt to any Person upon such terms as the General Partner determines appropriate, including making such Debt convertible, redeemable or exchangeable for Partnership Units; provided, however, that the Partnership shall not incur any such Debt if such Debt is recourse to any Partner (unless the Partner otherwise agrees).

(d) General Partner and Company Loans. The General Partner, on behalf of the Partnership, may obtain any Additional Funds by causing the Partnership to incur Debt with the General Partner and/or the Company if (i) such Debt is, to the extent permitted by law, on substantially the same terms and conditions (including interest rate, repayment schedule, and conversion, redemption, repurchase and exchange rights) as Funding Debt incurred by the General Partner or the Company, the net proceeds of which are loaned to the Partnership to provide such Additional Funds, or (ii) such Debt is on terms and conditions no less favorable to the Partnership than would be available to the Partnership from any third party; provided,

however, that the Partnership shall not incur any such Debt if such Debt is recourse to any Partner (unless the Partner otherwise agrees).

(e) Issuance of Securities by the Company. The Company shall not issue any additional REIT Shares, Preferred Shares, Junior Shares or New Securities unless the Company, directly or indirectly, contributes the cash proceeds or other consideration received from the issuance of such additional REIT Shares, Preferred Shares, Junior Shares or New Securities, as the case may be, and from the exercise of the rights contained in any such additional New Securities, to the Partnership in exchange for (x) in the case of an issuance of REIT Shares, Partnership Common Units, or (y) in the case of an issuance of Preferred Shares, Junior Shares or New Securities, Partnership Units with designations, preferences and other rights, terms and provisions that are substantially the economic equivalent of such Preferred Shares, Junior Shares or New Securities; provided, however, that notwithstanding the foregoing, the Company may issue REIT Shares, Preferred Shares, Junior Shares or New Securities (a) pursuant to Section 8.6(b) hereof, (b) pursuant to a dividend or other distribution (including any stock split) of REIT Shares, Preferred Shares, Junior Shares or New Securities to all of the holders of REIT Shares, Preferred Shares, Junior Shares or New Securities, as the case may be, (c) upon a conversion, redemption or exchange of Preferred Shares, (d) upon a conversion of Junior Shares into REIT Shares, (e) upon a conversion, redemption, exchange or exercise of New Securities, or (f) in connection with an acquisition of a property or other asset to be owned, directly or indirectly, by the Company if the Company determines that such acquisition is in the best interests of the Partnership. In the event of any issuance of additional REIT Shares, Preferred Shares, Junior Shares or New Securities by the Company, and the contribution to the Partnership, by the Company, of the cash proceeds or other consideration received from such issuance, the Partnership shall pay the Company's expenses associated with such issuance, including any underwriting discounts or commissions. Without limiting the foregoing, the Company is expressly authorized to issue REIT Shares, other shares of capital stock or New Securities for no tangible value or for less than fair market value, and the General Partner is expressly authorized to cause the Partnership to issue to the Company corresponding Partnership Interests, so long as (x) the General Partner concludes in good faith that such issuance of Partnership Interests is in the interests of the Partnership, and (y) the Company contributes all net proceeds, if any, from such issuance and exercise to the Partnership. In the event that the General Partner issues any additional REIT Shares, Preferred Shares, Junior Securities or New Securities and contributes the cash proceeds or other consideration received from the issuance thereof to the Partnership, the Partnership is authorized to issue to the General Partner a number of Partnership Common Units or a number of Partnership Units that are substantially the economic equivalent of the applicable Preferred Shares, Junior Securities or New Securities equal to the number of REIT Shares, Preferred Shares, Junior Securities or New Securities so issued, divided by the Adjustment Factor then in effect without any further act, approval or vote of any Partner or any other Person.

Section 4.4 Stock Incentive Plan.

(a) Options Granted to Independent Directors. If at any time or from time to time, in connection with the Stock Incentive Plan, a stock option granted to an Independent Director is duly exercised:

(i) the Company shall, as soon as practicable after such exercise, make a Capital Contribution to the Partnership in an amount equal to the exercise price paid to the Company by such exercising party in connection with the exercise of such stock option.
(ii) Notwithstanding the amount of the Capital Contribution actually made pursuant to Section 4.4(a)(i) hereof, the Company shall be deemed to have contributed to the Partnership as a Capital Contribution, in consideration of an additional Limited Partner Interest (expressed in and as additional Partnership Common Units), an amount equal to the Value of a REIT Share as of the date of exercise multiplied by the number of REIT Shares then being issued in connection with the exercise of such stock option.
(iii) An equitable Percentage Interest adjustment shall be made in which the Company shall be treated as having made a cash contribution equal to the amount described in Section 4.4(a)(ii) hereof.
(b) Special Valuation Rule. For purposes of this Section 4.4, in determining the Value of a REIT Share, only the trading date immediately preceding the exercise of the relevant stock option under the Stock Incentive Plan shall be considered.
(c) Future Stock Incentive Plans. Nothing in this Agreement shall be construed or applied to preclude or restrain the General Partner or the Company from adopting, modifying or terminating stock incentive plans, in addition to the Stock Incentive Plan, for the benefit of employees, directors or other business associates of the General Partner, the Company, the Partnership or any of their Affiliates. The Limited Partners acknowledge and agree that, in the event that any such plan is adopted, modified or terminated by the General Partner amendments to this Agreement may become necessary or advisable and that any approval or consent to any such amendments requested by the General Partner shall not be unreasonably withheld or delayed.
Section 4.5 LTIP Units.
(a) Issuance of LTIP Units. The General Partner may from time to time issue LTIP Units to Persons who provide services to the Partnership, for such consideration as the General Partner may determine to be appropriate, and admit such Persons as Limited Partners. Subject to the following provisions of this Section and the special provisions of Sections 4.9, 6.3(b) and 14.4, LTIP Units shall be treated as Partnership Common Units, with all of the rights, privileges and obligations attendant thereto.
(b) Adjustments to LTIP Units. The Partnership shall maintain at all times a one- to- one correspondence between LTIP Units and Partnership Common Units for conversion, distribution and other purposes, including without limitation complying with the following procedures: If an Adjustment Event (as defined below) occurs, then the General Partner shall make a corresponding adjustment to the LTIP Units to maintain a one- for- one conversion and economic equivalence ratio between Partnership Common Units and LTIP Units. The following

shall be “Adjustment Events”: (A) the Partnership makes a distribution on all outstanding Partnership Common Units in Partnership Units, (B) the Partnership subdivides the outstanding Partnership Common Units into a greater number of units or combines the outstanding Partnership Common Units into a smaller number of units, or (C) the Partnership issues any Partnership Units in exchange for its outstanding Partnership Common Units by way of a reclassification or recapitalization of its Partnership Common Units. If more than one Adjustment Event occurs, the adjustment to the LTIP Units need be made only once using a single formula that takes into account each and every Adjustment Event as if all Adjustment Events occurred simultaneously. For the avoidance of doubt, the following shall not be Adjustment Events: (x) the issuance of Partnership Units in a financing, reorganization, acquisition or other similar business transaction, (y) the issuance of Partnership Units pursuant to any employee benefit or compensation plan or distribution reinvestment plan, or (z) the issuance of any Partnership Units to the Company in respect of a capital contribution to the Partnership of proceeds from the sale of securities by the Company. If the Partnership takes an action affecting the Partnership Common Units other than actions specifically described above as “Adjustment Events” and in the opinion of the General Partner such action would require an adjustment to the LTIP Units to maintain the one- to- one correspondence described above, the General Partner shall have the right to make such adjustment to the LTIP Units, to the extent permitted by law and by any Stock Incentive Plan, in such manner and at such time as the General Partner, in its sole discretion, may determine to be appropriate under the circumstances. If an adjustment is made to the LTIP Units as herein provided the Partnership shall promptly file in the books and records of the Partnership an officer’s certificate setting forth such adjustment and a brief statement of the facts requiring such adjustment, which certificate shall be conclusive evidence of the correctness of such adjustment absent manifest error. Promptly after filing of such certificate, the Partnership shall mail a notice to each LTIP Unitholder setting forth the adjustment to his or her LTIP Units and the effective date of such adjustment.

(c) Priority. The LTIP Units shall rank pari passu with the Partnership Common Units as to the payment of regular and special periodic or other distributions and distribution of assets upon liquidation, dissolution or winding up. As to the payment of distributions and as to distribution of assets upon liquidation, dissolution or winding up, any class or series of Partnership Units or Partnership Interests which by its terms specifies that it shall rank junior to, on a parity with, or senior to the Partnership Common Units shall also rank junior to, or pari passu with, or senior to, as the case may be, the LTIP Units.

(d) Special Provisions. LTIP Units shall be subject to the following special provisions:

(i) Vesting Agreements and Transferability. LTIP Units may, in the sole discretion of the General Partner, be issued subject to vesting, forfeiture and additional restrictions on transfer pursuant to the terms of a Vesting Agreement. The terms of any Vesting Agreement may be modified by the General Partner from time to time in its sole discretion, subject to any restrictions on amendment imposed by the relevant Vesting Agreement or by any Stock Incentive Plan, if applicable. LTIP Units that have vested and are no longer subject to forfeiture

under the terms of a Vesting Agreement or otherwise are referred to as "Vested LTIP Units"; all other LTIP Units shall be treated as "Unvested LTIP Units." Subject to the terms of any Vesting Agreement, a LTIP Unitholder shall be entitled to transfer his or her LTIP Units to the same extent, and subject to the same restrictions as holders of Partnership Common Units are entitled to transfer their Partnership Common Units pursuant to Article XI.

(ii) Forfeiture. Unless otherwise specified in the Vesting Agreement, upon the occurrence of any event specified in a Vesting Agreement as resulting in either the right of the Partnership or the General Partner to repurchase LTIP Units at a specified purchase price or some other forfeiture of any LTIP Units, then if the Partnership or the General Partner exercises such right to repurchase or forfeiture in accordance with the applicable Vesting Agreement, then the relevant LTIP Units shall immediately, and without any further action, be treated as cancelled and no longer outstanding for any purpose. Unless otherwise specified in the Vesting Agreement, no consideration or other payment shall be due with respect to any LTIP Units that have been forfeited, other than any distributions declared with respect to a Partnership Record Date prior to the effective date of the forfeiture.

(iii) Allocations. LTIP Units shall be entitled to allocations as set forth in Article VI and other applicable provisions of this Agreement, including the provisions of Section 6.3(b).

(iv) Redemption. The Redemption Right provided to Limited Partners under Section 8.6 shall not apply with respect to LTIP Units unless and until they are converted to Partnership Common Units as provided in Section 4.9.

(v) Legend. Any certificate evidencing an LTIP Unit shall bear an appropriate legend indicating that additional terms, conditions and restrictions on transfer, including without limitation any Vesting Agreement, apply to the LTIP Unit.

(vi) Conversion to Partnership Common Units. Vested LTIP Units are eligible to be converted into Partnership Common Units under Section 4.9.

(vii) Voting. LTIP Units shall have the voting rights provided in Section 14.4.

Section 4.6 No Interest; No Return. No Partner shall be entitled to interest on its Capital Contribution or on such Partner's Capital Account. Except as provided herein or by law, no Partner shall have any right to demand or receive the return of its Capital Contribution from the Partnership.

Section 4.7 Conversion or Redemption of Preferred Shares.

(a) Conversion of Preferred Shares. If, at any time, any of the Preferred Shares are converted into REIT Shares, in whole or in part, then a number of Partnership Preferred Units of a class or series that was created to be substantially the economic equivalent of such Preferred Shares equal to the number of Preferred Shares so converted shall automatically be converted into a number of Partnership Common Units equal to (i) the number of REIT Shares issued upon such conversion divided by (ii) the Adjustment Factor then in effect, and the Percentage Interests of the Company and the other Limited Partners shall be adjusted to reflect such conversion.

(b) Redemption of Preferred Shares. If, at any time, any Preferred Shares are redeemed (whether by exercise of a put or call, automatically or by means of another arrangement) by the Company for cash, the Partnership shall, immediately prior to such redemption of Preferred Shares, redeem an equal number of Partnership Preferred Units of a class or series that was created to be substantially the economic equivalent of such Preferred Shares held by the Company, upon the same terms and for the same price per Partnership Preferred Unit, as such Preferred Shares are redeemed.

Section 4.8 Conversion or Redemption of Junior Shares.

(a) Conversion of Junior Shares. If, at any time, any of the Junior Shares are converted into REIT Shares, in whole or in part, then a number of Partnership Common Units equal to (i) the number of REIT Shares issued upon such conversion divided by (ii) the Adjustment Factor then in effect shall be issued to the Company, and the Percentage Interests of the Company and the other Limited Partners shall be adjusted to reflect such conversion.

(b) Redemption of Junior Shares. If, at any time, any Junior Shares are redeemed (whether by exercise of a put or call, automatically or by means of another arrangement) by the Company for cash, the Partnership shall, immediately prior to such redemption of Junior Shares, redeem an equal number of Partnership Junior Units held by the Company, upon the same terms and for the same price per Partnership Junior Unit, as such Junior Shares are redeemed.

Section 4.9 Conversion of LTIP Units.

(a) Right to Convert LTIP Units into Partnership Common Units. A Holder of LTIP Units shall have the right (the "Conversion Right"), at his or her option, at any time to convert all or a portion of his or her Vested LTIP Units into Partnership Common Units; provided, however, unless otherwise agreed to by the General Partner, that a Holder may not exercise the Conversion Right for fewer than one thousand (1,000) Vested LTIP Units or, if such Holder holds fewer than one thousand (1,000) Vested LTIP Units, all of the Holder's Vested LTIP Units. Holders of LTIP Units shall not have the right to convert Unvested LTIP Units into Partnership Common Units until they become Vested LTIP Units; provided, however, that when a Holder of LTIP Units is notified of the expected occurrence of an event that will cause his or her Unvested LTIP Units to become Vested LTIP Units, such Person may give the Partnership a

Conversion Notice conditioned upon and effective as of the time of vesting, and such Conversion Notice, unless subsequently revoked by the Holder of the Units, shall be accepted by the Partnership subject to such condition. The General Partner shall have the right at any time to cause a conversion of Vested LTIP Units into Partnership Common Units. In all cases, the conversion of any LTIP Units into Partnership Common Units shall be subject to the conditions and procedures set forth in this Section 4.9.

(b) Number of Units Convertible. A Holder of Vested LTIP Units, the Book Up Target of which is zero, may convert all or any portion of such Units into an equal number of fully paid and non- assessable Partnership Common Units, giving effect to all adjustments (if any) made pursuant to Section 4.5(b).

(c) Notice. In order to exercise his or her Conversion Right, a Holder of LTIP Units shall deliver a notice (a "Conversion Notice") in the form attached as Exhibit D to the Partnership (with a copy to the General Partner) not less than 10 nor more than 60 days prior to a date (the "Conversion Date") specified in such Conversion Notice; provided, however, that if the General Partner has not given to the LTIP Unitholders notice of a proposed or upcoming Transaction (as defined below) at least thirty (30) days prior to the effective date of such Transaction, then Holders of LTIP Unit shall have the right to deliver a Conversion Notice until the earlier of (x) the tenth (10th) day after such notice from the General Partner of a Transaction or (y) the third business day immediately preceding the effective date of such Transaction. A Conversion Notice shall be provided in the manner provided in Section 15.1. Each Holder of LTIP Units covenants and agrees with the Partnership that all Vested LTIP Units to be converted pursuant to this Section 4.9 shall be free and clear of all liens. Notwithstanding anything herein to the contrary, a Holder of LTIP Units may deliver a Redemption Notice pursuant to Section 8.6 of the Partnership Agreement relating to those Partnership Common Units that will be issued to such holder upon conversion of such LTIP Units into Partnership Common Units in advance of the Conversion Date; provided, however, that the redemption of such Partnership Common Units by the Partnership shall in no event take place until after the Conversion Date. For clarity, it is noted that the objective of this paragraph is to put a Holder of LTIP Units in a position where, if he or she so wishes, the Partnership Common Units into which his or her Vested LTIP Units will be converted can be redeemed by the Partnership simultaneously with such conversion, with the further consequence that, if the General Partner elects to assume the Partnership's redemption obligation with respect to such Partnership Common Units under Section 8.6 of the Partnership Agreement by delivering to such holder REIT Shares rather than cash, then such holder can have such REIT Shares issued to him or her simultaneously with the conversion of his or her Vested LTIP Units into Partnership Common Units. The General Partner shall cooperate with a Holder of LTIP Units to coordinate the timing of the different events described in the foregoing sentence.

(d) Forced Conversion. The Partnership, at any time at the election of the General Partner, may cause any number of Vested LTIP Units held by a Holder of LTIP Units to be converted (a "Forced Conversion") into an equal number of Partnership Common Units, giving effect to all adjustments (if any) made pursuant to Section 4.2(b); provided, that the Partnership may not cause Forced Conversion of any LTIP Units that would not at the time be

eligible for conversion at the option of such LTIP Unitholder pursuant to paragraph (b) above. In order to exercise its right of Forced Conversion, the Partnership shall deliver a notice (a "Forced Conversion Notice") in the form attached as Exhibit D to the applicable Holder not less than 10 nor more than 60 days prior to the Conversion Date specified in such Forced Conversion Notice. A Forced Conversion Notice shall be provided in the manner provided in Section 15.1.

(e) Conversion Procedures. A conversion of Vested LTIP Units for which the Holder has given a Conversion Notice or the Partnership has given a Forced Conversion Notice shall occur automatically after the close of business on the applicable Conversion Date without any action on the part of such Holder of LTIP Units, as of which time such Holder of LTIP Units shall be credited on the books and records of the Partnership with the issuance as of the opening of business on the next day of the number of Partnership Common Units issuable upon such conversion. After the conversion of LTIP Units as aforesaid, the Partnership shall deliver to such Holder of LTIP Units, upon his or her written request, a certificate of the General Partner certifying the number of Partnership Common Units and remaining LTIP Units, if any, held by such Person immediately after such conversion in the manner provided in Section 15.1.

(f) Treatment of Capital Account. For purposes of making future allocations under Section 6.3(b), the portion of the Economic Capital Account balance of the applicable Holder that is treated as attributable to his or her LTIP Units shall be reduced, as of the date of conversion, by the LTIP Unitholder's Economic Capital Account Balance attributable to the LTIP Units converted.

(g) Mandatory Conversion in Connection with a Transaction. If the Partnership or the General Partner shall be a party to any transaction (including without limitation a merger, consolidation, unit exchange, self- tender offer for all or substantially all Partnership Common Units or other business combination or reorganization, or sale of all or substantially all of the Partnership's assets, but excluding any transaction which constitutes an Adjustment Event), in each case as a result of which Partnership Common Units shall be exchanged for or converted into the right, or the Holders of such Units shall otherwise be entitled, to receive cash, securities or other property or any combination thereof (each of the foregoing being referred to herein as a "Transaction"), then the General Partner shall, immediately prior to the Transaction, exercise its right to cause a Forced Conversion with respect to the maximum number of LTIP Units then eligible for conversion, taking into account any allocations that occur in connection with the Transaction or that would occur in connection with the Transaction if the assets of the Partnership were sold at the Transaction price or, if applicable, at a value determined by the General Partner in good faith using the value attributed to the Partnership Units in the context of the Transaction (in which case the Conversion Date shall be the effective date of the Transaction).

In anticipation of such Forced Conversion and the consummation of the Transaction, the Partnership shall use commercially reasonable efforts to cause each Holder of LTIP Units to be afforded the right to receive in connection with such Transaction in consideration for the Partnership Common Units into which his or her LTIP Units will be converted the same kind and amount of cash, securities and other property (or any combination thereof) receivable upon the

consummation of such Transaction by a Holder of the same number of Partnership Common Units, assuming such Holder of Partnership Common Units is not a Constituent Person or an affiliate of a Constituent Person. In the event that Holders of Partnership Common Units have the opportunity to elect the form or type of consideration to be received upon consummation of the Transaction, prior to such Transaction the General Partner shall give prompt written notice to each Holder of LTIP Units of such election, and shall use commercially reasonable efforts to afford such Holders the right to elect, by written notice to the General Partner, the form or type of consideration to be received upon conversion of each LTIP Unit held by such Holder into Partnership Common Units in connection with such Transaction. If a Holder of LTIP Units fails to make such an election, such Holder (and any of its transferees) shall receive upon conversion of each LTIP Unit held by him or her (or by any of his or her transferees) the same kind and amount of consideration that a Holder of a Partnership Common Unit would receive if such Partnership Common Unit Holder failed to make such an election. Subject to the rights of the Partnership and the General Partner under any Vesting Agreement and any Stock Incentive Plan, the Partnership shall use commercially reasonable efforts to cause the terms of any Transaction to be consistent with the provisions of this Section 4.9 and to enter into an agreement with the successor or purchasing entity, as the case may be, for the benefit of any Holders of LTIP Units whose LTIP Units will not be converted into Partnership Common Units in connection with the Transaction that will (i) contain provisions enabling the Holders of LTIP Units that remain outstanding after such Transaction to convert their LTIP Units into securities as comparable as reasonably possible under the circumstances to the Partnership Common Units and (ii) preserve as far as reasonably possible under the circumstances the distribution, special allocation, conversion, and other rights set forth in the Partnership Agreement for the benefit of the Holders of LTIP Units.

Section 4.10 Other Contribution Provisions. In the event that any Partner is admitted to the Partnership and is given a Capital Account in exchange for services rendered to the Partnership, such transaction shall be treated by the Partnership and the affected Partner as if the Partnership had compensated such partner in cash and such Partner had contributed the cash to the capital of the Partnership. In addition, with the consent of the General Partner, one or more Limited Partners may enter into contribution agreements with the Partnership which have the effect of providing a guarantee of certain obligations of the Partnership.

Section 4.11 Not Publicly Traded. The General Partner, on behalf of the Partnership, shall use its commercially reasonable efforts not to take any action which would result in the Partnership being a “publicly traded partnership” under and as such term is defined in Section 7704(b) of the Code. Subject to this Section 4.11, it is expressly acknowledged and agreed by the Partners that the General Partner may, in its sole and absolute discretion, waive or otherwise modify the application with respect to any Partner(s) or Assignee(s) of any provision herein restricting, prohibiting or otherwise relating to (i) the Transfer of a Limited Partnership Interest or the Partnership Units evidencing the same, (ii) the admission of any Limited Partners and (iii) the Redemption Rights of such Partners, and that such waivers or modifications may be made by the General Partner at any time or from time to time, including, without limitation, concurrently

with the issuance of any Partnership Units pursuant to the terms of the Partnership Agreement and which may be set forth in a Partnership Unit Designation.

Section 4.12 Restricted Units. In accordance with Section 4.3(e), to the extent the Company issues restricted REIT Shares, the Partnership shall issue to the Company an equal number of Partnership Common Units that are subject to a similar vesting schedule, forfeiture provisions and other terms and conditions that correspond to those of the restricted REIT Shares ("Restricted Partnership Common Units").

ARTICLE V
DISTRIBUTIONS

Section 5.1 Requirement and Characterization of Distributions. Subject to the terms of any Partnership Unit Designation, the General Partner shall cause the Partnership to distribute quarterly all, or such portion as the General Partner may in its sole and absolute discretion determine, of Available Cash generated by the Partnership during such quarter to the Holders of Partnership Units on such Partnership Record Date with respect to such quarter: (i) first, with respect to any Partnership Interests that are entitled to any preference in distribution, in accordance with the rights of such class(es) of Partnership Interests (and, within such class(es), pro rata in proportion to the holdings of Partnership Interests within each such class by the Holders of Partnership Units on such Partnership Record Date), and (ii) second, with respect to any Partnership Interests that are not entitled to any preference in distribution, in accordance with the rights of such class of Partnership Interests (and, within such class, pro rata in proportion to the respective Percentage Interests on such Partnership Record Date). Distributions payable with respect to any Partnership Units that were not outstanding during the entire quarterly period in respect of which any distribution is made shall be prorated based on the portion of the period that such units were outstanding. The General Partner in its sole and absolute discretion may distribute to the Unitholders Available Cash on a more frequent basis and provide for an appropriate record date. The General Partner shall make such reasonable efforts, as determined by it in its sole and absolute discretion and consistent with the Company's qualification as a REIT, to cause the Partnership to distribute sufficient amounts to enable the Company to pay dividends that will (a) satisfy the requirements for qualification as a REIT under the Code and Regulations (the "REIT Requirements") and (b) except to the extent otherwise determined by the General Partner, avoid any federal income or excise tax liability of the Company.

Section 5.2 Distributions in Kind. No right is given to any Unitholder to demand and receive property other than cash as provided in this Agreement. The General Partner may determine, in its sole and absolute discretion, to make a distribution in kind of Partnership assets to the Unitholders, and such assets shall be distributed in such a fashion as to ensure that the fair market value is distributed and allocated in accordance with Articles V, VI and X hereof.

Section 5.3 Amounts Withheld. All amounts withheld pursuant to the Code or any provisions of any state or local tax law and Section 10.4 hereof with respect to any allocation,

payment or distribution to any Unitholder shall be treated as amounts paid or distributed to such Unitholder pursuant to Section 5.1 hereof for all purposes under this Agreement.

Section 5.4 Distributions Upon Liquidation. Notwithstanding the other provisions of this Article V, net proceeds from a Terminating Capital Transaction, and any other cash received or reductions in reserves made after commencement of the liquidation of the Partnership, shall be distributed to the Unitholders in accordance with Section 13.2 hereof.

Section 5.5 Distributions to Reflect Issuance of Additional Partnership Units. In the event that the Partnership issues additional Partnership Units pursuant to the provisions of Article IV hereof, subject to Section 7.3(d) and 7.3(e), the General Partner is hereby authorized to make such revisions to this Article V as it determines are necessary or desirable to reflect the issuance of such additional Partnership Units, including, without limitation, making preferential distributions to certain classes of Partnership Units. Subject to the terms of a Partnership Unit Designation, such preferential distributions may be required to be made by the Partnership regardless of whether there is Available Cash available for the payment thereof.

Section 5.6 Restricted Distributions. Notwithstanding any provision to the contrary contained in this Agreement, neither the Partnership nor the General Partner, on behalf of the Partnership, shall make a distribution to any Unitholder on account of its Partnership Interest or interest in Partnership Units if such distribution would violate Section 17607 of the Act or other applicable law.

ARTICLE VI
ALLOCATIONS

Section 6.1 Timing and Amount of Allocations of Net Income and Net Loss. Net Income and Net Loss of the Partnership shall be determined and allocated with respect to each Partnership Year of the Partnership or portion thereof, as applicable. Except as otherwise provided in this Article VI, and subject to Section 11.6(c) hereof, an allocation to a Unitholder of a share of Net Income or Net Loss shall be treated as an allocation of the same share of each item of income, gain, loss or deduction that is taken into account in computing Net Income or Net Loss.

Section 6.2 General Allocations.

(a) In General. Subject to the terms of any Partnership Unit Designation, except as otherwise provided in this Article VI and subject to Section 11.6(c) hereof,

(i) Net Income in each Partnership Year or other allocation period shall be allocated to the Partners' Capital Accounts in the following order of priority:

1. First, to the General Partner until the cumulative Net Income allocated to the General Partner under this

Section 6.2(a)(i)1 equals the cumulative Net Losses allocated to the General Partner under Section 6.2(a)(ii)2; and

2. Thereafter, to the holders of Common Units and LTIP Units in accordance with their respective Percentage Interests.

(ii) Net Loss in each Partnership Year or other allocation period shall be allocated to the Partners' Capital Accounts in the following order of priority:

1. First, to the holders of Common Units and LTIP Units with positive balances in their Economic Capital Accounts in accordance with their respective Percentage Interests until their Economic Capital Accounts Balances are reduced to zero; and

2. Thereafter to the General Partner.

For purposes of determining allocations of Losses pursuant to Section 6.2(a)(ii)1, an LTIP Unitholder shall be treated as having a separate Economic Capital Account Balance, and for this purpose a separate Capital Account with an appropriate share of Partnership Minimum Gain and Partner Minimum Gain shall be maintained, for each tranche of LTIP Units with a different issuance date that it holds and a separate Capital Account for its Common Units, if applicable, and the Economic Capital Account Balance of each holder of Common Units shall not include any Economic Capital Account Balance attributable to other series or classes of Partnership Units.

(b) Allocations to Reflect Issuance of Additional Partnership Units. In the event that the Partnership issues additional Partnership Units pursuant to the provisions of Article IV hereof, the General Partner is hereby authorized to make such revisions to this Section 6.2 as it determines are necessary or desirable to reflect the terms of the issuance of such additional Partnership Units, including, without limitation, making preferential allocations to certain classes of Partnership Units.

(c) Priority Allocation with Respect to Preferred Units. After giving effect to the special allocations set forth in Section 6.3(c) but before giving effect to the allocations set forth in Section 6.2(a), Net Operating Income shall be allocated to the Company until the aggregate amount of Net Operating Income allocated to the Company under this Section 6.2(c) for the current and all prior years equals the aggregate amount of the Series SN Annual Distribution Rate paid to the Company for the current and all prior years. For purposes of this Section 6.2(c), "Net Operating Income" means the excess, if any, of the Partnership's gross income over its expenses (but not taking into account depreciation, amortization, or any other noncash expenses of the Partnership), calculated in accordance with the principles set forth in the definition of "Net Income" or "Net Loss."

Section 6.3 Additional Allocation Provisions. Notwithstanding the foregoing provisions of this Article VI:

(a) Reserved.

(b) Special Allocations Regarding LTIP Units.

(i) In the event that Liquidating Gains or Liquidating Losses are allocated under this Section 6.3(b), Net Income and Net Loss shall be recomputed without regard to the Liquidating Gains or Liquidating Losses so allocated (subject to any prior allocation of Net Income or Net Loss otherwise provided for).

(ii) Notwithstanding the provisions of Section 6.2 above, after giving effect to the special allocations set forth in Sections 6.3(c)(i)- (iv), and the allocations of Net Income under Section 6.2(a)(i)1 (including, for the avoidance of doubt, Liquidating Gains that are a component of Net Income), and subject to the prior allocation of income, gain, deduction and loss under the terms of any Partnership Unit Designation in respect of any class of Partnership Interests ranking senior to the LTIP Units with respect to return of capital or any preferential or priority return, but before allocations of Net Income are made under Section 6.2(a)(i)2, any remaining Liquidating Gains shall first be allocated to the LTIP Unitholders until the Economic Capital Account Balances of such LTIP Unitholders, to the extent attributable to their ownership of LTIP Units, are equal to (i) the Partnership Common Unit Economic Balance, multiplied by (ii) the number of their LTIP Units (with respect to each LTIP Unitholder, the "Target Balance"). Any such allocations of Liquidating Gain shall be made among the LTIP Unitholders in proportion to the amounts required to be allocated to each under this Section 6.3(b).

(iii) Liquidating Gain allocated to an LTIP Unitholder under this Section 6.3(b) will be attributed to specific LTIP Units of such LTIP Unitholder for purposes of determining (i) allocations under this Section 6.3(b), (ii) the effect of the forfeiture or conversion of specific LTIP Units on such LTIP Unitholder's Economic Capital Account Balance and (iii) the ability of such LTIP Unitholder to convert specific LTIP Units into Common Units. Such Liquidating Gain will be attributed to LTIP Units in the following order: (i) first, to Vested LTIP Units held for more than two years, (ii) second, to Vested LTIP Units held for two years or less, (iii) third, to Unvested LTIP Units that have remaining vesting conditions that only require continued employment or service to the Company, the Partnership or an Affiliate of either for a certain period of time (with such Liquidating Gains being attributed in order of vesting from soonest vesting to latest vesting), and (iv) fourth, to other Unvested LTIP Units (with such Liquidating Gains being attributed in order of issuance from earliest issued to latest issued). Within each such category, Liquidating Gain will be allocated serially (i.e., entirely to the first unit in the category, then entirely to the next unit

in the category, and so on, until a full allocation is made to the last unit in the category) in the order of smallest Book Up Target to largest Book Up Target until the Economic Capital Account Balance of such LTIP Unitholder attributable to such LTIP Unitholder's ownership of each LTIP Unit in the category is equal to the Partnership Common Unit Economic Balance.

(iv) Notwithstanding the provisions of Section 6.2 above, but subject to the prior allocation of income, gain, deduction and loss under paragraph (a) above and to the terms of any Partnership Unit Designation in respect of any class of Partnership Interests ranking senior to the LTIP Units with respect to return of capital or any preferential or priority return, in the event that, due to distributions with respect to Common Units in which the LTIP Units do not participate or otherwise, the Economic Capital Account Balance of any present or former LTIP Unitholder, to the extent attributable to the LTIP Unitholder's ownership of LTIP Units, exceeds the Target Balance, then Liquidating Losses shall be allocated to such LTIP Unitholder, or, at the election of the General Partner, Liquidating Gains shall be allocated to the other Holders, to the extent necessary to reduce or eliminate the disparity; provided, however, that if Liquidating Losses and Liquidating Gains are insufficient to completely eliminate all such disparities, any such Liquidating Losses shall be allocated among the LTIP Unitholders as reasonably determined by the General Partner.

(v) If an LTIP Unitholder forfeits any LTIP Units to which Liquidating Gain has previously been allocated under this Section 6.3(b) the Capital Account associated with such forfeited LTIP Units will be re- allocated to that LTIP Unitholder's remaining LTIP Units that were outstanding on the date of the initial allocation of such Liquidating Gain using a methodology similar to that described in Section 6.3(b)(iii) above to the extent necessary to cause such LTIP Unitholder's Economic Capital Account Balance attributable to each LTIP Unit to equal the Partnership Common Unit Economic Balance. To the extent such Liquidating Gains are not re- allocated in accordance with the foregoing, such Liquidating Gains will be forfeited and the LTIP Unitholder's Economic Capital Account Balance will be reduced accordingly.

(vi) For this purpose, "Liquidating Gains" means any net capital gain realized in connection with the actual or hypothetical sale of all or substantially all of the assets of the Partnership, including but not limited to net capital gain realized in connection with an adjustment to the Gross Asset Value of Partnership Assets under paragraph (b) of the definition of "Gross Asset Value." Similarly, "Liquidating Losses" means any net capital loss realized in connection with any such event. The "Economic Capital Account Balances" of the LTIP Unitholders will be equal to their Capital Account balances, plus the amount of their shares of any Partner Minimum Gain or Partnership Minimum Gain, in either case to the extent attributable to their ownership of LTIP Units. Similarly, the "Partnership Common Unit Economic Balance" shall mean (i) the Capital Account balance of

the Company with respect to its ownership of Partnership Common Units, plus the amount of the Company's share of any Partner Minimum Gain or Partnership Minimum Gain, in either case to the extent attributable to the Company's ownership of Partnership Common Units and computed on a hypothetical basis after taking into account all allocations through the date on which any allocation is made under this Section 6.3(b), divided by (ii) the number of the Company's Partnership Common Units.

(vii) The parties agree that the intent of this Section 6.3(b) is (1) to the extent possible to make the Capital Account balance associated with each LTIP Unit economically equivalent to the Capital Account balance associated with the Company's Partnership Common Units (on a per- unit basis) and (2) to allow conversion of an LTIP Unit (assuming prior vesting) when sufficient Liquidating Gains have been allocated to such LTIP Unit pursuant to Section 6.3(b) so that an LTIP Unit's initial Book Up Target has been reduced to zero. The General Partner shall be permitted to interpret this Agreement (including this Section 6.3(b)) and to amend this Agreement to the extent necessary and consistent with this intention.

(viii) In the event that Liquidating Gains or Liquidating Losses are allocated under this Section 6.3(b), Net Income allocable under clauses 6.2(a)(i)2 and any Losses shall be recomputed without regard to the Liquidating Gains or Liquidating Losses so allocated.

(c) Regulatory Allocations.

(i) Minimum Gain Chargeback. Except as otherwise provided in Regulations Section 1.7042(f), notwithstanding the provisions of Section 6.2 hereof, or any other provision of this Article VI, if there is a net decrease in Partnership Minimum Gain during any Partnership Year, each Holder of Partnership Common Units shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Holder's share of the net decrease in Partnership Minimum Gain, as determined under Regulations Section 1.7042(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Holder pursuant thereto. The items to be allocated shall be determined in accordance with Regulations Sections 1.704-2(f)(6) and 1.704- 2(j)(2). This Section 6.3(c)(i) is intended to qualify as a "minimum gain chargeback" within the meaning of Regulations Section 1.7042(f) and shall be interpreted consistently therewith.

(ii) Partner Minimum Gain Chargeback. Except as otherwise provided in Regulations Section 1.704- 2(i)(4) or in Section 6.3(c)(i) hereof, if there is a net decrease in Partner Minimum Gain attributable to a Partner Nonrecourse Debt during any Partnership Year, each Holder of Partnership Common Units who has a share of the Partner Minimum Gain attributable to such Partner Nonrecourse

Debt, determined in accordance with Regulations Section 1.704- 2(i)(5), shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Holder's share of the net decrease in Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Regulations Section 1.704- 2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each General Partner, Limited Partner and other Holder pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations Sections 1.704- 2(i)(4) and 1.704- 2(j)(2). This Section 6.3(c)(ii) is intended to qualify as a "chargeback of partner nonrecourse debt minimum gain" within the meaning of Regulations Section 1.7042(i) and shall be interpreted consistently therewith.

(iii) Nonrecourse Deductions and Partner Nonrecourse Deductions. Any Nonrecourse Deductions for any Partnership Year shall be specially allocated to the Holders of Partnership Common Units in accordance with their Partnership Common Units. Any Partner Nonrecourse Deductions for any Partnership Year shall be specially allocated to the Holder(s) who bears the economic risk of loss with respect to the Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable, in accordance with Regulations Section 1.7042(i).

(iv) Qualified Income Offset. If any Holder of Partnership Common Units unexpectedly receives an adjustment, allocation or distribution described in Regulations Section 1.704- 1(b)(2)(ii)(d)(4), (5) or (6), items of Partnership income and gain shall be allocated, in accordance with Regulations Section 1.704- 1(b)(2)(ii)(d), to such Holder in an amount and manner sufficient to eliminate, to the extent required by such Regulations, the Adjusted Capital Account Deficit of such Holder as quickly as possible, provided that an allocation pursuant to this Section 6.3(c)(iv) shall be made if and only to the extent that such Holder would have an Adjusted Capital Account Deficit after all other allocations provided in this Article VI have been tentatively made as if this Section 6.3(c)(iv) were not in the Agreement. It is intended that this Section 6.3(c)(iv) qualify and be construed as a "qualified income offset" within the meaning of Regulations Section 1.704- 1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

(v) Gross Income Allocation. In the event that any Holder of Partnership Common Units has a deficit Capital Account at the end of any Partnership Year that is in excess of the sum of (1) the amount (if any) that such Holder is obligated to restore to the Partnership upon complete liquidation of such Holder's Partnership Interest (including, the Holder's interest in outstanding Partnership Preferred Units and other Partnership Units) and (2) the amount that such Holder is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704- 2(g)(1) and 1.704- 2(i)(5), each such Holder shall be specially allocated items of Partnership income and gain in the amount of such excess to eliminate such deficit as quickly as possible, provided

that an allocation pursuant to this Section 6.3(c)(v) shall be made if and only to the extent that such Holder would have a deficit Capital Account in excess of such sum after all other allocations provided in this Article VI have been tentatively made as if this Section 6.3(c)(v) and Section 6.3(c)(iv) hereof were not in the Agreement.

(vi) Limitation on Allocation of Net Loss. To the extent that any allocation of Net Loss would cause or increase an Adjusted Capital Account Deficit as to any Holder of Partnership Common Units, such allocation of Net Loss shall be reallocated among the other Holders of Partnership Common Units in accordance with their respective Partnership Common Units, subject to the limitations of this Section 6.3(c)(vi).

(vii) Section 754 Adjustment. To the extent that an adjustment to the adjusted tax basis of any Partnership asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations Section 1.704- 1(b)(2) (iv)(m)(2) or Regulations Section 1.704- 1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as the result of a distribution to a Holder of Partnership Common Units in complete liquidation of its interest in the Partnership, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis), and such gain or loss shall be specially allocated to the Holders in accordance with their Partnership Common Units in the event that Regulations Section 1.704- 1(b)(2)(iv)(m)(2) applies, or to the Holders to whom such distribution was made in the event that Regulations Section 1.704- 1(b)(2)(iv)(m)(4) applies.

(viii) Forfeiture Allocations. Upon a forfeiture of any unvested Partnership Interest by any Partner, gross items of income, gain, loss or deduction shall be allocated to such Partner if and to the extent required by final Treasury Regulations promulgated after the Effective Date to ensure that allocations made with respect to all unvested Partnership Interests are recognized under Code Section 704(b).

(ix) Curative Allocations. The allocations set forth in Sections 6.3(c)(i) through 6.3(c)(vii) above (the “Regulatory Allocations”) are intended to comply with certain regulatory requirements, including the requirements of Regulations Sections 1.704- 1(b) and 1.704- 2. Notwithstanding the provisions of Section 6.1 hereof, the Regulatory Allocations shall be taken into account in allocating other items of income, gain, loss and deduction among the Holders of Partnership Common Units so that to the extent possible without violating the requirements giving rise to the Regulatory Allocations, the net amount of such allocations of other items and the Regulatory Allocations to each Holder of a Partnership Common Unit shall be equal to the net amount that would have been allocated to each such Holder if the Regulatory Allocations had not occurred.

(d) Special Allocations Upon Liquidation. Notwithstanding any provision in this Article VI to the contrary, in the event that the Partnership disposes of all or substantially all of its assets in a transaction that will lead to a liquidation of the Partnership pursuant to Article XIII hereof, then any Net Income or Net Loss realized in connection with such transaction and thereafter (and, if necessary, constituent items of income, gain, loss and deduction) shall be specially allocated among the Partners as required so as to cause liquidating distributions pursuant to Section 13.2 hereof to be made, to the maximum extent possible, in the same amounts and proportions as would have resulted had such distributions instead been made pursuant to Article V hereof.

(e) Allocation of Excess Nonrecourse Liabilities. For purposes of determining a Holder's proportional share of the "excess nonrecourse liabilities" of the Partnership within the meaning of Regulation Section 1.752- 3(a)(3), the General Partner may use any method of allocation described in Regulation Section 1.752- 3(a)(3) and the relevant interpretative authorities.

Section 6.4 Tax Allocations.

(a) In General. Except as otherwise provided in this Section 6.4, for income tax purposes under the Code and the Regulations each Partnership item of income, gain, loss and deduction (collectively, "Tax Items") shall be allocated among the Holders of Partnership Common Units in the same manner as its correlative item of "book" income, gain, loss or deduction is allocated pursuant to Sections 6.2 and 6.3 hereof.

(b) Allocations Respecting Section 704(c) Revaluations. Notwithstanding Section 6.4(a) hereof, Tax Items with respect to Property that is contributed to the Partnership with a Gross Asset Value that varies from its basis in the hands of the contributing Partner immediately preceding the date of contribution shall be allocated among the Holders of Partnership Common Units for income tax purposes pursuant to Regulations promulgated under Code Section 704(c) so as to take into account such variation. The Partnership shall account for such variation under any method approved under Code Section 704(c) and the applicable Regulations as chosen by the General Partner, including, without limitation, the "remedial allocation method" as described in Regulations Section 1.704- 3(d). In the event that the Gross Asset Value of any partnership asset is adjusted pursuant to subsection (b) of the definition of "Gross Asset Value" (provided in Article I hereof), subsequent allocations of Tax Items with respect to such asset shall take account of the variation, if any, between the adjusted basis of such asset and its Gross Asset Value in the same manner as under Code Section 704(c) and the applicable Regulations.

ARTICLE VII
MANAGEMENT AND OPERATIONS OF BUSINESS

Section 7.1 Management.

(a) Except as otherwise expressly provided in this Agreement, all management powers over the business and affairs of the Partnership are and shall be exclusively vested in the General Partner, and no Limited Partner shall have any right to participate in or exercise control or management power over the business and affairs of the Partnership. The General Partner may not be removed by the Partners with or without cause, except with the Consent of the General Partner. In addition to the powers now or hereafter granted a general partner of a limited partnership under applicable law or that are granted to the General Partner under any other provision of this Agreement, the General Partner, subject to the other provisions hereof including Section 7.3, shall have full power and authority to do all things deemed necessary or desirable by it to conduct the business of the Partnership, to exercise all powers set forth in Section 3.2 hereof and to effectuate the purposes set forth in Section 3.1 hereof, including, without limitation:

(i) the making of any expenditures, the lending or borrowing of money (including, without limitation, making prepayments on loans and borrowing money or selling assets to permit the Partnership to make distributions to its Partners in such amounts as will permit the Company (so long as the Company qualifies as a REIT) to avoid the payment of any federal income tax (including, for this purpose, any excise tax pursuant to Code Section 4981) and to make distributions to its stockholders sufficient to permit the Company to maintain REIT status or otherwise to satisfy the REIT Requirements), the assumption or guarantee of, or other contracting for, indebtedness and other liabilities, the issuance of evidences of indebtedness (including the securing of same by deed to secure debt, mortgage, deed of trust or other lien or encumbrance on the Partnership's assets) and the incurring of any obligations that it deems necessary for the conduct of the activities of the Partnership;

(ii) the making of tax, regulatory and other filings, or rendering of periodic or other reports to governmental or other agencies having jurisdiction over the business or assets of the Partnership;

(iii) the acquisition, sale, transfer, exchange or other disposition of any, all or substantially all of the assets of the Partnership (including, but not limited to, the exercise or grant of any conversion, option, privilege or subscription right or any other right available in connection with any assets at any time held by the Partnership) or the merger, consolidation, reorganization or other combination or conversion of the Partnership with or into another entity;

(iv) the mortgage, pledge, encumbrance or hypothecation of any assets of the Partnership, the use of the assets of the Partnership (including, without limitation, cash on hand) for any purpose consistent with the terms of this Agreement and on any terms that it sees fit, including, without limitation, the financing of the operations and activities of the General Partner, the Partnership or any of the Partnership's Subsidiaries, the lending of funds to other Persons

(including, without limitation, the Partnership's Subsidiaries) and the repayment of obligations of the Partnership, its Subsidiaries and any other Person in which the Partnership has an equity investment, and the making of capital contributions to and equity investments in the Partnership's Subsidiaries;

(v) the management, operation, leasing, landscaping, repair, alteration, demolition, replacement or improvement of any Property, including, without limitation, any Contributed Property, or other asset of the Partnership or any Subsidiary;

(vi) the negotiation, execution and performance of any contracts, leases, conveyances or other instruments that the General Partner considers useful or necessary to the conduct of the Partnership's operations or the implementation of the General Partner's powers under this Agreement, including contracting with contractors, developers, consultants, accountants, legal counsel, other professional advisors and other agents and the payment of their expenses and compensation out of the Partnership's assets;

(vii) the distribution of Partnership cash or other Partnership assets in accordance with this Agreement, the holding, management, investment and reinvestment of cash and other assets of the Partnership, and the collection and receipt of revenues, rents and income of the Partnership;

(viii) the maintenance of such insurance for the benefit of the Partnership and the Partners as it deems necessary or appropriate, including, without limitation, (i) casualty, liability and other insurance on the Properties of the Partnership and (ii) liability insurance for the Indemnitees hereunder;

(ix) the formation of, or acquisition of an interest in, and the contribution of property to, any further limited or general partnerships, limited liability companies, joint ventures or other relationships that it deems desirable (including, without limitation, the acquisition of interests in, and the contributions of property to, any Subsidiary and any other Person in which it has an equity investment from time to time); provided, however, that, as long as the Company has determined to continue to qualify as a REIT, the General Partner may not engage in any such formation, acquisition or contribution that would cause the Company to fail to qualify as a REIT within the meaning of Code Section 856(a);

(x) the control of any matters affecting the rights and obligations of the Partnership, including the settlement, compromise, submission to arbitration or any other form of dispute resolution, or abandonment, of any claim, cause of action, liability, debt or damages, due or owing to or from the Partnership, the commencement or defense of suits, legal proceedings, administrative proceedings, arbitrations or other forms of dispute resolution, and the representation of the Partnership in all suits or legal proceedings, administrative proceedings, arbitrations or other forms of dispute resolution, the incurring of legal expense,

and the indemnification of any Person against liabilities and contingencies to the extent permitted by law;
(xi) the undertaking of any action in connection with the Partnership's direct or indirect investment in any Subsidiary or any other Person (including, without limitation, the contribution or loan of funds by the Partnership to such Persons);
(xii) except as otherwise specifically set forth in this Agreement, the determination of the fair market value of any Partnership property distributed in kind using such reasonable method of valuation as it may adopt; provided that such methods are otherwise consistent with the requirements of this Agreement;
(xiii) the enforcement of any rights against any Partner pursuant to representations, warranties, covenants and indemnities relating to such Partner's contribution of property or assets to the Partnership;
(xiv) the exercise, directly or indirectly, through any attorney- in- fact acting under a general or limited power of attorney, of any right, including the right to vote, appurtenant to any asset or investment held by the Partnership;
(xv) the exercise of any of the powers of the General Partner enumerated in this Agreement on behalf of or in connection with any Subsidiary of the Partnership or any other Person in which the Partnership has a direct or indirect interest, or jointly with any such Subsidiary or other Person;
(xvi) the exercise of any of the powers of the General Partner enumerated in this Agreement on behalf of any Person in which the Partnership does not have an interest, pursuant to contractual or other arrangements with such Person;
(xvii) the making, execution and delivery of any and all deeds, leases, notes, deeds to secure debt, mortgages, deeds of trust, security agreements, conveyances, contracts, guarantees, warranties, indemnities, waivers, releases or legal instruments or agreements in writing necessary or appropriate in the judgment of the General Partner for the accomplishment of any of the powers of the General Partner enumerated in this Agreement;
(xviii) the issuance of additional Partnership Units, as appropriate and in the General Partner's sole and absolute discretion, in connection with Capital Contributions by Additional Limited Partners and additional Capital Contributions by Partners pursuant to Article IV hereof;
(xix) the interpretation of the terms and provisions of this Agreement; and

(xx) an election to dissolve the Partnership pursuant to Section 13.1(c) hereof.

(b) Each of the Limited Partners agrees that, except as provided in Section 7.3 hereof, the General Partner is authorized to execute, deliver and perform the above- mentioned agreements and transactions on behalf of the Partnership without any further act, approval or vote of the Partners, notwithstanding any other provision of this Agreement, the Act or any applicable law, rule or regulation. The execution, delivery or performance by the General Partner or the Partnership of any agreement authorized or permitted under this Agreement shall not constitute a breach by the General Partner of any duty that the General Partner may owe the Partnership or the Limited Partners or any other Persons under this Agreement or of any duty stated or implied by law or equity.

(c) At all times from and after the date hereof, the General Partner may cause the Partnership to establish and maintain working capital and other reserves in such amounts as the General Partner, in its sole and absolute discretion, deems appropriate and reasonable from time to time.

(d) In exercising its authority under this Agreement, the General Partner may, but shall be under no obligation to, take into account the tax consequences to any Partner (including the General Partner) of any action taken by it. The General Partner and the Partnership shall not have liability to a Limited Partner under any circumstances as a result of an income tax liability incurred by such Limited Partner as a result of an action (or inaction) by the General Partner pursuant to its authority under this Agreement.

Section 7.2 Certificate of Limited Partnership. To the extent that such action is determined by the General Partner to be reasonable and necessary or appropriate, the General Partner shall file amendments to and restatements of the Certificate and do all the things to maintain the Partnership as a limited partnership (or a partnership in which the limited partners have limited liability) under the laws of the State of Delaware and each other state, the District of Columbia or any other jurisdiction, in which the Partnership may elect to do business or own property. Subject to the terms of Section 8.5(a)(iii) hereof, the General Partner shall not be required, before or after filing, to deliver or mail a copy of the Certificate or any amendment thereto to any Limited Partner. The General Partner shall use all reasonable efforts to cause to be filed such other certificates or documents as may be reasonable and necessary or appropriate for the formation, continuation, qualification and operation of a limited partnership (or a partnership in which the limited partners have limited liability to the extent provided by applicable law) in the State of Delaware and any other state, or the District of Columbia or other jurisdiction, in which the Partnership may elect to do business or own property.

Section 7.3 Restrictions on General Partner's Authority.

(a) The General Partner may not take any action in contravention of an express prohibition or limitation of this Agreement without the written Consent of a Majority in Interest of the Limited Partners or such other percentage of the Limited Partners as may be specifically provided for under a provision of this Agreement and may not perform any act that

would subject a Limited Partner to liability as a general partner in any jurisdiction or any other liability except as provided herein or under the Act.

(b) The General Partner shall not, without the prior Consent of the Limited Partners, undertake, on behalf of the Partnership, any of the following actions or enter into any transaction that would have the effect of such transactions:

(i) except as provided in Sections 4.2(a), 5.5, 6.2(b), 6.3(b)(vii) and 7.3(c) hereof, amend, modify or terminate this Agreement other than to reflect the admission, substitution, termination or withdrawal of Partners pursuant to Article XI or Article XII hereof;

(ii) make a general assignment for the benefit of creditors or appoint or acquiesce in the appointment of a custodian, receiver or trustee for all or any part of the assets of the Partnership; or

(iii) institute any proceeding for bankruptcy on behalf of the Partnership.

Except as set forth below in Sections 7.3(d) and (e) or as otherwise expressly provided in this Agreement, this Agreement may be amended if it is approved by the General Partner and it receives the Consent of Limited Partners.

(c) Notwithstanding Section 7.3(b) hereof, the General Partner shall have the power, without the Consent of the Limited Partners, to amend this Agreement as may be required to facilitate or implement any of the following purposes:

(i) to add to the obligations of the General Partner or surrender any right or power granted to the General Partner or any Affiliate of the General Partner for the benefit of the Limited Partners;

(ii) to reflect the admission, substitution or withdrawal of Partners or the termination of the Partnership in accordance with this Agreement, and to amend Exhibit A in connection with such admission, substitution or withdrawal;

(iii) to reflect a change that is of an inconsequential nature and does not adversely affect the Limited Partners in any material respect, or to cure any ambiguity, correct or supplement any provision in this Agreement not inconsistent with law or with other provisions, or make other changes with respect to matters arising under this Agreement that will not be inconsistent with law or with the provisions of this Agreement (including, without limitation, pursuant to Section 6.3(b)(vii));

(iv) to satisfy any requirements, conditions or guidelines contained in any order, directive, opinion, ruling or regulation of a federal or state agency or contained in federal or state law;

(v) (a) to reflect such changes as are reasonably necessary (i) for the Company to maintain its status as a REIT or to satisfy the REIT Requirements; (b) to reflect the Transfer of all or any part of a Partnership Interest between the General Partner, the Company and any entity that is wholly owned, directly or indirectly, by the Company;
(vi) to modify the manner in which Capital Accounts are computed (but only to the extent set forth in the definition of "Capital Account" or contemplated by the Code or the Regulations);
(vii) to issue additional Partnership Interests in accordance with Section 4.2;
(viii) to reflect any modification to this Agreement as is necessary or desirable (as determined by the General Partner in its sole and absolute discretion), including, without limitation, the definition of "Adjustment Factor," to reflect the direct ownership of assets by the Company or the General Partner; and
(ix) to effectuate a split, reverse split, subdivision or combination or Partnership Common Units that applies equally to all Partnership Common Units.
The General Partner will provide notice to the Limited Partners when any action under this Section 7.3(c) is taken.
(d) Except as set forth in Section 7.3(c) hereof, without the Consent of a Majority in Interest of the Outside Limited Partners, this Agreement shall not be amended in a manner that disproportionately effects such Limited Partners, if such amendment would (i) alter the rights of any Partner to receive the distributions to which such Partner is entitled, pursuant to Article V or Section 13.2 hereof, or alter the allocations specified in Article VI hereof (except, in any case, as permitted pursuant to Sections 4.2, 5.5, 6.2(b) and 6.3(b)(vii)), (ii) alter or modify the Redemption rights, Cash Amount or REIT Shares Amount as set forth in Sections 8.6 and 11.2 hereof, or amend or modify any related definitions, or (iii) amend this Section 7.3(d).
(e) Notwithstanding Sections 7.3(c) and 7.3(d) hereof, this Agreement shall not be amended, and no action may be taken by the General Partner, without the Consent of each Partner adversely affected thereby, if such amendment or action would (i) convert a Limited Partner Interest in the Partnership into a General Partner Interest (except as a result of the General Partner acquiring such Partnership Interest), (ii) modify the limited liability of a Limited Partner, or (iii) amend this Section 7.3(e). Any such amendment or action consented to by any Partner shall be effective as to that Partner, notwithstanding the absence of such consent by any other Partner.

Section 7.4 Reimbursement of the General Partner.

(a) The General Partner shall not be compensated for its services as general partner of the Partnership except as provided in this Agreement (including the provisions of Articles V and VI hereof regarding distributions, payments and allocations to which it may be entitled in its capacity as the General Partner).

(b) Subject to Sections 7.4(c) and 15.11 hereof, the Partnership shall be liable for, and shall reimburse the General Partner on a monthly basis, or such other basis as the General Partner may determine in its sole and absolute discretion, for all sums expended in connection with the Partnership's business, including, without limitation, (i) expenses relating to the ownership of interests in and management and operation of, or for the benefit of, the Partnership, (ii) compensation of officers and employees, including, without limitation, payments under future compensation plans of the Company that may provide for stock units, or phantom stock, pursuant to which employees of the Company will receive payments based upon dividends on or the value of REIT Shares, (iii) director fees and expenses and (iv) all costs and expenses of the Company being a public company, including costs of filings with the SEC, reports and other distributions to its stockholders; provided, however, that the amount of any reimbursement shall be reduced by any interest earned by the Company with respect to bank accounts or other instruments or accounts held by it on behalf of the Partnership as permitted pursuant to Section 7.5 hereof. Such reimbursements shall be in addition to any reimbursement of the General Partner as a result of indemnification pursuant to Section 7.7 hereof.

(c) To the extent practicable, Partnership expenses shall be billed directly to and paid by the Partnership and, subject to Section 15.11 hereof, reimbursements to the General Partner or any of its Affiliates by the Partnership pursuant to this Section 7.4 shall be treated as non- income reimbursements, and not as "guaranteed payments" within the meaning of Code Section 707(c) or other form of gross income.

Section 7.5 Outside Activities of the General Partner and the Company. The General Partner and the Company may, in its sole and absolute discretion, from time to time hold or acquire assets in its own name or otherwise other than through the Partnership so long as the General Partner and the Company, as applicable, take commercially reasonable measures to ensure that the economic benefits and burdens of such Property are otherwise vested in the Partnership, through assignment, mortgage loan or otherwise or, if it is not commercially reasonable to vest such economic interests in the Partnership, the General Partner may, in its sole and absolute discretion, make such amendments to this Agreement as the General Partner determines are necessary or desirable, including, without limitation, the definition of "Adjustment Factor," to reflect such activities and the direct ownership of assets by the Company or the General Partner.

Section 7.6 Contracts with Affiliates.

(a) The Partnership may lend or contribute funds or other assets to its Subsidiaries or other Persons in which it has an equity investment, and such Persons may borrow funds from the Partnership, on terms and conditions established in the sole and absolute

discretion of the General Partner. The foregoing authority shall not create any right or benefit in favor of any Subsidiary or any other Person.

(b) Except as provided in Section 7.5 hereof and subject to Section 3.1 hereof, the Partnership may transfer assets to joint ventures, limited liability companies, partnerships, corporations, business trusts or other business entities in which it is or thereby becomes a participant upon such terms and subject to such conditions consistent with this Agreement and applicable law as the General Partner, in its sole and absolute discretion, believes to be advisable.

(c) Except as expressly permitted by this Agreement, neither the General Partner nor any of its Affiliates shall sell, transfer or convey any property to the Partnership, directly or indirectly, except pursuant to transactions that are determined by the General Partner in good faith to be fair and reasonable.

(d) The General Partner, in its sole and absolute discretion and without the approval of the Limited Partners, may propose and adopt on behalf of the Partnership employee benefit plans funded by the Partnership for the benefit of employees of the General Partner, the Partnership, Subsidiaries of the Partnership or any Affiliate of any of them in respect of services performed, directly or indirectly, for the benefit of the Partnership or any of the Partnership's Subsidiaries.

(e) The General Partner is expressly authorized to enter into, in the name and on behalf of the Partnership, any Services Agreement with Affiliates of any of the Partnership or the General Partner, on such terms as the General Partner, in its sole and absolute discretion, believes are advisable.

(f) The General Partner may, in its sole and absolute discretion, cause the Partnership to guarantee or become a co-maker of indebtedness of the Company or any Subsidiary of the Company or the Partnership, refinance, increase the amount of, modify, amend or change the terms of, or extend the time for the payment of, any such guarantee or indebtedness, and secure such guarantee or indebtedness by mortgage, deed of trust, pledge or other lien on the Partnership's assets.

Section 7.7 Indemnification.

(a) To the fullest extent permitted by applicable law, the Partnership shall indemnify each Indemnitee from and against any and all losses, claims, damages, liabilities (whether joint or several), expenses (including, without limitation, attorney's fees and other legal fees and expenses), judgments, fines, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, that relate to the operations of the Partnership ("Actions") as set forth in this Agreement in which such Indemnitee may be involved, or is threatened to be involved, as a party or otherwise; provided, however, that the Partnership shall not indemnify an Indemnitee (i) for willful misconduct or a knowing violation of the law or (ii) for any transaction for which such Indemnitee received an improper personal benefit in violation or breach of any provision of this Agreement. Without limitation, the foregoing indemnity shall extend to any liability of any

Indemnitee, pursuant to a loan guaranty or otherwise, for any indebtedness of the Partnership or any Subsidiary of the Partnership (including, without limitation, any indebtedness which the Partnership or any Subsidiary of the Partnership has assumed or taken subject to), and the General Partner is hereby authorized and empowered, on behalf of the Partnership, to enter into one or more indemnity agreements consistent with the provisions of this Section 7.7 in favor of any Indemnitee having or potentially having liability for any such indebtedness. It is the intention of this Section 7.7(a) that the Partnership indemnify each Indemnitee to the fullest extent permitted by law. The termination of any proceeding by judgment, order or settlement does not create a presumption that the Indemnitee did not meet the requisite standard of conduct set forth in this Section 7.7(a). The termination of any proceeding by conviction of an Indemnitee or upon a plea of nolo contendere or its equivalent by an Indemnitee, or an entry of an order of probation against an Indemnitee prior to judgment, does not create a presumption that such Indemnitee acted in a manner contrary to that specified in this Section 7.7(a) with respect to the subject matter of such proceeding. Any indemnification pursuant to this Section 7.7 shall be made only out of the assets of the Partnership, and neither the General Partner nor any Limited Partner shall have any obligation to contribute to the capital of the Partnership or otherwise provide funds to enable the Partnership to fund its obligations under this Section 7.7.

(b) To the fullest extent permitted by law, expenses incurred by an Indemnitee who is a party to a proceeding or otherwise subject to or the focus of or is involved in any Action shall be paid or reimbursed by the Partnership as incurred by the Indemnitee in advance of the final disposition of the Action upon receipt by the Partnership of (i) a written affirmation by the Indemnitee of the Indemnitee's good faith belief that the standard of conduct necessary for indemnification by the Partnership as authorized in this Section 7.7 has been met, and (ii) a written undertaking by or on behalf of the Indemnitee to repay the amount if it shall ultimately be determined that the standard of conduct has not been met.

(c) The indemnification provided by this Section 7.7 shall be in addition to any other rights to which an Indemnitee or any other Person may be entitled under any agreement, pursuant to any vote of the Partners, as a matter of law or otherwise, and shall continue as to an Indemnitee who has ceased to serve in such capacity and shall inure to the benefit of the heirs, successors, assigns and administrators of the Indemnitee unless otherwise provided in a written agreement with such Indemnitee or in the writing pursuant to which such Indemnitee is indemnified.

(d) The Partnership may, but shall not be obligated to, purchase and maintain insurance, on behalf of any of the Indemnitees and such other Persons as the General Partner shall determine, against any liability that may be asserted against or expenses that may be incurred by such Person in connection with the Partnership's activities, regardless of whether the Partnership would have the power to indemnify such Person against such liability under the provisions of this Agreement.

(e) Any liabilities which an Indemnitee incurs as a result of acting on behalf of the Partnership or the General Partner (whether as a fiduciary or otherwise) in connection with the operation, administration or maintenance of an employee benefit plan or any related trust or

funding mechanism (whether such liabilities are in the form of excise taxes assessed by the IRS, penalties assessed by the Department of Labor, restitutions to such a plan or trust or other funding mechanism or to a participant or beneficiary of such plan, trust or other funding mechanism, or otherwise) shall be treated as liabilities or judgments or fines under this Section 7.7, unless such liabilities arise as a result of (i) such Indemnitee's intentional misconduct or knowing violation of the law, or (ii) any transaction in which such Indemnitee received a personal benefit in violation or breach of any provision of this Agreement or applicable law.

(f) In no event may an Indemnitee subject any of the Partners to personal liability by reason of the indemnification provisions set forth in this Agreement.

(g) An Indemnitee shall not be denied indemnification in whole or in part under this Section 7.7 because the Indemnitee had an interest in the transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement.

(h) The provisions of this Section 7.7 are for the benefit of the Indemnitees, their heirs, successors, assigns and administrators and shall not be deemed to create any rights for the benefit of any other Persons. Any amendment, modification or repeal of this Section 7.7 or any provision hereof shall be prospective only and shall not in any way affect the limitations on the Partnership's liability to any Indemnitee under this Section 7.7 as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

(i) It is the intent of the Partners that any amounts paid by the Partnership to the General Partner pursuant to this Section 7.7 shall be treated as "guaranteed payments" within the meaning of Code Section 707(c) and shall not be treated as a distribution for purposes of computing the Partners' Capital Accounts.

Section 7.8 Liability of the General Partner.

(a) Notwithstanding anything to the contrary set forth in this Agreement, neither the General Partner nor any of its directors or officers shall be liable or accountable in damages or otherwise to the Partnership, any Partners or any Assignees for losses sustained, liabilities incurred or benefits not derived as a result of errors in judgment or mistakes of fact or law or of any act or omission except for (i) intentional misconduct or knowing violations of law or (ii) any transaction from which such Person derived an improper personal benefit.

(b) The Limited Partners expressly acknowledge that the General Partner is acting for the benefit of the Partnership, the Limited Partners and the General Partner's stockholders collectively and that the General Partner is under no obligation to give priority to the separate interests of the Limited Partners or the General Partner's stockholders (including, without limitation, the tax consequences to Limited Partners, Assignees or the General Partner's

stockholders) in deciding whether to cause the Partnership to take (or decline to take) any actions.

(c) Subject to its obligations and duties as General Partner set forth in Section 7.1(a) hereof, the General Partner may exercise any of the powers granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through its employees or agents (subject to the supervision and control of the General Partner). The General Partner shall not be responsible for any misconduct or negligence on the part of any such agent appointed by it in good faith.

(d) Any amendment, modification or repeal of this Section 7.8 or any provision hereof shall be prospective only and shall not in any way affect the limitations on the General Partner's, and its officers' and directors', liability to the Partnership and the Limited Partners under this Section 7.8 as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

(e) Notwithstanding anything herein to the contrary, except pursuant to any express indemnities given to the Partnership by any Partner pursuant to any other written instrument, no Partner shall have any personal liability whatsoever, to the Partnership or to the other Partner(s), for the debts or liabilities of the Partnership or the Partnership's obligations hereunder, and the full recourse of the other Partner(s) shall be limited to the interest of that Partner in the Partnership. To the fullest extent permitted by law, no officer, director or stockholder of the General Partner shall be liable to the Partnership for money damages except for (i) active and deliberate dishonesty established by a non- appealable final judgment or (ii) actual receipt of an improper benefit or profit in money, property or services. Without limitation of the foregoing, and except for fraud, willful misconduct or gross negligence, or pursuant to any such express indemnity, no property or assets of any Partner, other than its interest in the Partnership, shall be subject to levy, execution or other enforcement procedures for the satisfaction of any judgment (or other judicial process) in favor of any other Partner(s) and arising out of, or in connection with, this Agreement. This Agreement is executed by the officers of the General Partner solely as officers of the same and not in their own individual capacities.

(f) To the extent that, at law or in equity, the General Partner has duties (including fiduciary duties) and liabilities relating thereto to the Partnership or the Limited Partners, the General Partner shall not be liable to the Partnership or to any other Partner for its good faith reliance on the provisions of this Agreement. The provisions of this Agreement, to the extent that they restrict the duties and liabilities of the General Partner otherwise existing at law or in equity, are agreed by the Partners to replace such other duties and liabilities of such General Partner.

Section 7.9 Other Matters Concerning the General Partner.

(a) The General Partner may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice,

request, consent, order, bond, debenture or other paper or document believed by it in good faith to be genuine and to have been signed or presented by the proper party or parties.

(b) The General Partner may consult with legal counsel, accountants, appraisers, management consultants, investment bankers, architects, engineers, environmental consultants and other consultants and advisers selected by it, and any act taken or omitted to be taken in reliance upon the opinion of such Persons as to matters that the General Partner reasonably believes to be within such Person's professional or expert competence shall be conclusively presumed to have been done or omitted in good faith and in accordance with such opinion.

(c) The General Partner shall have the right, in respect of any of its powers or obligations hereunder, to act through any of its duly authorized officers and a duly appointed attorney or attorneys- in- fact. Each such attorney shall, to the extent provided by the General Partner in the power of attorney, have full power and authority to do and perform all and every act and duty that is permitted or required to be done by the General Partner hereunder.

(d) Notwithstanding any other provision of this Agreement or the Act, any action of the General Partner on behalf of the Partnership or any decision of the General Partner to refrain from acting on behalf of the Partnership, undertaken in the good faith belief that such action or omission is necessary or advisable in order (i) to protect the ability of the Company to continue to qualify as a REIT, (ii) for the Company otherwise to satisfy the REIT Requirements, (iii) to avoid the Company incurring any taxes under Code Section 857 or Code Section 4981, is expressly authorized under this Agreement and is deemed approved by all of the Limited Partners.

Section 7.10 Title to Partnership Assets. Title to Partnership assets, whether real, personal or mixed and whether tangible or intangible, shall be deemed to be owned by the Partnership as an entity, and no Partner, individually or collectively with other Partners or Persons, shall have any ownership interest in such Partnership assets or any portion thereof. Title to any or all of the Partnership assets may be held in the name of the Partnership, the General Partner or one or more nominees, as the General Partner may determine, including Affiliates of the General Partner. The General Partner hereby declares and warrants that any Partnership assets for which legal title is held in the name of the General Partner or any nominee or Affiliate of the General Partner shall be held by the General Partner for the use and benefit of the Partnership in accordance with the provisions of this Agreement. All Partnership assets shall be recorded as the property of the Partnership in its books and records, irrespective of the name in which legal title to such Partnership assets is held.

Section 7.11 Reliance by Third Parties. Notwithstanding anything to the contrary in this Agreement, any Person dealing with the Partnership shall be entitled to assume that the General Partner has full power and authority, without the consent or approval of any other Partner or Person, to encumber, sell or otherwise use in any manner any and all assets of the Partnership and to enter into any contracts on behalf of the Partnership, and take any and all actions on behalf of the Partnership, and such Person shall be entitled to deal with the General Partner as if it were the Partnership's sole party in interest, both legally and beneficially. Each

Limited Partner hereby waives any and all defenses or other remedies that may be available against such Person to contest, negate or disaffirm any action of the General Partner in connection with any such dealing. In no event shall any Person dealing with the General Partner or its representatives be obligated to ascertain that the terms of this Agreement have been complied with or to inquire into the necessity or expediency of any act or action of the General Partner or its representatives. Each and every certificate, document or other instrument executed on behalf of the Partnership by the General Partner or its representatives shall be conclusive evidence in favor of any and every Person relying in good faith thereon or claiming thereunder that (i) at the time of the execution and delivery of such certificate, document or instrument, this Agreement was in full force and effect, (ii) the Person executing and delivering such certificate, document or instrument was duly authorized and empowered to do so for and on behalf of the Partnership and (iii) such certificate, document or instrument was duly executed and delivered in accordance with the terms and provisions of this Agreement and is binding upon the Partnership.

ARTICLE VIII
RIGHTS AND OBLIGATIONS OF LIMITED PARTNERS

Section 8.1 Limitation of Liability. The Limited Partners shall have no liability under this Agreement (other than for breach thereof) except as expressly provided in Section 10.4 or under the Act.

Section 8.2 Management of Business. No Limited Partner or Assignee (other than the General Partner, any of its Affiliates or any officer, director, member, employee, partner, agent or trustee of the General Partner, the Partnership or any of their Affiliates, in their capacity as such) shall take part in the operations, management or control (within the meaning of the Act) of the Partnership's business, transact any business in the Partnership's name or have the power to sign documents for or otherwise bind the Partnership. The transaction of any such business by the General Partner, any of its Affiliates or any officer, director, member, employee, partner, agent, representative, or trustee of the General Partner, the Partnership or any of their Affiliates, in their capacity as such, shall not affect, impair or eliminate the limitations on the liability of the Limited Partners or Assignees under this Agreement.

Section 8.3 Outside Activities of Limited Partners. Subject to any agreements entered into pursuant to Section 7.6(e) hereof and any other agreements entered into by a Limited Partner or its Affiliates with the General Partner, the Partnership or a Subsidiary (including, without limitation, any employment agreement), any Limited Partner and any Assignee, officer, director, employee, agent, trustee, Affiliate, member or stockholder of any Limited Partner shall be entitled to and may have business interests and engage in business activities in addition to those relating to the Partnership, including business interests and activities that are in direct or indirect competition with the Partnership or that are enhanced by the activities of the Partnership. Neither the Partnership nor any Partner shall have any rights by virtue of this Agreement in any business ventures of any Limited Partner or Assignee. Subject to such agreements, none of the Limited Partners nor any other Person shall have any rights by virtue of this Agreement or the partnership relationship established hereby in any business ventures of any other Person (other than the General Partner, to the extent expressly provided herein), and such Person shall have no

obligation pursuant to this Agreement, subject to Section 7.6(e) hereof and any other agreements entered into by a Limited Partner or its Affiliates with the General Partner, the Partnership or a Subsidiary, to offer any interest in any such business ventures to the Partnership, any Limited Partner or any such other Person, even if such opportunity is of a character that, if presented to the Partnership, any Limited Partner or such other Person, could be taken by such Person.

Section 8.4 Return of Capital. Except pursuant to the rights of Redemption set forth in Section 8.6 hereof, no Limited Partner shall be entitled to the withdrawal or return of its Capital Contribution, except to the extent of distributions made pursuant to this Agreement or upon termination of the Partnership as provided herein. Except to the extent provided in Article VI hereof or otherwise expressly provided in this Agreement, no Limited Partner or Assignee shall have priority over any other Limited Partner or Assignee either as to the return of Capital Contributions or as to profits, losses or distributions.

Section 8.5 Rights of Limited Partners Relating to the Partnership.

(a) Except as otherwise explicitly set forth in this Agreement, and notwithstanding Section 17- 305 or any other provision of the Act, no Limited Partner shall have any right to obtain any information or documentation from the Partnership or the General Partner. Except as limited by Section 8.5(c) hereof, each Limited Partner shall have the right, for a purpose reasonably related to such Limited Partner's interest as a limited partner in the Partnership, upon written demand with a statement of the purpose of such demand and at such Limited Partner's own expense:

(i) to obtain a copy of the most recent annual and quarterly reports filed with the SEC by the General Partner pursuant to the Exchange Act;

(ii) to obtain a copy of the Partnership's federal, state and local income tax returns for each Partnership Year; and

(iii) to obtain a copy of this Agreement (excluding Exhibit A hereto) and the Certificate and all amendments thereto (excluding all information regarding other Limited Partners, including, without limitation, such Limited Partners' identity and interests in the Partnership), together with executed copies of all powers of attorney pursuant to which this Agreement, the Certificate and all amendments thereto have been executed.

(b) The Partnership shall notify any Limited Partner entitled to exercise the Redemption right set forth in Section 8.6, on request, of the then current Adjustment Factor or any change made to the Adjustment Factor.

(c) Notwithstanding any other provision of this Section 8.5, the General Partner may keep confidential from the Limited Partners, for such period of time as the General Partner determines in its sole and absolute discretion to be reasonable, any information that (i) the General Partner believes to be in the nature of trade secrets or other information the disclosure of which the General Partner in good faith believes is not in the best interests of the

Partnership or the General Partner or (ii) the Partnership or the General Partner is required by law or by agreements with unaffiliated third parties to keep confidential.

Section 8.6 Redemption Rights of Limited Partners.

(a) Except as otherwise set forth in any separate agreement entered into between the Partnership and a Limited Partner and subject to the terms and conditions set forth herein or therein, on or after the later of (i) the date that is 12 months from the date of issuance of a Partnership Common Unit to a Limited Partner (or, with respect to Partnership Common Units issued upon conversion of LTIP Units, the date that is 12 months from the date of issuance of such LTIP Units) or (ii) the date that is 14 months after the Effective Date, such Limited Partner (other than the Company or any Subsidiary of the Company) shall have the right (subject to the terms and conditions set forth herein) to require the Partnership to redeem all or a portion of the Partnership Common Units held by such Tendering Party (such Partnership Common Units being hereafter "Tendered Units") in exchange (a "Redemption") for the Cash Amount payable on the Specified Redemption Date. Any Redemption shall be exercised pursuant to a Notice of Redemption delivered to the General Partner and the Company by a Limited Partner when exercising the Redemption right (the "Tendering Party"). The Partnership's obligation to effect a Redemption, however, shall not arise or be binding against the Partnership before the Business Day following the Cut- Off Date. A Tendering Party shall have no right to receive distributions with a Partnership Record Date on or after the Specified Redemption Date with respect to any Tendered Units (other than the Cash Amount). In the event of a Redemption, the Cash Amount shall be delivered as a certified check payable to the Tendering Party or, in the General Partner's sole and absolute discretion, in immediately available funds.

(b) Notwithstanding the provisions of Section 8.6(a) hereof other than the last sentence thereof, on or before the close of business on the Cut- Off Date, the Company may, in its sole and absolute discretion but subject to the Ownership Limit and other limitations of the Charter, elect to acquire some or all (such percentage being referred to as the "Applicable Percentage") of the Tendered Units from the Tendering Party in exchange for the REIT Shares Amount calculated based on the portion of Tendered Units it elects to acquire in exchange for REIT Shares. If the Company so elects, on the Specified Redemption Date the Tendering Party shall sell such number of the Tendered Units to the Company in exchange for a number of REIT Shares equal to the product of the REIT Shares Amount and the Applicable Percentage. The Tendering Party shall submit (i) such information, certification or affidavit as the Company may reasonably require in connection with the application of the Ownership Limit and other restrictions and limitations of the Charter to any such acquisition and (ii) such written representations, investment letters, legal opinions or other instruments necessary, in the Company's view, to effect compliance with the Securities Act. In the event of a purchase of the Tendered Units by the Company pursuant to this Section 8.6(b), the Tendering Party shall no longer have the right to cause the Partnership to effect a Redemption of such Tendered Units, and, upon notice to the Tendering Party by the Company, given on or before the close of business on the Cut- Off Date, that the Company has elected to acquire some or all of the Tendered Units pursuant to this Section 8.6(b), the obligation of the Partnership to effect a Redemption of the Tendered Units as to which the Company's notice relates shall not accrue or arise. The product

of the Applicable Percentage and the REIT Shares Amount, if applicable, shall be delivered by the Company as duly authorized, validly issued, fully paid and non- assessable REIT Shares and, if applicable, Rights, free of any pledge, lien, encumbrance or restriction, other than the Ownership Limit and any restrictions provided in the Charter, the Bylaws of the Company, the Securities Act and relevant state securities or "blue sky" laws. Neither any Tendering Party whose Tendered Units are acquired by the Company pursuant to this Section 8.6(b), any Partner, any Assignee nor any other interested Person shall have any right to require or cause the Company to register, qualify or list any REIT Shares owned or held by such Person, whether or not such REIT Shares are issued pursuant to this Section 8.6(b), with the SEC, with any state securities commissioner, department or agency, under the Securities Act or the Exchange Act or with any stock exchange; provided, however, that this limitation shall not be in derogation of any registration or similar rights granted pursuant to any other written agreement between the Company and any such Person. Notwithstanding any delay in such delivery, the Tendering Party shall be deemed the owner of such REIT Shares and Rights for all purposes, including, without limitation, rights to vote or consent, receive dividends, and exercise rights, as of the Specified Redemption Date. REIT Shares issued upon an acquisition of the Tendered Units by the Company pursuant to this Section 8.6(b) may contain such legends regarding restrictions under the Securities Act and applicable state securities laws as the Company in good faith determines to be necessary or advisable in order to ensure compliance with such laws. The parties agree to treat the exchange of Tendered Units for REIT Shares pursuant to this Section 8.6(b) as a sale or exchange for all tax purposes.

(c) Notwithstanding the provisions of Section 8.6(a) and 8.6(b) hereof, the Tendering Parties shall have no rights under this Agreement that would otherwise be prohibited under the Charter with respect to the Ownership Limit. To the extent that any attempted Redemption or acquisition of the Tendered Units by the General Partner pursuant to Section 8.6(b) hereof would be in violation of this Section 8.6(c), it shall be null and void ab initio, and the Tendering Party shall not acquire any rights or economic interests in REIT Shares otherwise issuable by the General Partner under Section 8.6(b) hereof.

(d) [Intentionally omitted]

(e) Notwithstanding the provisions of Section 8.6(b) hereof, the Company shall not, under any circumstances, elect to acquire Tendered Units in exchange for the REIT Shares Amount if such exchange would be prohibited under the Charter.

(f) Notwithstanding anything herein to the contrary (but subject to Section 8.6(c) hereof), with respect to any Redemption (or any tender of Partnership Common Units for Redemption if the Tendered Units are acquired by the Company pursuant to Section 8.6(b) hereof) pursuant to this Section 8.6:

(i) All Partnership Common Units acquired by the Company pursuant to Section 8.6(b) hereof shall automatically, and without further action required, be converted into and deemed to be a Limited Partner Interest comprised of the same number of Partnership Common Units.

(ii) Subject to the Ownership Limit, without the consent of the General Partner, no Tendering Party may effect a Redemption for less than one thousand (1,000) Partnership Common Units or, if such Tendering Party holds (as a Limited Partner or, economically, as an Assignee) less than one thousand (1,000) Partnership Common Units, all of the Partnership Common Units held by such Tendering Party.

(iii) Each Tendering Party may not effect a Redemption during the period after the Partnership Record Date with respect to a distribution on Partnership Common Units and before the record date established by the Company for a distribution to its holders of REIT Shares of some or all of its portion of such Partnership distribution.

(iv) The consummation of such Redemption (or an acquisition of Tendered Units by the Company pursuant to Section 8.6(b) hereof, as the case may be) shall be subject to the expiration or termination of the applicable waiting period, if any, under the Hart- Scott- Rodino Antitrust Improvements Act of 1976, as amended.

(v) The Tendering Party shall continue to own (subject, in the case of an Assignee, to the provision of Section 11.5 hereof) all Partnership Common Units subject to any Redemption, and be treated as a Limited Partner or an Assignee, as applicable, with respect to such Partnership Common Units for all purposes of this Agreement, until such Partnership Common Units are either paid for by the Partnership pursuant to Section 8.6(a) hereof or transferred to the Company and paid for, by the issuance of the REIT Shares, pursuant to Section 8.6(b) hereof on the Specified Redemption Date. Until a Specified Redemption Date and an acquisition of the Tendered Units by the Company pursuant to Section 8.6(b) hereof, the Tendering Party shall have no rights as a stockholder of the Company with respect to the REIT Shares issuable in connection with such acquisition.

(g) In connection with an exercise of Redemption rights pursuant to Section 8.6(a), the Tendering Party shall submit the following to the General Partner, in addition to the Notice of Redemption:

(i) A written affidavit, dated the same date as the Notice of Redemption, (a) disclosing the actual and constructive ownership, as determined for purposes of Code Sections 856(a)(6) and 856(h), of REIT Shares by (i) such Tendering Party and (ii) any Related Party and (b) representing that, after giving effect to the Redemption or an acquisition of the Tendered Units by the General Partner pursuant to Section 8.6(b) hereof, neither the Tendering Party nor any Related Party will own REIT Shares in violation of the Ownership Limit;

(ii) A written representation that neither the Tendering Party nor any Related Party has any intention to acquire any additional REIT Shares prior to the

closing of the Redemption or an acquisition of the Tendered Units by the General Partner pursuant to Section 8.6(b) hereof on the Specified Redemption Date; and

(iii) An undertaking to certify, at and as a condition to the closing of (i) the Redemption or (ii) the acquisition of the Tendered Units by the Company pursuant to Section 8.6(b) hereof on the Specified Redemption Date, that either (a) the actual and constructive ownership of REIT Shares by the Tendering Party and any Related Party remain unchanged from that disclosed in the affidavit required by Section 8.6(g)(i) or (b) after giving effect to the Redemption or an acquisition of the Tendered Units by the Company pursuant to Section 8.6(b) hereof, neither the Tendering Party nor any Related Party shall own REIT Shares in violation of the Ownership Limit.

(h) If the Company shall be a party to any transaction (including, without limitation, a merger, consolidation, statutory exchange, self- tender offer for all or substantially all REIT Shares, sale of all or substantially all of its assets or recapitalization of the REIT Shares (each of the foregoing being referred to herein as a "Fundamental Change"), in each case as a result of which REIT Shares shall be converted into the right to receive stock, partnership units, securities or other property (including cash or any combination thereof), each Partnership Common Unit that is not converted into the right to receive stock, partnership units, securities or other property (including cash or any combination thereof) in connection with such Fundamental Change shall thereafter be convertible into the kind and amount of shares of stock, partnership units, securities or other property (including cash or any combination thereof) receivable upon the consummation of such Fundamental Change by a holder of that number of REIT Shares into which one Partnership Common Unit was convertible immediately prior to such Fundamental Change, assuming such holder of REIT Shares (i) is not a Constituent Person or an Affiliate of a Constituent Person and (ii) failed to exercise his or her rights of the election, if any, as to the kind and amount of stock, partnership units, securities or other property (including cash or any combination thereof) receivable upon such Fundamental Change (provided that if the stock, partnership units, securities or other property (including cash or any combination thereof) receivable upon such Fundamental Change is not the same for each REIT Share held immediately prior to such Transaction by other than a Constituent Person or an Affiliate thereof and in respect of which such rights of election shall not have been exercised ("Non- Electing Shares"), then for purposes of this Section 8.6(h) the kind and amount of stock, partnership units, securities or other property (including cash or any combination thereof) receivable upon such Fundamental Change by each Non- Electing Share shall be deemed to be the kind and amount so receivable per share by a plurality of the Non- Electing Shares. The Company shall not be a party to any Fundamental Change unless the terms of such Fundamental Change are consistent with the provisions of this Section 8.6(h). The provisions of this Section 8.6(h) shall similarly apply to successive Fundamental Changes.

(i) Holders of Series SN Preferred Units shall not be entitled to the right of Redemption provided for in Section 8.6(a) of this Agreement.

ARTICLE IX
BOOKS, RECORDS, ACCOUNTING AND REPORTS

Section 9.1 Records and Accounting.

(a) The General Partner shall keep or cause to be kept at the principal office of the Partnership those records and documents required to be maintained by the Act and other books and records deemed by the General Partner to be appropriate with respect to the Partnership's business, including, without limitation, all books and records necessary to provide to the Limited Partners any information, lists and copies of documents required to be provided pursuant to Section 8.5(a) or Section 9.3 hereof. Any records maintained by or on behalf of the Partnership in the regular course of its business may be kept on, or be in the form for, any information storage device, provided that the records so maintained are convertible into clearly legible written form within a reasonable period of time.

(b) The books of the Partnership shall be maintained, for financial and tax reporting purposes, on an accrual basis in accordance with generally accepted accounting principles, or on such other basis as the General Partner determines to be necessary or appropriate. To the extent permitted by sound accounting practices and principles, the Partnership and the General Partner may operate with integrated or consolidated accounting records, operations and principles.

Section 9.2 Partnership Year. The Partnership Year of the Partnership shall be the calendar year.

Section 9.3 Reports.

(a) As soon as practicable, but in no event later than one hundred five (105) days after the close of each Partnership Year, the General Partner shall cause to be mailed to each Limited Partner, of record as of the close of the Partnership Year, an annual report containing financial statements of the Partnership, or of the Company if such statements are prepared solely on a consolidated basis with the Company, for such Partnership Year, presented in accordance with generally accepted accounting principles, such statements to be audited by a nationally recognized firm of independent public accountants selected by the General Partner or the Company.

(b) As soon as practicable, but in no event later than one hundred five (105) days after the close of each calendar quarter (except the last calendar quarter of each year), the General Partner shall cause to be mailed to each Limited Partner, of record as of the last day of the calendar quarter, a report containing unaudited financial statements of the Partnership, or of the Company if such statements are prepared solely on a consolidated basis with the Company, and such other information as may be required by applicable law or regulation or as the General Partner determines to be appropriate.

(c) The General Partner shall have satisfied its obligations under Sections 9.3(a) and 9.3(b) by (i) to the extent the Company or the Partnership is subject to periodic reporting requirements under the Exchange Act, filing the quarterly and annual reports required thereunder within the time periods provided for the filing of such reports, including any permitted extensions, or (ii) posting or making available the reports required by this Section 9.3 on the website maintained from time to time by the Partnership or the Company, provided that such reports are able to be printed or downloaded from such website.

ARTICLE X
TAX MATTERS

Section 10.1 Preparation of Tax Returns. The General Partner shall arrange for the preparation and timely filing of all returns with respect to Partnership income, gains, deductions, losses and other items required of the Partnership for federal and state income tax purposes and shall use all reasonable effort to furnish, within ninety (90) days of the close of each taxable year, the tax information reasonably required by Limited Partners for federal and state income tax reporting purposes. The Limited Partners shall promptly provide the General Partner with such information relating to the Contributed Properties, including tax basis and other relevant information, as may be reasonably requested by the General Partner from time to time.

Section 10.2 Tax Elections.

(a) Except as otherwise provided herein, the General Partner shall, in its sole and absolute discretion, determine whether to make any available election pursuant to the Code, including, but not limited to, the election under Code Section 754 and the election to use the "recurring item" method of accounting provided under Code Section 461(h). The General Partner shall have the right to seek to revoke any such election (including, without limitation, any election under Code Sections 461(h) and 754) upon the General Partner's determination in its sole and absolute discretion that such revocation is in the best interests of the Partners.

(b) The Partners, intending to be legally bound, hereby authorize the Partnership to make an election (the "Safe Harbor Election") to have the "liquidation value" safe harbor provided in Proposed Treasury Regulation § 1.83- 3(1) and the Proposed Revenue Procedure set forth in Internal Revenue Service Notice 2005- 43, as such safe harbor may be modified when such proposed guidance is issued in final form or as amended by subsequently issued guidance (the "Safe Harbor"), apply to any interest in the Partnership transferred to a service provider while the Safe Harbor Election remains effective, to the extent such interest meets the Safe Harbor requirements (collectively, such interests are referred to as "Safe Harbor Interests"). The Tax Matters Partner is authorized and directed to execute and file the Safe Harbor Election on behalf of the Partnership and the Partners. The Partnership and the Partners (including any person to whom an interest in the Partnership is transferred in connection with the performance of services) hereby agree to comply with all requirements of the Safe Harbor (including forfeiture allocations) with respect to all Safe Harbor Interests and to prepare and file all U.S. federal income tax returns reporting the tax consequences of the issuance and vesting of Safe Harbor Interests consistent with such final Safe Harbor guidance. The Partnership is also

authorized to take such actions as are necessary to achieve, under the Safe Harbor, the effect that the election and compliance with all requirements of the Safe Harbor referred to above would be intended to achieve under Proposed Treasury Regulation § 1.83- 3, including amending this Agreement.

Section 10.3 Tax Matters Partner.

(a) The General Partner shall be the "tax matters partner" of the Partnership for federal income tax purposes. The tax matters partner shall receive no compensation for its services. All third- party costs and expenses incurred by the tax matters partner in performing its duties as such (including legal and accounting fees and expenses) shall be borne by the Partnership in addition to any reimbursement pursuant to Section 7.4 hereof. Nothing herein shall be construed to restrict the Partnership from engaging an accounting firm to assist the tax matters partner in discharging its duties hereunder, so long as the compensation paid by the Partnership for such services is reasonable. At the request of any Limited Partner, the General Partner agrees to consult with such Limited Partner with respect to the preparation and filing of any returns and with respect to any subsequent audit or litigation relating to such returns; provided, however, that the filing of such returns shall be in the sole and absolute discretion of the General Partner.

(b) The tax matters partner is authorized, but not required:

(i) to enter into any settlement with the IRS with respect to any administrative or judicial proceedings for the adjustment of Partnership items required to be taken into account by a Partner for income tax purposes (such administrative proceedings being referred to as a "tax audit" and such judicial proceedings being referred to as "judicial review"), and in the settlement agreement the tax matters partner may expressly state that such agreement shall bind all Partners, except that such settlement agreement shall not bind any Partner (i) who (within the time prescribed pursuant to the Code and Regulations) files a statement with the IRS providing that the tax matters partner shall not have the authority to enter into a settlement agreement on behalf of such Partner or (ii) who is a "notice partner" (as defined in Code Section 6231) or a member of a "notice group" (as defined in Code Section 6223(b)(2));

(ii) in the event that a notice of a final administrative adjustment at the Partnership level of any item required to be taken into account by a Partner for tax purposes (a "final adjustment") is mailed to the tax matters partner, to seek judicial review of such final adjustment, including the filing of a petition for readjustment with the United States Tax Court or the United States Claims Court, or the filing of a complaint for refund with the District Court of the United States for the district in which the Partnership's principal place of business is located;

(iii) to intervene in any action brought by any other Partner for judicial review of a final adjustment;

(iv) to file a request for an administrative adjustment with the IRS at any time and, if any part of such request is not allowed by the IRS, to file an appropriate pleading (petition or complaint) for judicial review with respect to such request;
(v) to enter into an agreement with the IRS to extend the period for assessing any tax that is attributable to any item required to be taken into account by a Partner for tax purposes, or an item affected by such item; and
(vi) to take any other action on behalf of the Partners in connection with any tax audit or judicial review proceeding to the extent permitted by applicable law or regulations.
The taking of any action and the incurring of any expense by the tax matters partner in connection with any such proceeding, except to the extent required by law, is a matter in the sole and absolute discretion of the tax matters partner and the provisions relating to indemnification of the General Partner set forth in Section 7.7 hereof shall be fully applicable to the tax matters partner in its capacity as such.
Section 10.4 Withholding. Each Limited Partner hereby authorizes the Partnership to withhold from or pay on behalf of or with respect to such Limited Partner any amount of federal, state, local or foreign taxes that the General Partner determines that the Partnership is required to withhold or pay with respect to any amount distributable or allocable to such Limited Partner pursuant to this Agreement, including, without limitation, any taxes required to be withheld or paid by the Partnership pursuant to Code Sections 1441, 1442, 1445, 1446, 1471 or 1472. Any amount paid on behalf of or with respect to a Limited Partner shall constitute a loan by the Partnership to such Limited Partner, which loan shall be repaid by such Limited Partner within fifteen (15) days after notice from the General Partner that such payment must be made unless (i) the Partnership withholds such payment from a distribution that would otherwise be made to the Limited Partner or (ii) the General Partner determines, in its sole and absolute discretion, that such payment may be satisfied out of the Available Funds of the Partnership that would, but for such payment, be distributed to the Limited Partner. Each Limited Partner hereby unconditionally and irrevocably grants to the Partnership a security interest in such Limited Partner's Partnership Interest to secure such Limited Partner's obligation to pay to the Partnership any amounts required to be paid pursuant to this Section 10.4. In the event that a Limited Partner fails to pay any amounts owed to the Partnership pursuant to this Section 10.4 when due, the General Partner may, in its sole and absolute discretion, elect to make the payment to the Partnership on behalf of such defaulting Limited Partner, and in such event shall be deemed to have loaned such amount to such defaulting Limited Partner and shall succeed to all rights and remedies of the Partnership as against such defaulting Limited Partner (including, without limitation, the right to receive distributions). Any amounts payable by a Limited Partner hereunder shall bear interest at the base rate on corporate loans at large United States money center commercial banks, as published from time to time in the Wall Street Journal, plus four (4) percentage points (but not higher than the maximum lawful rate) from the date such amount is due (i.e., fifteen (15) days after demand) until such amount is paid in full. Each Limited Partner

shall take such actions as the Partnership or the General Partner shall request in order to perfect or enforce the security interest created hereunder.

Section 10.5 Organizational Expenses. The Partnership shall elect to deduct expenses, if any, incurred by it in organizing the Partnership ratably over a 180 month period as provided in Section 709 of the Code.

ARTICLE XI
TRANSFERS AND WITHDRAWALS

Section 11.1 Transfer.

(a) No part of the interest of a Partner shall be subject to the claims of any creditor, to any spouse for alimony or support, or to legal process, and may not be voluntarily or involuntarily alienated or encumbered except as may be specifically provided for in this Agreement.

(b) No Partnership Interest shall be Transferred, in whole or in part, except in accordance with the terms and conditions set forth in this Article XI. Any Transfer or purported Transfer of a Partnership Interest not made in accordance with this Article XI shall be null and void ab initio.

(c) Notwithstanding the other provisions of this Article XI (other than Section 11.6(d) hereof), the Partnership Interests of the General Partner may be Transferred, in whole or in part, at any time or from time to time, to any Person that is, at the time of such Transfer, a Qualified REIT Subsidiary. Any transferee of the entire General Partner Interest pursuant to this Section 11.1(c) shall automatically become, without further action or Consent of any Limited Partners, the sole general partner of the Partnership, subject to all the rights, privileges, duties and obligations under this Agreement and the Act relating to a general partner. Upon any Transfer permitted by this Section 11.1(c), the transferor Partner shall be relieved of all its obligations under this Agreement. The provisions of Section 11.2(a) (other than the last sentence thereof), 11.2(c), 11.4(a) and 11.5 hereof shall not apply to any Transfer permitted by this Section 11.1(c).

(d) No Transfer of any Partnership Interest may be made to a lender to the Partnership or any Person who is related (within the meaning of Section 1.7524(b) of the Regulations) to any lender to the Partnership whose loan constitutes a Nonrecourse Liability, without the consent of the General Partner in its sole and absolute discretion; provided that as a condition to such consent, the lender will be required to enter into an arrangement with the Partnership and the General Partner to redeem or exchange for the REIT Shares Amount any Partnership Units in which a security interest is held by such lender simultaneously with the time at which such lender would be deemed to be a partner in the Partnership for purposes of allocating liabilities to such lender under Section 752 of the Code.

Section 11.2 Transfer of the General Partner Interest and the Company's Limited Partner Interest; Extraordinary Transactions.

(a) The General Partner may not transfer any of its General Partner Interest or withdraw as General Partner, and the Company may not, directly or through its wholly owned Subsidiaries, transfer any of its Limited Partner Interest or engage in an Extraordinary Transaction, except, in any such case, (i) if such Extraordinary Transaction, or such withdrawal or transfer, is pursuant to an Extraordinary Transaction that is permitted under Section (b) hereof, (ii) if the Majority in Interest of the Outside Limited Partners Consent to such withdrawal or transfer or Extraordinary Transaction or (iii) if such transfer is to an entity that is wholly owned by the Company (directly or indirectly).

(b) Notwithstanding any other provision of this Agreement, the General Partner and the Company are permitted to engage (and cause the Partnership to participate) in the following transactions without the approval or vote of the Limited Partners:

(i) (a) an Extraordinary Transaction in connection with which either (1) the Company is the surviving entity and the holders of REIT Shares are not entitled to receive any cash, securities, or other property in connection with such Extraordinary Transaction or (2) all Limited Partners (other than the Company) either will receive, or will have the right to elect to receive, for each Common Unit an amount of cash, securities and other property equal to the product of (x) the REIT Shares Amount multiplied by (y) the greatest amount of cash, securities and other property paid to a holder of one REIT Share in consideration of one such REIT Share pursuant to the terms of the Extraordinary Transaction during the period from and after the date on which the Extraordinary Transaction is consummated; provided that, if, in connection with the Extraordinary Transaction, a purchase, tender or exchange offer shall have been made to and accepted by the holders of more than 50% of the outstanding REIT Shares, each holder of Partnership Common Units shall receive, or shall have the right to elect to receive, the greatest amount of cash, securities, or other property which such holder of Partnership Common Units would have received had it exercised its Redemption right pursuant to Section 8.6 hereof and received REIT Shares in exchange for its Partnership Common Units immediately prior to the expiration of such purchase, tender or exchange offer and had thereupon accepted such purchase, tender or exchange offer and then such Extraordinary Transaction shall have been consummated; or

(ii) an Extraordinary Transaction if: (a) immediately after such Extraordinary Transaction, substantially all of the assets directly or indirectly owned by the surviving entity, other than a direct or indirect interest in the Surviving Partnership (as defined below), are owned directly or indirectly by the Partnership or another limited partnership or limited liability company which is the survivor of a merger, consolidation or combination of assets with the Partnership (in each case, the "Surviving Partnership"); (b) the rights, preferences

and privileges of the holders of Partnership Common Units in the Surviving Partnership are at least as favorable as those in effect immediately prior to the consummation of such transaction and as those applicable to any other limited partners or non managing members of the Surviving Partnership (who have, in either case, the rights of a "common" equity holder); and (c) such rights of the holders of Partnership Common Units include the right to exchange their Partnership Common Unit equivalent interests in the Surviving Partnership for at least one of: (x) the consideration available to such Partnership Common Units pursuant to Section 11.2(b)(i) or (y) if the ultimate controlling person of the Surviving Partnership has publicly traded common equity securities, such common equity securities, with an exchange ratio based on the determination of relative fair market value of such securities (as determined pursuant to Section 11.2(c)) and the REIT Shares.

(c) In connection with any transaction permitted by Section 11.2(b)(ii), the relative fair market values shall be reasonably determined by the General Partner as of the time of such transaction and, to the extent applicable, shall be no less favorable to the Limited Partners than the relative values reflected in the terms of such transaction.

Section 11.3 Limited Partners' Rights to Transfer.

(a) General. Any Limited Partner may, at any time, without the consent of the General Partner, (i) Transfer all or part of its Partnership Interest to any Family Member, any Controlled Entity or any Affiliate, provided that the transferee is, in any such case, a Qualified Transferee, (ii) Transfer all or part of its Partnership Interest to any Family Member in a transaction that constitutes a bona fide gift or (iii) subject to Section 11.1(d), pledge (a "Pledge") all or any portion of its Partnership Interest to a lending institution, that is not an Affiliate of such Limited Partner, as collateral or security for a bona fide loan or other extension of credit, and Transfer such pledged Partnership Interest to such lending institution in connection with the exercise of remedies under such loan or extension or credit (any Transfer or Pledge permitted by this sentence is hereinafter referred to as a "Permitted Transfer"), subject to the provisions of Section 11.6 hereof. Each Limited Partner, and each transferee of Partnership Units or Assignee pursuant to a Permitted Transfer, shall have the right to Transfer all or any portion of its Partnership Interest to any Person, subject to the provisions of Section 11.6 hereof and the satisfaction of each of the following conditions (except in the case of a Permitted Transfer):

(i) Qualified Transferee. Any Transfer of a Partnership Interest shall be made only to a single Qualified Transferee; provided, however, that, for such purposes, all Qualified Transferees that are Affiliates, or that comprise investment accounts or funds managed by a single Qualified Transferee and its Affiliates, shall be considered together to be a single Qualified Transferee; provided, further, that each Transfer meeting the minimum Transfer restriction of Section 11.3(a)(ii) hereof may be to a separate Qualified Transferee.

(ii) Minimum Transfer Restriction. Any Transferring Partner must Transfer not less than the lesser of (i) one thousand (1,000) Partnership Units or (ii) all of the remaining Partnership Units owned by such Transferring Partner.
(iii) Exception for Permitted Transfers. The conditions of Sections 11.3(a)(i) and 11.3(a)(ii) hereof shall not apply in the case of a Permitted Transfer or if such Transfer is permitted to occur by the General Partner without compliance with such conditions.
It is a condition to any Transfer otherwise permitted hereunder that the transferee assumes by operation of law or express agreement all of the obligations of the transferor Limited Partner under this Agreement with respect to such Transferred Partnership Interest, and no such Transfer (other than pursuant to a statutory merger or consolidation wherein all obligations and liabilities of the transferor Partner are assumed by a successor corporation by operation of law) shall relieve the transferor Partner of its obligations under this Agreement without the approval of the General Partner, in its sole and absolute discretion. Notwithstanding the foregoing, any transferee of any Transferred Partnership Interest shall be subject to any and all ownership and transfer limitations (including, without limitation, the Ownership Limit) contained in the Charter that may limit or restrict such transferee's ability to exercise its Redemption rights, including, without limitation, the Ownership Limit. Any transferee, whether or not admitted as a Substituted Limited Partner, shall take subject to the obligations of the transferor hereunder. Unless admitted as a Substituted Limited Partner, no transferee, whether by a voluntary Transfer, by operation of law or otherwise, shall have any rights hereunder, other than the rights of an Assignee as provided in Section 11.5 hereof.
(b) Incapacity. If a Limited Partner is subject to Incapacity, the executor, administrator, trustee, committee, guardian, conservator or receiver of such Limited Partner's estate shall have all the rights of a Limited Partner, but not more rights than those enjoyed by other Limited Partners, for the purpose of settling or managing the estate, and such power as the Incapacitated Limited Partner possessed to Transfer all or any part of its interest in the Partnership. The Incapacity of a Limited Partner, in and of itself, shall not dissolve or terminate the Partnership.
(c) Opinion of Counsel. In connection with any proposed Transfer of a Limited Partner Interest, the General Partner shall have the right to receive an opinion of counsel reasonably satisfactory to it to the effect that the proposed Transfer may be effected without registration under the Securities Act and will not otherwise violate any federal or state securities laws or regulations applicable to the Partnership or the Partnership Interests Transferred. If, in the opinion of such counsel, such Transfer would require the filing of a registration statement under the Securities Act or would otherwise violate any federal or state securities laws or regulations applicable to the Partnership or the Partnership Units, the General Partner may prohibit any Transfer otherwise permitted under this Section 11.3 by a Limited Partner of Partnership Interests.
(d) Adverse Tax Consequences. No Transfer by a Limited Partner of its Partnership Interests, any Redemption, or any other acquisition of Partnership Units by the

Partnership or the General Partner) may be made to or by any person if (i) in the opinion of legal counsel for the Partnership, it would result in the Partnership being treated as an association taxable as a corporation or would result in a termination of the Partnership under Code Section 708, or (ii) such Transfer would be effectuated through an "established securities market" or a "secondary market (or the substantial equivalent thereof)" within the meaning of Code Section 7704.

Section 11.4 Substituted Limited Partners.

(a) No Limited Partner shall have the right to substitute a transferee (including transferees pursuant to Transfers permitted by Section 11.3 hereof) as a Limited Partner in its place. A transferee of the interest of a Limited Partner may be admitted as a Substituted Limited Partner only with the Consent of the General Partner, which Consent may be given or withheld by the General Partner in its sole and absolute discretion. The failure or refusal by the General Partner to permit a transferee of any such interests to become a Substituted Limited Partner shall not give rise to any cause of action against the Partnership or the General Partner. Subject to the foregoing, an Assignee shall not be admitted as a Substituted Limited Partner until and unless it furnishes to the General Partner (i) evidence of acceptance, in form and substance satisfactory to the General Partner, of all the terms, conditions and applicable obligations of this Agreement, (ii) a counterpart signature page to this Agreement executed by such Assignee and (iii) such other documents and instruments as may be required or advisable, in the sole and absolute discretion of the General Partner, to effect such Assignee's admission as a Substituted Limited Partner.

(b) A transferee who has been admitted as a Substituted Limited Partner in accordance with this Article XI shall have all the rights and powers and be subject to all the restrictions and liabilities of a Limited Partner under this Agreement.

(c) Upon the admission of a Substituted Limited Partner, the General Partner shall amend Exhibit A to reflect the name, address and number of Partnership Units of such Substituted Limited Partner and to eliminate or adjust, if necessary, the name, address and number of Partnership Units of the predecessor of such Substituted Limited Partner.

Section 11.5 Assignees. If the General Partner, in its sole and absolute discretion, does not consent to the admission of any permitted transferee under Section 11.3 hereof as a Substituted Limited Partner, as described in Section 11.4 hereof, such transferee shall be considered an Assignee for purposes of this Agreement. An Assignee shall be entitled to all the rights of an assignee of a limited partnership interest under the Act, including the right to receive distributions from the Partnership and the share of Net Income, Net Losses and other items of income, gain, loss, deduction and credit of the Partnership attributable to the Partnership Units assigned to such transferee and the rights to Transfer the Partnership Units provided in this Article XI, but shall not be deemed to be a holder of Partnership Units for any other purpose under this Agreement, and shall not be entitled to effect a Consent or vote on any matter presented to the Limited Partners for approval or effect a Redemption with respect to such Partnership Units (such right to Consent or vote or effect a Redemption, to the extent provided in this Agreement or under the Act, fully remaining with the transferor Limited Partner). In the

event that any such transferee desires to make a further assignment of any such Partnership Units, such transferee shall be subject to all the provisions of this Article XI to the same extent and in the same manner as any Limited Partner desiring to make an assignment of Partnership Units.

Section 11.6 General Provisions.

(a) No Limited Partner may withdraw from the Partnership other than as a result of a permitted Transfer of all of such Limited Partner's Partnership Units in accordance with this Article XI, with respect to which the transferee becomes a Substituted Limited Partner, or pursuant to a redemption (or acquisition by the General Partner) of all of its Partnership Units pursuant to a Redemption under Section 8.6 hereof and/or pursuant to any Partnership Unit Designation.

(b) Any Limited Partner who shall Transfer all of its Partnership Units in a Transfer (i) permitted pursuant to this Article XI where such transferee was admitted as a Substituted Limited Partner, (ii) pursuant to the exercise of its rights to effect a redemption of all of its Partnership Units pursuant to a Redemption under Section 8.6 hereof and/or pursuant to any Partnership Unit Designation or (iii) to the General Partner, whether or not pursuant to Section 8.6(b) hereof, shall cease to be a Limited Partner.

(c) If any Partnership Unit is Transferred in compliance with the provisions of this Article XI, or is redeemed by the Partnership, or acquired by the General Partner pursuant to Section 8.6 hereof, on any day other than the first day of a Partnership Year, then Net Income, Net Losses, each item thereof and all other items of income, gain, loss, deduction and credit attributable to such Partnership Unit for such Partnership Year shall be allocated to the transferor Partner or the Tendering Party, as the case may be, and, in the case of a Transfer or assignment other than a Redemption, to the transferee Partner, by taking into account their varying interests during the Partnership Year in accordance with Code Section 706(d), using the "interim closing of the books" method or another permissible method selected by the General Partner. Solely for purposes of making such allocations, each of such items for the calendar month in which a Transfer occurs shall be allocated to the transferee Partner and none of such items for the calendar month in which a Transfer or a Redemption occurs shall be allocated to the transferor Partner or the Tendering Party, as the case may be, if such Transfer occurs on or before the fifteenth (15th) day of the month, otherwise such items shall be allocated to the transferor; provided, however, that the General Partner may adopt such other conventions relating to allocations in connection with Transfers or Redemptions as it determines are necessary or appropriate. All distributions of Available Cash attributable to such Partnership Unit with respect to which the Partnership Record Date is before the date of such Transfer, assignment or Redemption shall be made to the transferor Partner or the Tendering Party, as the case may be, and, in the case of a Transfer other than a Redemption, all distributions of Available Cash thereafter attributable to such Partnership Unit shall be made to the transferee Partner.

(d) In addition to any other restrictions on Transfer herein contained, in no event may any Transfer or assignment of a Partnership Interest by any Partner (including any Redemption, any acquisition of Partnership Units by the General Partner, the Company or any

other acquisition of Partnership Units by the Partnership) be made (i) to any person or entity who lacks the legal right, power or capacity to own a Partnership Interest; (ii) in violation of applicable law; (iii) of any component portion of a Partnership Interest, such as the Capital Account, or rights to distributions, separate and apart from all other components of a Partnership Interest; (iv) in the event that such Transfer would cause the Company to cease to comply with the REIT Requirements; (v) except with the consent of the General Partner, if such Transfer would, in the opinion of counsel to the Partnership or the General Partner, cause a termination of the Partnership for federal or state income tax purposes (except as a result of the Redemption (or acquisition by the General Partner) of all Partnership Common Units held by all Limited Partners); (vi) if such Transfer would, in the opinion of legal counsel to the Partnership, cause the Partnership to cease to be classified as a partnership for federal income tax purposes (except as a result of the Redemption (or acquisition by the General Partner) of all Partnership Common Units held by all Limited Partners); (vii) if such Transfer would cause the Partnership to become, with respect to any employee benefit plan subject to Title I of ERISA, a "party- in- interest" (as defined in ERISA Section 3(14)) or a "disqualified person" (as defined in Code Section 4975(c)); (viii) if such Transfer would, in the opinion of legal counsel to the Partnership, cause any portion of the assets of the Partnership to constitute assets of any employee benefit plan pursuant to Department of Labor Regulations Section 2510.2- 101; (ix) if such Transfer requires the registration of such Partnership Interest pursuant to any applicable federal or state securities laws; (x) if such Transfer causes the Partnership to become a "publicly traded partnership," as such term is defined in Code Section 469(k)(2) or Code 7704(b); (xi) except with the consent of the General Partner, if such Transfer would cause the Partnership to have more than one hundred (100) partners within the meaning of Regulations Section 1.7704- 1(h); (xii) if such Transfer causes the Partnership (as opposed to the General Partner) to become a reporting company under the Exchange Act; (xiii) except with the consent of the General Partner, unless the Person to whom such Transfer is made is a U.S. person within the meaning of Section 7701(a)(30) of the Code and provides the General Partner with certification of such status in such form as is reasonably satisfactory to the General Partner (including, without limitation, a properly completed IRS Form W- 9); or (xiv) if such Transfer subjects the Partnership to regulation under the Investment Company Act of 1940, the Investment Advisors Act of 1940 or ERISA, each as amended.

(e) Transfers pursuant to this Article XI may only be made on the first day of a fiscal quarter of the Partnership, unless the General Partner otherwise agrees.

(f) The General Partner shall monitor the transfers of interests in the Partnership (including any acquisition of Partnership Common Units by the Partnership or the Company) to determine (i) if such interests could be treated as being traded on an "established securities market" or a "secondary market (or the substantial equivalent thereof)" within the meaning of Section 7704 of the Code and the regulations thereunder and (ii) whether such transfers of interests could result in the Partnership being unable to qualify for the "safe harbors" set forth in Regulations Section 1.7704- 1 (or such other guidance subsequently published by the IRS setting forth safe harbors under which interests will not be treated as "readily tradable on a secondary market (or the substantial equivalent thereof)" within the meaning of Section 7704 of the Code) (the "PTP Safe Harbors"). The General Partner shall have the authority (but shall not

be required) to take any steps it determines are necessary or appropriate in its sole and absolute discretion (i) to prevent any trading of interests which could cause the Partnership to become a "publicly traded partnership," within the meaning of Code Section 7704, or any recognition by the Partnership of such transfers, (ii) to ensure that one or more of the PTP Safe Harbors is met and/or (iii) to ensure that the Partnership satisfies the "qualifying income" exemption of Section 7704(c) of the Code from treatment as a publicly traded partnership taxable as a corporation.

ARTICLE XII
ADMISSION OF PARTNERS

Section 12.1 Admission of Successor General Partner. A successor to all of the General Partner's General Partner Interest pursuant to Section 11.2 hereof who is proposed to be admitted as a successor General Partner shall be admitted to the Partnership as the General Partner, effective immediately prior to such Transfer. Any such successor shall carry on the business of the Partnership without dissolution. In each case, the admission shall be subject to the successor General Partner executing and delivering to the Partnership an acceptance of all of the terms and conditions of this Agreement and such other documents or instruments as may be required to effect the admission.

Section 12.2 Admission of Additional Limited Partners.

(a) A Person (other than an existing Partner) who makes a Capital Contribution to the Partnership in accordance with this Agreement shall be admitted to the Partnership as an Additional Limited Partner only upon furnishing to the General Partner (i) evidence of acceptance, in form and substance satisfactory to the General Partner, of all of the terms and conditions of this Agreement, including, without limitation, the power of attorney granted in Section 2.5 hereof, (ii) a counterpart signature page to this Agreement executed by such Person and (iii) such other documents or instruments as may be required in the sole and absolute discretion of the General Partner in order to effect such Person's admission as an Additional Limited Partner.

(b) Notwithstanding anything to the contrary in this Section 12.2, no Person shall be admitted as an Additional Limited Partner without the consent of the General Partner, which consent may be given or withheld in the General Partner's sole and absolute discretion. The admission of any Person as an Additional Limited Partner shall become effective on the date upon which the name of such Person is recorded on the books and records of the Partnership, following the consent of the General Partner to such admission.

(c) If any Additional Limited Partner is admitted to the Partnership on any day other than the first day of a Partnership Year, then Net Income, Net Losses, each item thereof and all other items of income, gain, loss, deduction and credit allocable among Partners and Assignees for such Partnership Year shall be allocated pro rata among such Additional Limited Partner and all other Partners and Assignees by taking into account their varying interests during the Partnership Year in accordance with Code Section 706(d), using the "interim closing of the

books" method or another permissible method selected by the General Partner. Solely for purposes of making such allocations, each of such items for the calendar month in which an admission of any Additional Limited Partner occurs shall be allocated among all the Partners and Assignees including such Additional Limited Partner, in accordance with the principles described in Section 11.6(c) hereof. All distributions of Available Cash with respect to which the Partnership Record Date is before the date of such admission shall be made solely to Partners and Assignees other than the Additional Limited Partner, and all distributions of Available Cash thereafter shall be made to all the Partners and Assignees including such Additional Limited Partner.

Section 12.3 Amendment of Agreement and Certificate of Limited Partnership. For the admission to the Partnership of any Partner, the General Partner shall take all steps necessary and appropriate under the Act to amend the records of the Partnership and, if necessary, to prepare as soon as practical an amendment of this Agreement (including an amendment of Exhibit A) and, if required by law, shall prepare and file an amendment to the Certificate and may for this purpose exercise the power of attorney granted pursuant to Section 2.5 hereof.

Section 12.4 Admission of Limited Partners. The Persons listed on Exhibit A as limited partners of the Partnership shall be admitted to the Partnership as Limited Partners upon their execution and delivery of this Agreement.

Section 12.5 Limit on Number of Partners. Unless otherwise permitted by the General Partner, no Person shall be admitted to the Partnership as an Additional Limited Partner if the effect of such admission would be to cause the Partnership to have a number of Partners (including as Partners for this purpose those Persons indirectly owning an interest in the Partnership through another partnership, a limited liability company, a subchapter S corporation or a grantor trust) that would cause the Partnership to become a reporting company under the Exchange Act.

ARTICLE XIII
DISSOLUTION, LIQUIDATION AND TERMINATION

Section 13.1 Dissolution. The Partnership shall not be dissolved by the admission of Additional Limited Partners or by the admission of a successor General Partner in accordance with the terms of this Agreement. Upon the withdrawal of the General Partner, any successor General Partner shall continue the business of the Partnership without dissolution. However, the Partnership shall dissolve, and its affairs shall be wound up, upon the first to occur of any of the following (each a "Liquidating Event"):

(a) an event of withdrawal, as defined in the Act (including, without limitation, bankruptcy), of the sole General Partner unless, within ninety (90) days after the withdrawal, a "majority in interest" (as such phrase is used in Section 17801(3) of the Act) of the remaining Partners agree in writing, in their sole and absolute discretion, to continue the business of the Partnership and to the appointment, effective as of the date of withdrawal, of a successor General Partner;

(b) an election to dissolve the Partnership made by the General Partner in its sole and absolute discretion, with or without the Consent of the Limited Partners;
(c) entry of a decree of judicial dissolution of the Partnership pursuant to the provisions of the Act; or
(d) the Redemption (or acquisition by the General Partner) of all Partnership Units other than Partnership Units held by the General Partner.
Section 13.2 Winding Up.
(a) Upon the occurrence of a Liquidating Event, the Partnership shall continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets and satisfying the claims of its creditors and Partners. After the occurrence of a Liquidating Event, no Partner shall take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Partnership's business and affairs. The General Partner (or, in the event that there is no remaining General Partner or the General Partner has dissolved, become bankrupt within the meaning of the Act or ceased to operate, any Person elected by a Majority in Interest of the Limited Partners (the General Partner or such other Person being referred to herein as the "Liquidator")) shall be responsible for overseeing the winding up and dissolution of the Partnership and shall take full account of the Partnership's liabilities and property, and the Partnership property shall be liquidated as promptly as is consistent with obtaining the fair value thereof, and the proceeds therefrom (which may, to the extent determined by the General Partner, include shares of stock in the General Partner) shall, subject to the terms of any Partnership Unit Designation, be applied and distributed in the following order:
(i) First, to the satisfaction of all of the Partnership's debts and liabilities to creditors (including, without limitation, the Partners and their Assignees) (whether by payment or the making of reasonable provision for payment thereof); and
(ii) Second, the balance, if any, to the General Partner, the Limited Partners and any Assignees in accordance with and in proportion to their positive Capital Account balances, after giving effect to all contributions, distributions and allocations for all periods.
The General Partner shall not receive any additional compensation for any services performed pursuant to this Article XIII.
(b) Notwithstanding the provisions of Section 13.2(a) hereof that require liquidation of the assets of the Partnership, but subject to the order of priorities set forth therein, if prior to or upon dissolution of the Partnership the Liquidator determines that an immediate sale of part or all of the Partnership's assets would be impractical or would cause undue loss to the Partners, the Liquidator may, in its sole and absolute discretion, defer for a reasonable time the liquidation of any assets except those necessary to satisfy liabilities of the Partnership (including to those Partners as creditors) and/or distribute to the Partners, in lieu of cash, as tenants in

common and in accordance with the provisions of Section 13.2(a) hereof, undivided interests in such Partnership assets as the Liquidator deems not suitable for liquidation. Any such distributions in kind shall be made only if, in the good faith judgment of the Liquidator, such distributions in kind are in the best interest of the Partners, and shall be subject to such conditions relating to the disposition and management of such properties as the Liquidator deems reasonable and equitable and to any agreements governing the operation of such properties at such time. The Liquidator shall determine the fair market value of any property distributed in kind using such reasonable method of valuation as it may adopt.

(c) In the event that the Partnership is "liquidated" within the meaning of Regulations Section 1.704- 1(b)(2)(ii)(g), distributions shall be made pursuant to this Article XIII to the Partners and Assignees that have positive Capital Accounts in compliance with Regulations Section 1.704- 1(b)(2)(ii)(b)(2) to the extent of, and in proportion to, positive Capital Account balances. If the General Partner has a deficit balance in its Capital Account (after giving effect to all contributions, distributions and allocations for all taxable years, including the year during which such liquidation occurs) (a "Capital Account Deficit"), the General Partner shall make a contribution to the capital of the Partnership equal to the amount of such deficit. No Partner other than the General Partner shall be required to make any contribution to the capital of the Partnership with respect to a Capital Account Deficit, if any, of such Partner, and such Capital Account Deficit shall not be considered a debt owed to the Partnership or any other person for any purpose whatsoever. In the sole and absolute discretion of the General Partner or the Liquidator, a pro rata portion of the distributions that would otherwise be made to the Partners pursuant to this Article XIII may be:

(i) distributed to a trust established for the benefit of the General Partner and the Limited Partners for the purpose of liquidating Partnership assets, collecting amounts owed to the Partnership, and paying any contingent or unforeseen liabilities or obligations of the Partnership or of the General Partner arising out of or in connection with the Partnership and/or Partnership activities. The assets of any such trust shall be distributed to the General Partner and the Limited Partners, from time to time, in the reasonable discretion of the General Partner, in the same proportions and amounts as would otherwise have been distributed to the General Partner and the Limited Partners pursuant to this Agreement; or

(ii) withheld or escrowed to provide a reasonable reserve for Partnership liabilities (contingent or otherwise) and to reflect the unrealized portion of any installment obligations owed to the Partnership, provided that such withheld or escrowed amounts shall be distributed to the General Partner and Limited Partners in the manner and order of priority set forth in Section 13.2(a) hereof as soon as practicable.

(d) In the event that the Partnership issues additional Partnership Units pursuant to the provisions of Article IV hereof, subject to Sections 7.3(d) and 7.3(e), the General Partner is hereby authorized to make such revisions to this Section 13.2 as it determines are

necessary or desirable to reflect the issuance and terms of such additional Partnership Units, including, without limitation, making preferential liquidating distributions to certain classes of Partnership Units or otherwise altering the priorities for distributions, regardless of the positive Capital Accounts of any Partner receiving such preferential liquidating distribution. Such revisions may be made by amendment to this Agreement or may be established in the Partnership Unit Designation applicable to such Partnership Units.

Section 13.3 Deemed Distribution and Recontribution. Notwithstanding any other provision of this Article XIII, in the event that the Partnership is liquidated within the meaning of Regulations Section 1.704- 1(b)(2)(ii)(g), but no Liquidating Event has occurred, the Partnership's Property shall not be liquidated, the Partnership's liabilities shall not be paid or discharged and the Partnership's affairs shall not be wound up. Instead, for federal income tax purposes the Partnership shall be deemed to have distributed the Property in kind to the Partners and the Assignees, who shall be deemed to have contributed all of its assets and liabilities to a new partnership in exchange for an interest in the new partnership; and, immediately thereafter, distributed interests in the new partnership to the Partners in accordance with their respective Capital Accounts in liquidation of the Partnership, and the new partnership is deemed to continue the business of the Partnership. Nothing in this Section 13.3 shall be deemed to have constituted any Assignee as a Substituted Limited Partner without compliance with the provisions of Section 11.4 hereof.

Section 13.4 Rights of Limited Partners. Except as otherwise provided in this Agreement, (a) each Limited Partner shall look solely to the assets of the Partnership for the return of its Capital Contribution, (b) no Limited Partner shall have the right or power to demand or receive property other than cash from the Partnership and (c) no Limited Partner shall have priority over any other Limited Partner as to the return of its Capital Contributions, distributions or allocations.

Section 13.5 Notice of Dissolution. In the event that a Liquidating Event occurs or an event occurs that would, but for an election or objection by one or more Partners pursuant to Section 13.1 hereof, result in a dissolution of the Partnership, the General Partner shall, within thirty (30) days thereafter, provide written notice thereof to each of the Partners and, in the General Partner's sole and absolute discretion or as required by the Act, to all other parties with whom the Partnership regularly conducts business (as determined in the sole and absolute discretion of the General Partner), and the General Partner may, or, if required by the Act, shall, publish notice thereof in a newspaper of general circulation in each place in which the Partnership regularly conducts business (as determined in the sole and absolute discretion of the General Partner).

Section 13.6 Cancellation of Certificate of Limited Partnership. Upon the completion of the liquidation of the Partnership cash and property as provided in Section 13.2 hereof, the Partnership shall be terminated, a certificate of cancellation shall be filed with the State of Delaware, all qualifications of the Partnership as a foreign limited partnership or association in jurisdictions other than the State of Delaware shall be cancelled, and such other actions as may be necessary to terminate the Partnership shall be taken.

Section 13.7 Reasonable Time for Winding- Up. A reasonable time shall be allowed for the orderly winding- up of the business and affairs of the Partnership and the liquidation of its assets pursuant to Section 13.2 hereof, in order to minimize any losses otherwise attendant upon such winding- up, and the provisions of this Agreement shall remain in effect between the Partners during the period of liquidation.

ARTICLE XIV
PROCEDURES FOR ACTIONS AND CONSENTS OF PARTNERS; AMENDMENTS; MEETINGS

Section 14.1 Procedures for Actions and Consents of Partners. The actions requiring consent or approval of Limited Partners pursuant to this Agreement, including Section 7.3 hereof, or otherwise pursuant to applicable law, are subject to the procedures set forth in this Article XIV.

Section 14.2 Amendments. Amendments to this Agreement may only be proposed by the General Partner. Following such proposal, the General Partner shall submit any proposed amendment to the Limited Partners. The General Partner shall seek the written consent of the Limited Partners on the proposed amendment or shall call a meeting to vote thereon and to transact any other business that the General Partner may deem appropriate. For purposes of obtaining a written consent, the General Partner may require a response within a reasonable specified time, but not less than fifteen (15) days, and failure to respond in such time period shall constitute a consent that is consistent with the General Partner's recommendation with respect to the proposal; provided, however, that an action shall become effective at such time as requisite consents are received even if prior to such specified time. Any waiver, amendment or other modification of any provisions of the Partnership Agreement with respect to the rights or interests of holders of a class of Partnership Units (the "Affected Units") which is set forth in a Partnership Unit Designation shall, unless the contrary is expressly provided therein, apply equally to the holders (including any transferees) of any Partnership Units which may from time to time be received upon conversion of such Affected Units.

Section 14.3 Meetings of the Partners.

(a) Meetings of the Partners may only be called by the General Partner. The call shall state the nature of the business to be transacted. Notice of any such meeting shall be given to all Partners not less than seven (7) days nor more than ninety (90) days prior to the date of such meeting. Partners may vote in person or by proxy at such meeting. Whenever the vote or Consent of Partners is permitted or required under this Agreement, such vote or Consent may be given at a meeting of Partners or may be given in accordance with the procedure prescribed in Section 14.3(b) hereof.

(b) Any action required or permitted to be taken at a meeting of the Partners may be taken without a meeting if a written consent setting forth the action so taken is signed by a majority of the Percentage Interests of the Partners (or such other percentage as is expressly required by this Agreement for the action in question). Such consent may be in one instrument

or in several instruments, and shall have the same force and effect as a vote of a majority of the Percentage Interests of the Partners (or such other percentage as is expressly required by this Agreement). Such consent shall be filed with the General Partner. An action so taken shall be deemed to have been taken at a meeting held on the effective date so certified.

(c) Each Limited Partner may authorize any Person or Persons to act for it by proxy on all matters in which a Limited Partner is entitled to participate, including waiving notice of any meeting, or voting or participating at a meeting. Every proxy must be signed by the Limited Partner or its attorney- in- fact. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy (or there is receipt of a proxy authorizing a later date). Every proxy shall be revocable at the pleasure of the Limited Partner executing it, such revocation to be effective upon the Partnership's receipt of written notice of such revocation from the Limited Partner executing such proxy.

(d) Each meeting of Partners shall be conducted by the General Partner or such other Person as the General Partner may appoint pursuant to such rules for the conduct of the meeting as the General Partner or such other Person deems appropriate in its sole and absolute discretion. Without limitation, meetings of Partners may be conducted in the same manner as meetings of the General Partner's stockholders and may be held at the same time as, and as part of, the meetings of the General Partner's stockholders.

Section 14.4 Voting Rights of LTIP Units. LTIP Unitholders shall (a) have those voting rights required from time to time by applicable law, if any, (b) have the same voting rights as a holder of Partnership Common Units, with the LTIP Units voting as a single class with the Partnership Common Units and having one vote per LTIP Unit; and (c) have the additional voting rights that are expressly set forth below. So long as any LTIP Units remain outstanding, the Partnership shall not, without the affirmative vote of the LTIP Unitholders who hold at least a majority of the LTIP Units outstanding at the time, given in person or by proxy, either in writing or at a meeting (voting separately as a class), amend, alter or repeal, whether by merger, consolidation or otherwise, the provisions of the Partnership Agreement applicable to LTIP Units so as to materially and adversely affect any right, privilege or voting power of the LTIP Units or the LTIP Unitholders as such, unless such amendment, alteration, or repeal affects equally, ratably and proportionately the rights, privileges and voting powers of the holders of Partnership Common Units; but subject, in any event, to the following provisions:

(i) With respect to any Transaction, so long as the LTIP Units are treated in accordance with Section 4.9 hereof, the consummation of such Transaction shall not be deemed to materially and adversely affect such rights, preferences, privileges or voting powers of the LTIP Units or the LTIP Unitholders as such; and

(ii) Any creation or issuance of any Partnership Units or of any class or series of Partnership Interest including without limitation additional Partnership Common Units, LTIP Units or Partnership Preferred Units, whether ranking senior to, junior to, or on a parity with the LTIP Units with respect to distributions and the distribution of assets upon liquidation, dissolution or

winding up, shall not be deemed to materially and adversely affect such rights, preferences, privileges or voting powers of the LTIP Units or the LTIP Unitholders as such.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required will be effected, all outstanding LTIP Units shall have been converted into Partnership Common Units.

ARTICLE XV
GENERAL PROVISIONS

Section 15.1 Addresses and Notice. Any notice, demand, request or report required or permitted to be given or made to a Partner or Assignee under this Agreement shall be in writing and shall be deemed given or made when delivered in person or when sent by first class United States mail or by other means of written communication (including by e- mail, facsimile, or commercial courier service) to the Partner or Assignee at the address set forth in Exhibit A or such other address of which the Partner shall notify the General Partner in writing.

Section 15.2 Titles and Captions. All article or section titles or captions in this Agreement are for convenience only. They shall not be deemed part of this Agreement and in no way define, limit, extend or describe the scope or intent of any provisions hereof. Except as specifically provided otherwise, references to "Articles" or "Sections" are to Articles and Sections of this Agreement.

Section 15.3 Pronouns and Plurals. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa.

Section 15.4 Further Action. The parties shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement.

Section 15.5 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, administrators, successors, legal representatives and permitted assigns.

Section 15.6 Waiver.

(a) No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach or any other covenant, duty, agreement or condition.

(b) The restrictions, conditions and other limitations on the rights and benefits of the Limited Partners contained in this Agreement, and the duties, covenants and other requirements of performance or notice by the Limited Partners, are for the benefit of the

Partnership and, except for an obligation to pay money to the Partnership, may be waived or relinquished by the General Partner, in its sole and absolute discretion, on behalf of the Partnership in one or more instances from time to time and at any time; provided, however, that any such waiver or relinquishment may not be made if it would have the effect of (i) creating liability for any other Limited Partner, (ii) causing the Partnership to cease to qualify as a limited partnership, (iii) reducing the amount of cash otherwise distributable to the Limited Partners, (iv) resulting in the classification of the Partnership as an association or publicly traded partnership taxable as a corporation or (v) violating the Securities Act, the Exchange Act or any state "blue sky" or other securities laws; provided, further, that any waiver relating to compliance with the Ownership Limit or other restrictions in the Charter shall be made and shall be effective only as provided in the Charter.

Section 15.7 Counterparts. This Agreement may be executed in counterparts, all of which together shall constitute one agreement binding on all the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart. Each party shall become bound by this Agreement immediately upon affixing its signature hereto.

Section 15.8 Applicable Law. This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Delaware, without regard to the principles of conflicts of law. In the event of a conflict between any provision of this Agreement and any non- mandatory provision of the Act, the provisions of this Agreement shall control and take precedence.

Section 15.9 Entire Agreement. This Agreement contains all of the understandings and agreements between and among the Partners with respect to the subject matter of this Agreement and the rights, interests and obligations of the Partners with respect to the Partnership.

Section 15.10 Invalidity of Provisions. If any provision of this Agreement is or becomes invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby.

Section 15.11 Limitation to Preserve REIT Status. Notwithstanding anything else in this Agreement, to the extent that the amount paid, credited, distributed or reimbursed by the Partnership to any REIT Partner or its officers, directors, employees or agents, whether as a reimbursement, fee, expense or indemnity (a "REIT Payment"), would otherwise cause the REIT Partner to fail to satisfy the requirements of Code Section 856(c)(2) or Code Section 856(c)(3), then, notwithstanding any other provision of this Agreement, the amount of such REIT Payments, as selected by the General Partner in its discretion from among items of potential distribution, reimbursement, fees, expenses and indemnities, shall be reduced for any Partnership Year so that the REIT Payments, as so reduced, for or with respect to such REIT Partner shall not exceed the lesser of:

(i) an amount equal to the excess, if any, of (a) four and nine- tenths percent (4.9%) of the REIT Partner's total gross income (but excluding the amount of any REIT Payments) for the Partnership Year that is described in subsections (A) through (H) of Code Section 856(c)(2) over (b) the amount of

gross income (within the meaning of Code Section 856(c)(2)) derived by the REIT Partner from sources other than those described in subsections (A) through (H) of Code Section 856(c)(2) (but not including the amount of any REIT Payments); or

(ii) an amount equal to the excess, if any, of (a) twenty- four percent (24%) of the REIT Partner's total gross income (but excluding the amount of any REIT Payments) for the Partnership Year that is described in subsections (A) through (I) of Code Section 856(c)(3) over (b) the amount of gross income (within the meaning of Code Section 856(c)(3)) derived by the REIT Partner from sources other than those described in subsections (A) through (I) of Code Section 856(c)(3) (but not including the amount of any REIT Payments);

provided, however, that REIT Payments in excess of the amounts set forth in clauses (i) and (ii) above may be made if the General Partner, as a condition precedent, obtains an opinion of tax counsel or a ruling from the IRS that the receipt of such excess amounts shall not adversely affect the REIT Partner's ability to qualify as a REIT. To the extent that REIT Payments may not be made in a Partnership Year as a consequence of the limitations set forth in this Section 15.11, such REIT Payments shall carry over and shall be treated as arising in the following Partnership Year. The purpose of the limitations contained in this Section 15.11 is to prevent any REIT Partner from failing to qualify as a REIT under the Code by reason of such REIT Partner's share of items, including distributions, reimbursements, fees, expenses or indemnities, receivable directly or indirectly from the Partnership, and this Section 15.11 shall be interpreted and applied to effectuate such purpose.

Section 15.12 No Partition. No Partner nor any successor- in- interest to a Partner shall have the right while this Agreement remains in effect to have any property of the Partnership partitioned, or to file a complaint or institute any proceeding at law or in equity to have such property of the Partnership partitioned, and each Partner, on behalf of itself and its successors and assigns hereby waives any such right. It is the intention of the Partners that the rights of the parties hereto and their successors- in- interest to Partnership property, as among themselves, shall be governed by the terms of this Agreement, and that the rights of the Partners and their successors- in- interest shall be subject to the limitations and restrictions as set forth in this Agreement.

Section 15.13 No Third- Party Rights Created Hereby. The provisions of this Agreement are solely for the purpose of defining the interests of the Partners, inter se; and no other person, firm or entity (i.e., a party who is not a signatory hereto or a permitted successor to such signatory hereto) shall have any right, power, title or interest by way of subrogation or otherwise, in and to the rights, powers, title and provisions of this Agreement. No creditor or other third party having dealings with the Partnership (other than as expressly set forth herein with respect to Indemnitees) shall have the right to enforce the right or obligation of any Partner to make Capital Contributions or loans to the Partnership or to pursue any other right or remedy hereunder or at law or in equity. None of the rights or obligations of the Partners herein set forth to make Capital Contributions or loans to the Partnership shall be deemed an asset of the

Partnership for any purpose by any creditor or other third party, nor may any such rights or obligations be sold, transferred or assigned by the Partnership or pledged or encumbered by the Partnership to secure any debt or other obligation of the Partnership or any of the Partners.

Section 15.14 No Rights as Stockholders. Nothing contained in this Agreement shall be construed as conferring upon the Holders of Partnership Units any rights whatsoever as stockholders of the General Partner, including without limitation any right to receive dividends or other distributions made to stockholders of the General Partner or to vote or to consent or receive notice as stockholders in respect of any meeting of stockholders for the election of directors of the General Partner or any other matter.

ARTICLE XVI
SERIES SN PREFERRED UNITS

Section 16.1 Number. As of the close of business on the date this Agreement was adopted, the total number of Series SN Preferred Units issued and outstanding will be 340,000.

Section 16.2 Distributions.

(a) The Company, in its capacity as the holder of the then outstanding Series SN Preferred Units, shall be entitled to receive distributions payable in cash at the rate per annum of 4.625% of the Liquidation Preference (as defined below) (the "Series SN Annual Distribution Rate"). Such distributions with respect to each Series SN Preferred Unit shall be cumulative from, and including, July 1, 2015 or the most recent Distribution Payment Date, as the case may be, to but excluding the next following Distribution Payment Date or the Mandatory Redemption Date, as the case may be.

(b) The amount of distribution per Series SN Preferred Unit accruing in a Distribution Period shall be computed on the basis of twelve 30- day months and a 360- day year. The Company, in its capacity as the holder of the then outstanding Series SN Preferred Units, shall not be entitled to any distributions, whether payable in cash, property or securities, in excess of cumulative distributions, as herein provided, on the Series SN Preferred Units. No interest, or sum of money in lieu of interest, shall be payable in respect of any distribution payment or payments on the Series SN Preferred Units that may be in arrears.

Section 16.3 Liquidation Preference.

(a) In the event of any liquidation, dissolution or winding up of the Partnership or the Company, whether voluntary or involuntary, before any payment or distribution of the assets of the Partnership shall be made to or set apart for the holders of Junior Units, the Company, in its capacity as the holder of the Series SN Preferred Units, shall be entitled to receive One Thousand Dollars ($1,000.00) per Series SN Preferred Unit (the "Liquidation Preference") plus an amount equal to all distributions (whether or not earned or declared) accrued and unpaid thereon to the date of final distribution to the Company, in its capacity as such holder; but the Company, in its capacity as the holder of Series SN Preferred

Units, shall not be entitled to any further payment. If, upon any such liquidation, dissolution or winding up of the Partnership or the Company, the assets of the Partnership, or proceeds thereof, distributable to the Company, in its capacity as the holder of Series SN Preferred Units, shall be insufficient to pay in full the preferential amount aforesaid and liquidating payments on any other units of the Partnership ranking on a parity with the Series SN Preferred Units as to such distribution, then such assets, or the proceeds thereof, shall be distributed among the Company, in its capacity as the holder of such Series SN Preferred Units, and the holders of any such other units ratably in accordance with the respective amounts that would be payable on such Series SN Preferred Units and any such other units if all amounts payable thereon were paid in full. For the purposes of this Section 16.3 (i) a consolidation or merger of the Partnership or the Company with one or more entities, (ii) a statutory share exchange by the Partnership or the Company and (iii) a sale or transfer of all or substantially all of the Partnership's or the Company's assets, shall not be deemed to be a liquidation, dissolution or winding up, voluntary or involuntary, of the Partnership or the Company.

(b) Subject to the rights of the holders of Partnership Units of any series or class or classes of shares ranking on a parity with or prior to the Series SN Preferred Units upon any liquidation, dissolution or winding up of the Company or the Partnership, after payment shall have been made in full to the Company, in its capacity as the holder of the Series SN Preferred Units, as provided in this Section, any series or class or classes of Junior Units shall, subject to any respective terms and provisions applying thereto, be entitled to receive any and all assets remaining to be paid or distributed, and the Company, in its capacity as the holder of the Series SN Preferred Units, shall not be entitled to share therein.

Section 16.4 Redemption of the Series SN Preferred Units.

(a) Redemption on December 15, 2016.

(i) Redemption in Cash. The Series SN Preferred Units shall be redeemed on December 15, 2016. Such redemption of Series SN Preferred Units shall occur substantially concurrently with the settlement by the Company of the Notes (the "Mandatory Redemption Date") and shall be for cash, at a redemption price of $1,000.00 per Series SN Preferred Unit plus any accrued and unpaid distributions thereon with respect to the Series SN Preferred Units to, but not including, the Mandatory Redemption Date (the "Mandatory Redemption Price").

(ii) Redemption in Partnership Common Units. The Company, at its election, may cause the Partnership to redeem the Series SN Preferred Units, in whole or in part, by delivering Partnership Common Units in lieu of cash in an amount of Partnership Common Units equal to the amount of Common Stock delivered to each holder of Notes under Article 12 of the Indenture at the times specified in Article 12 of the Indenture, plus cash in the amount of accrued and unpaid distributions thereon with respect to the Series SN Preferred Units to, but not including the Mandatory Redemption Date (the "Alternative Mandatory Redemption Price").

(b) Redemption Prior to December 15, 2016.

(i) The Series SN Preferred Units may be redeemed, in whole or in part, at the option of the Company, in its capacity as the holder of the Series SN Preferred Units, at any time, provided that the Company shall redeem an equivalent number of Notes. Such redemption of Series SN Preferred Units shall occur substantially concurrently with the redemption by the Company of such Notes (the "Optional Redemption Date") and shall be for cash, at the redemption price specified in Section 11.01(a) of the Indenture (the "Optional Redemption Price").

(c) If the Company redeems any units of Series SN Preferred Units as described in this Section 16.4, the Partnership may use any available cash to pay the Redemption Price, and the Partnership will not be required to pay the Redemption Price only out of the proceeds from the contribution by the Company or the issuance of other equity securities or any other specific source. Upon redemption of Series SN Preferred Units by the Partnership on the Redemption Date, each Series SN Preferred Unit so redeemed shall be converted into the right to receive the Redemption Price.

(d) From and after the Redemption Date (unless the Partnership shall fail to make available the amount of cash and/or Partnership Common Units necessary to effect such redemption), (i) except as otherwise provided herein, distributions on the Series SN Preferred Units so called for redemption shall cease to accrue, (ii) said units shall no longer be deemed to be outstanding, and (iii) all rights of the holders thereof as holders of Series SN Preferred Units of the Partnership shall cease (except the rights to receive the cash and/or Partnership Common Units payable upon such redemption, without interest thereon, upon surrender and endorsement of their certificates if so required and to receive any distributions payable thereon).

(e) As promptly as practicable after the surrender of the certificates, if any, for any such Series SN Preferred Units so redeemed, such Series SN Preferred Units shall be exchanged for the cash and/or Partnership Common Units (without interest thereon) for which such Series SN Preferred Units have been redeemed. If fewer than all the Series SN Preferred Units evidenced by any certificate are redeemed, the Partnership shall provide sufficient proof evidencing the unredeemed Series SN Preferred Units without cost to the holder thereof.

Section 16.5 Repurchase at Option of Company upon a Change in Control.

(a) The Series SN Preferred Units are not convertible into or redeemable or exchangeable for any other property or securities of the Company or the Partnership at the option of any holder of Series SN Preferred Units, except as provided in Section 16.4 and this Section 16.5.

(b) In the event that a holder of Notes exercises its right to require the Company to repurchase such Holder's Notes not previously called for redemption, in whole or in part, pursuant to the terms of the "Repurchase at Option of Holders upon a Change in Control" set forth in Article 13 of the Indenture, then, concurrently therewith, an equivalent number of

Series SN Preferred Units of the Partnership held by the Company shall be redeemed for cash equal to the Change in Control Purchase Price. Any such redemption will be effective at the same time the redemption of the Notes is effective.

Section 16.6 Ranking.

(a) Any class or series of Partnership Units shall be deemed to rank:

(i) prior to the Series SN Preferred Units, as to the payment of distributions or as to distribution of assets upon liquidation, dissolution or winding up of the Company or the Partnership, if the holders of such class or series of Preferred Units shall be entitled to the receipt of distributions or of amounts distributable upon liquidation, dissolution or winding up, as the case may be, in preference or priority to the holders of Series SN Preferred Units;

(ii) on a parity with the Series SN Preferred Units, as to the payment of distributions or as to the distribution of assets upon liquidation, dissolution or winding up of the Company or the Partnership, whether or not the distribution rates, distribution payment dates or redemption or liquidation prices per Partnership Unit be different from those of the Series SN Preferred Units, if the holders of such Partnership Units of such class or series and the Series SN Preferred Units shall be entitled to the receipt of distributions or of amounts distributable upon liquidation, dissolution or winding up, as the case may be, in proportion to their respective amounts of accrued and unpaid distributions per Partnership Unit or liquidation preferences, without preference or priority one over the other; and

(iii) junior to the Series SN Preferred Units, as to the payment of distributions or as to the distribution of assets upon liquidation, dissolution or winding up of the General Partner or the Partnership, if such class or series of Partnership Units shall be Partnership Common Units or if the holders of Series SN Preferred Units shall be entitled to receipt of distribution or of amounts distributable upon liquidation, dissolution or winding up, as the case may be, in preference or priority to the holders of Partnership Units of such class or series ("Junior Units").

(b) The holders of Series SN Preferred Units shall be entitled to the receipt of distributions and of amounts distributable upon liquidation, dissolution or winding up in proportion to their respective amounts of accumulated and unpaid distributions per Partnership Unit or liquidation preference, without preference or priority one over the other, except that:

(i) the Series SN Preferred Units shall be Preferred Partnership Units and shall receive distributions on a basis pari passu with other Partnership Units, if any, receiving distributions pursuant to Section 5.1(i) of the Agreement; and

(ii) Distributions made pursuant to Section 16.6(b)(i) shall be made pro rata with other distributions made to other Partnership Units as to which they rank pari passu based on the ratio of the amounts to be paid the Series SN Preferred Units and such other Partnership Units, as applicable, to the total amounts to be paid in respect of the Series SN Preferred Units and such other Partnership Units taken together on the Partnership Record Date.

Section 16.7 Voting.

(a) Except as required by law, the Company, in its capacity as the holder of the Series SN Preferred Units, shall not be entitled to vote at any meeting of the Partners or for any other purpose or otherwise to participate in any action taken by the Partnership or the Partners, or to receive notice of any meeting of the Partners.

(b) So long as any Series SN Preferred Units are outstanding, the General Partner shall not authorize the creation of Partnership Units of any new class or series or any interest in the Partnership convertible, exchangeable or redeemable into Partnership Units of any new class or series ranking prior to the Series SN Preferred Units in the distribution of assets on any liquidation, dissolution or winding up of the General Partner or the Partnership or in the payment of distributions unless such Partnership Units are issued to the General Partner and the distribution and redemption (but not voting) rights of such Partnership Units are substantially similar to the terms of securities issued by the General Partner and the proceeds or other consideration from the issuance of such securities have been or are concurrently with such issuance contributed to the Partnership.

Section 16.8 Restrictions on Ownership and Transfer. The Series SN Preferred Units shall be owned and held solely by the Company.

Section 16.9 General.

(a) The rights of the Company, in its capacity as the holder of the Series SN Preferred Units, are in addition to and not in limitation on any other rights or authority of the Company, in any other capacity, under the Agreement. In addition, nothing contained in this Article 16 shall be deemed to limit or otherwise restrict any rights or authority of the Company under the Agreement, other than in its capacity as the holder of the Series SN Preferred Units.

(b) Anything herein contained to the contrary notwithstanding, the General Partner shall take all steps that it determines are necessary or appropriate (including modifying the foregoing terms of the Series SN Preferred Units) to ensure that the Series SN Preferred Units (including, without limitation, the redemption terms thereof) permit the Company to satisfy its obligations (including, without limitation, its obligations to make interest payments on the Notes) with respect to the Notes, it being the intention that the terms of the Series SN Preferred Units shall be substantially similar to the terms of the Notes.

[the next page is the signature page]

IN WITNESS WHEREOF, this Agreement has been executed as of the date first written above.

GENERAL PARTNER:

NORTHSTAR REALTY EUROPE CORP.
a Maryland corporation

By: _____
Name: Trevor K. Ross
Title: General Counsel

LIMITED PARTNER:

NORTHSTAR REALTY EUROPE CORP.
a Maryland corporation

By: _____
Name: Ronald J. Lieberman
Title: Executive Vice President and General Counsel

INITIAL LIMITED PARTNER:

NORTHSTAR REALTY FINANCE LIMITED PARTNERSHIP, a Delaware limited partnership

By: _____
Name: Ronald J. Lieberman
Title: Executive Vice President and General Counsel

ANNEX A

FORM OF LIMITED PARTNER SIGNATURE PAGE

The Grantee, desiring to become one of the within named Limited Partners of NorthStar Realty Europe Limited Partnership, hereby becomes a party to the Amended and Restated Agreement of Limited Partnership of NorthStar Realty Europe Limited Partnership, as amended through the date hereof (the "Partnership Agreement"). The Grantee agrees that this signature page may be attached to any counterpart of the Partnership Agreement.

Signature Line for Limited Partner:

_____

Name: _____

Date: _____

Address of Limited Partner:

_____

_____

EXHIBIT A
PARTNERS AND PARTNERSHIP UNITS

Dated: _____, 2015

Name and Address of Partners	Partnership Units (Type and Amount)
General Partner:	
NORTHSTAR REALTY EUROPE CORP. 399 Park Avenue, 18th Fl. New York, NY 10022	N/A
Limited Partners:	
NORTHSTAR REALTY EUROPE CORP. 399 Park Avenue, 18th Fl. New York, NY 10022	_____ Partnership Common Units
Various—On file with General Partner	_____ Partnership Common Units
LTIP Unit Holders:	
Various Holders—On file with General Partner	_____ LTIP Units
Unit Holder:	
NORTHSTAR REALTY EUROPE CORP. 399 Park Avenue, 18th Fl. New York, NY 10022	340,000 Series SN Preferred Units

EXHIBIT B

NOTICE OF EXERCISE OF REDEMPTION RIGHT

In accordance with Section 8.6 of the Amended and Restated Agreement of Limited Partnership (the "**Agreement**") of NorthStar Realty Europe Limited Partnership the undersigned hereby irrevocably (i) presents for redemption _____ Partnership Common Units in NorthStar Realty Europe Limited Partnership in accordance with the terms of the Agreement and the Partnership Common Unit redemption right referred to in Section 8.6 thereof, (ii) surrenders such Partnership Common Units and all right, title and interest therein and (iii) directs that the Cash Amount or REIT Shares Amount (as defined in the Agreement) as determined by the General Partner deliverable upon exercise of the Partnership Common Unit redemption right be delivered to the address specified below, and if REIT Shares (as defined in the Agreement) are to be delivered, such REIT Shares be registered or placed in the name(s) and at the address(es) specified below.

Dated:_____ __, _____

Name of Limited Partner:

_____

(Signature of Limited Partner)

_____

(Mailing Address)

_____

(City) (State) (Zip Code)

Signature Guaranteed by:

_____

If REIT Shares are to be issued, issue to:

Please insert social security or identifying number:

Name:

EXHIBIT C
NOTICE OF ELECTION BY PARTNER TO CONVERT
LTIP UNITS INTO PARTNERSHIP COMMON UNITS

The undersigned holder of LTIP Units hereby irrevocably (i) elects to convert the number of LTIP Units in NorthStar Realty Europe Limited Partnership (the "**Partnership**") set forth below into Partnership Common Units in accordance with the terms of the Amended and Restated Agreement of Limited Partnership of the Partnership, as amended; and (ii) directs that any cash in lieu of Partnership Common Units that may be deliverable upon such conversion be delivered to the address specified below. The undersigned hereby represents, warrants, and certifies that the undersigned (a) has title to such LTIP Units, free and clear of the rights or interests of any other person or entity other than the Partnership; (b) has the full right, power, and authority to cause the conversion of such LTIP Units as provided herein; and (c) has obtained the consent to or approval of all persons or entities, if any, having the right to consent or approve such conversion.

Name of Holder: _____

(Please Print: Exact Name as Registered with Partnership)

Number of LTIP Units to be Converted: _____

Date of this Notice: _____

_____

(Signature of Holder: Sign Exact Name as Registered with Partnership

_____

(Street Address)

_____

(City) (State) (Zip Code)

Signature Guaranteed by: _____

EXHIBIT D

NOTICE OF ELECTION BY PARTNERSHIP TO FORCE CONVERSION OF LTIP UNITS INTO PARTNERSHIP COMMON UNITS

NorthStar Realty Europe Limited Partnership (the "**Partnership**") hereby irrevocably elects to cause the number of LTIP Units held by the holder of LTIP Units set forth below to be converted into Partnership Common Units in accordance with the terms of the Amended and Restated Agreement of Limited Partnership of the Partnership, as amended.

Name of Holder: _____

(Please Print: Exact Name as Registered with Partnership)

Number of LTIP Units to be Converted: _____

Date of this Notice: _____

Exhibit 10.2

THIS ASSET MANAGEMENT AGREEMENT (the "Agreement"), dated as of [ ], 2015, is entered into by and between NORTHSTAR REALTY EUROPE CORP., a Maryland corporation ("NRE"), and NSAM J- NRE LTD, a Jersey limited company ("Asset Manager"). Each capitalized term used in this Agreement shall have the meaning ascribed to such term in Schedule A.

RECITALS

WHEREAS, on June 30, 2014, in connection with the previously announced spin- off of the asset management business of NorthStar Realty Finance Corp., a Maryland corporation ("NRF"), to NorthStar Asset Management Group Inc., a Delaware corporation ("NSAM"), NRF retained an affiliate of NSAM, NSAM J- NRF Ltd, a Jersey limited company ("NRF Manager"), as its exclusive provider of management and related services on the terms and conditions set forth in the Asset Management Agreement, dated as of June 30, 2014, between NRF and NRF Manager (as amended or supplemented from time to time, the "NRF Management Agreement");

WHEREAS, NRF has announced a spin- off of its European real estate business to NRE and, immediately upon the distribution effectuating the spin- off, in accordance with Section 7(c) of the NRF Management Agreement, NRE desires to retain Asset Manager as its exclusive provider of services on the terms and conditions hereinafter set forth, and Asset Manager wishes to be retained to provide such services.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

1.Duties of Asset Manager.

(a) NRE hereby appoints Asset Manager as of the Effective Time to act as its asset manager and attorney- in- fact under the terms of this Agreement. Asset Manager shall provide, either directly or through its Affiliates ("Affiliated Entities") or, to the extent permitted under this Agreement through third parties, acquisition, disposition, financing, portfolio management, property management, construction, development, stockholder services, communication, offering, corporate governance, overhead and other administrative services, such as accounting and investor relations, to NRE and its subsidiaries and other similar services as may be agreed to from time to time by the parties in writing (the services to be provided, collectively referred to as the "Services"), including those described on **Exhibit A** annexed hereto, subject to, in all cases and in every respect, the supervision and management of the board of directors of NRE (the "Board of Directors") for the period and upon the terms herein set forth, and, without limitation, in accordance with (i) the investment objectives, policies and restrictions from time to time set forth by the Board of Directors and (ii) all applicable federal, state and local laws, rules and regulations. Asset Manager shall perform the Services during the term and subject to the provisions of this Agreement, either directly or by engaging Affiliated Entities, including but not limited to United States- based Affiliates, or by engaging third parties to the extent permitted herein. Notwithstanding anything to the contrary contained herein, Asset Manager (i) may not delegate to an unaffiliated third party the responsibility for providing acquisition, disposition, asset management or financing services, without the prior consent of NRE, which consent shall

not be unreasonably withheld, conditioned or delayed and (ii) may delegate all other Services without the consent of NRE. Asset Manager shall be responsible for overseeing the Services which it is permitted to delegate hereunder. The parties understand and agree that it is anticipated that NRE may, in its discretion, enter into joint venture and partnership arrangements with third parties pursuant to which the joint venturer or partner would perform various Services to NRE or the joint venture or partnership and receive certain fees in connection therewith, with any such arrangements being consented to by Asset Manager, in its sole discretion.

(b) Asset Manager hereby accepts such appointment and agrees, during the term hereof, to render the Services described herein for the compensation provided herein.

(c) Asset Manager shall for all purposes herein be deemed to be an independent contractor and, except as expressly authorized herein or expressly provided for in investment guidelines approved by the Board of Directors or otherwise approved by the Board of Directors, Asset Manager shall have no authority to act for or represent NRE or any subsidiary in any way or otherwise be deemed an agent of NRE or any subsidiary.

(d) Asset Manager shall keep and preserve for the period required by NRE (unless otherwise required or appropriate under applicable law, rule or regulation) any books and records relevant to the provision of its Services to NRE; shall maintain all books and records with respect to NRE's and any subsidiary's transactions; and shall render to NRE such periodic and special reports as NRE may reasonably request. Asset Manager agrees that all records that it maintains for NRE and any subsidiary are the property of NRE and/or such subsidiary and will surrender promptly to NRE any such records upon NRE's request, provided that Asset Manager may retain a copy of such records.

2. Devotion of Time; Additional Activities.

(a) Asset Manager and its Affiliated Entities may in their sole discretion contract with or be engaged by other parties to provide the same or substantially similar services as set forth herein without notice to or consent of NRE.

(b) Asset Manager and its Affiliated Entities will provide NRE with appropriate personnel and will provide NRE with executive management team members upon request. Neither Asset Manager nor any of its Affiliated Entities is obligated to dedicate any of its personnel exclusively to NRE, nor is Asset Manager or any of its Affiliated Entities or any of their personnel obligated to dedicate any specific portion of its or their time to NRE.

3. Payment and Reimbursement of Costs and Expenses.

(a) In addition to the compensation paid to Asset Manager pursuant to Section 4 below, NRE shall pay for all of its own direct and indirect costs and expenses. Without limiting the foregoing, NRE shall pay or, if applicable, reimburse Asset Manager or its Affiliated Entities, and retain all responsibility for costs and expenses relating to NRE or

any of its subsidiaries (even if paid or incurred by Asset Manager or its Affiliated Entities) including, among other things:
(i) organization and corporate governance;
(ii) fees, costs and expenses paid to third party vendors or Affiliated Entities whose services it is customary for asset managers to retain, including lawyers, accountants, brokers, investment bankers, transfer agents, administrators, custodians and other consultants, advisors and agents;
(iii) fees, and direct and indirect costs and expenses of its officers, employees and directors as well as of its partners and joint venturers, if and as applicable;
(iv) fees, costs and expenses paid to third parties or Affiliated Entities to which Asset Manager and the Affiliated Entities are permitted to delegate their responsibilities for certain Services hereunder or under the Affiliated Agreements, as the case may be, provided that such fees, costs and expenses are reasonable and customary;
(v) offerings of equity or other securities;
(vi) federal, state and foreign registration fees;
(vii) costs and expenses of registering, selling and listing the capital stock or other securities on any securities exchange;
(viii) federal, state, local and foreign taxes;
(ix) costs and expenses of preparing and filing reports or other documents required by the SEC or any other regulator or any other cost and expense of compliance with federal, state or foreign securities laws, or any other applicable law, rule or regulation;
(x) costs and expenses of any reports, proxy statements or other communications to stockholders, including printing costs and expenses;
(xi) insurance premiums;
(xii) costs and expenses of administration, including printing, mailing, telephone, copying, secretarial and other staff, auditors and outside legal costs and expenses; and
(xiii) all other fees, costs and expenses (i) consented to by NRE or (ii) incurred by NRE in connection with administering and operating the business of NRE or any of its subsidiaries.

(b) In addition to the above NRE costs and expenses, NRE shall, in Asset Manager's discretion, reimburse Asset Manager on a quarterly basis for additional costs and expenses incurred by Asset Manager or its Affiliated Entities related to its or their asset management business during such period for an amount (to the extent such amount is above zero dollars) not to exceed the following: (i) 20% of the combined total amount of the NRE G&A, NRF G&A, SpinCo G&A and NSAM G&A; less (ii) the sum of the NRE G&A, NRF G&A and SpinCo G&A (the "Maximum Allocable G&A"). NRE shall not be required to reimburse Asset Manager pursuant to this Section 3(b) for any portion of the Maximum Allocable G&A for which Asset Manager or its Affiliated Entities receives reimbursement from NRF pursuant to the NRF Asset Management Agreement or any SpinCo pursuant to any SpinCo Asset Management Agreement. For the avoidance of doubt, NRE agrees and acknowledges that, subject to the limit set forth in this Section 3(b), the limits set forth in the NRF Asset Management Agreement and the limits set forth in any SpinCo Asset Management Agreement, Asset Manager shall have complete discretion in determining the amount of the Maximum Allocable G&A for which each of NRE, NRF and any SpinCo are respectively responsible. In addition, NRE shall pay or, if applicable, reimburse Asset Manager or its Affiliated Entities, and retain all responsibility for all other NRE costs and expenses that are not included in general and administrative expenses as reported on the consolidated financial statements of NRE.

(c) In addition, NRE shall pay or directly reimburse Asset Manager for:

(i) (A) 50% (or such lesser percentage that the Compensation Committee of the Board of Directors of NSAM (the "NSAM Compensation Committee"), determines in its discretion) of the aggregate amount of all long- term bonuses or other compensation that the NSAM Compensation Committee determines shall be paid and/or settled in the form of equity and/or equity- based compensation (i.e., phantom equity or restricted stock units ("RSUs")) to executives, employees, service providers and staff of Asset Manager (or NSAM or its subsidiaries) for each year during the term of this Agreement (the "Equity Compensation" for such year) less (B) the portion of the Equity Compensation for such year that is allocated to NRF or any SpinCo pursuant to the NRF Asset Management Agreement or any SpinCo Asset Management Agreement, respectively (the difference of (A) less (B) being referred to as the "NRE Equity Compensation" for such year). The NRE Equity Compensation may, at the discretion of the NSAM Compensation Committee, be granted in shares of NRE restricted stock, RSUs, long- term incentive plan ("LTIP") units or other applicable form of equity or other stock-based award, provided that if at any time a sufficient number of shares of NRE common stock are not available for issuance under NRE's equity compensation plan (as in effect from time- to- time), the NRE Equity Compensation shall be paid in the form of RSUs, LTIP units or such other securities that may be settled by NRE in cash. The NRE Equity Compensation for a particular year shall be valued on the same basis as the NSAM Compensation Committee has determined to value the corresponding equity compensation for such year of Asset Manager (or NSAM or its other subsidiaries) awarded to its or its Affiliated Entities' executives, employees, service providers and staff, and shall

provide for such terms and conditions as specified by the NSAM Compensation Committee (or members of management of NSAM to whom such authority is delegated). The NRE Equity Compensation for each year shall be allocated on an individual- by- individual and award- by- award basis at the discretion of the NSAM Compensation Committee (or members of management of NSAM to whom such authority is delegated) and, as long as the aggregate amount of NRE Equity Compensation for such year does not exceed the limits set forth herein, the proportion of any particular individual's Equity Compensation for such year that constitutes NRE Equity Compensation may be greater or less than 50%. For avoidance of doubt, NRE agrees and acknowledges that, subject to the limit set forth above, the limits set forth in the NRF Asset Management Agreement and the limits set forth in any SpinCo Asset Management Agreement, Asset Manager and the NSAM Compensation Committee shall have complete discretion in determining the amount of Equity Compensation each year that is paid directly or reimbursed by each of NRE, NRF and any SpinCo; and

(ii) such portion of any severance paid by Asset Manager or its Affiliated Entities pursuant to the terms of any employment, consulting or similar service agreement(s) in effect between such party on the one hand, and any executive, employee or other service provider of Asset Manager or its Affiliated Entities (including executives of NSAM) on the other hand, including, without limitation, the Executive Employment Agreement by and between NSAM and each of David T. Hamamoto, Albert Tylis, Daniel R. Gilbert, Debra A. Hess and Ronald J. Lieberman (each, a "Service Agreement") that corresponds to or is attributable to (A) the NRE Equity Compensation, (B) any cash and/or equity compensation paid directly by NRE or its subsidiaries to any such individual as an employee or other service provider of NRE and (C) any amounts paid to any such individual by Asset Manager or its Affiliated Entities for which NRE is obligated to reimburse Asset Manager pursuant to this Agreement; provided that the terms of such Service Agreement related to such severance payments apply in the same manner to compensation described in clauses (A) to (C) above as they do to other similar types of compensation payable by Asset Manager or its Affiliated Entities.

(d) In the event (i) there is a change of control at NSAM that results in the acceleration of the vesting of performance-based NRE equity awards granted in accordance with Section 3(c)(i) above or performance- based equity awards granted in accordance with Section 3(c)(i) of the NRF Asset Management Agreement prior to the Effective Time to the extent that, following the Effective Time, such equity awards constitute NRE equity awards issued from existing NRF equity awards as a result of the spin- off of NRE from NRF ("NRE Accelerated Performance Awards"), (ii) the NRE Accelerated Performance Awards were awarded for the 2015 compensation plan year or thereafter, and (iii) the NRE Accelerated Performance Awards are not reflected in NRE's Weighted Average Shares outstanding immediately prior to such change of control, Asset Manager or its Affiliates shall be obligated to pay NRE, within 30 days of the happening of the event constituting the change of control and vesting of the NRE Accelerated Performance Awards, an amount in cash equal to the

fair market value of the NRE Accelerated Performance Awards at the time of the change of control.

(e) Costs and expenses incurred or paid by Asset Manager or its Affiliated Entities on behalf of NRE and/or any of its subsidiaries reimbursable pursuant to this Section 3 shall be reimbursed in cash no less than quarterly to Asset Manager. Asset Manager shall prepare a statement documenting the relevant costs and expenses no less than quarterly and shall deliver such statement to NRE within thirty (30) days after the end of each applicable month or quarter, or as soon as practical, as Asset Manager may determine. The NRE Equity Compensation shall be paid or issued (as applicable) directly to the applicable executive, employee or other service provider of Asset Manager or its Affiliated Entities, as designated by the NSAM Compensation Committee in its discretion (or members of management of NSAM to whom such authority is delegated). The portion of any severance reimbursable pursuant to this Section 3 shall be directly payable by NRE when due provided notice of such payment obligation has been provided.

4. Compensation of Asset Manager.

(a) NRE agrees to pay, and Asset Manager agrees to accept, the following fees as compensation for the Services provided by Asset Manager hereunder, whether directly, through Affiliated Entities or through permitted third parties:

(i) an annual base management fee, calculated and payable quarterly in arrears in cash, equal to the sum of:

(A) fourteen million dollars ($14,000,000.00); and

(B) an additional annual base management fee, calculated and payable quarterly in arrears in cash, equal to one and one-half percent (1.5%) per annum of the sum of (a) any NRE equity issued in exchange or conversion of exchangeable or stock- settlable notes based on the stock price at the date of issuance; (b) any other issuances of common, preferred, or other forms of NRE equity, including but not limited to units in NorthStar Realty Europe Limited Partnership, a Delaware limited partnership (the "Operating Partnership"), (excluding units issued (i) to NRE and (ii) as equity based compensation, but including issuances related to an acquisition, investment, joint venture or partnership); and (c) any cumulative CAD in excess of cumulative distributions paid on common stock, Operating Partnership units or other equity awards beginning the first full quarter following the Effective Time through the most recently completed calendar quarter. For purposes of this clause (C) all issuances shall be allocated on a daily weighted average basis during the fiscal quarter of issuances; and

(ii) an incentive management fee ("Incentive Fee") calculated and payable with respect to each calendar quarter (or part thereof that this Agreement is in effect) in arrears in cash in an amount, not less than zero, equal to: (A) the product

of (a) 15% and (b) CAD before Incentive Fee is paid, divided by the Weighted Average Shares outstanding for the calendar quarter, of any amount in excess of $0.300 per share and up to $0.360 per share, plus (B) the product of (a) 25% and (b) CAD before Incentive Fee is paid, divided by the Weighted Average Shares outstanding for the calendar quarter, of any amount in excess of $0.360 per share, (C) multiplied by the Weighted Average Shares outstanding for the calendar quarter.

(b) If NRE at any time subdivides (by any stock split, stock dividend, reclassification, recapitalization or other similar transaction) its common stock into a greater number of shares from and after the Effective Time, the $0.300 per share and $0.360 per share thresholds set forth in Section 4(a)(ii) shall be proportionately decreased. If NRE at any time combines (by reverse stock split, reclassification, recapitalization or other similar transaction) its common stock into a smaller number of shares from and after the Effective Time, such thresholds shall be proportionately increased.

(c) Base management fees shall be payable in arrears in cash, in quarterly installments commencing with the quarter in which this Agreement is executed. If applicable, the initial and final installments of base management fees shall be pro-rated based on the number of days during the initial and final quarter, respectively, that this Agreement is in effect. Asset Manager shall calculate each quarterly installment of base management fees, and deliver such calculation to NRE, as soon as practicable but not earlier than five (5) Business Days prior and not later than twenty (20) days following the last day of each calendar quarter. The foregoing calculation by Asset Manager may be an estimated amount, provided that any differences between such estimated amount and the actual amount due are trued- up no later than (i) with respect to each calendar quarter, forty- five (45) days after the last day of such calendar quarter or (ii) the date on which NRE's quarterly or annual financial statements are filed with the SEC, whichever is later. NRE shall pay Asset Manager each installment of base management fees within three (3) Business Days after the date of delivery of such computations to NRE.

(d) The Incentive Fee shall be payable in cash in arrears in quarterly installments commencing with the quarter in which this Agreement is executed. Asset Manager shall compute each quarterly installment of the Incentive Fee within twenty (20) days after the end of the calendar quarter with respect to which such installment is payable, or as soon as practical. The foregoing calculation by Asset Manager may be an estimated amount, provided that any differences between such estimated amount and the actual amount due are trued- up no later than (i) with respect to each calendar quarter, forty- five (45) days after the last day of such calendar quarter or (ii) the date on which NRE's quarterly or annual financial statements are filed with the SEC, whichever is later. NRE shall pay Asset Manager each installment of the Incentive Fee within three (3) Business Days after the date of delivery of such computation to NRE.

(e) To the extent NRE, acting through its audit committee or otherwise, adjusts the manner in which it calculates CAD or Weighted Average Shares for NRE reporting purposes in a manner that deviates from the definitions set forth in Schedule A and such

adjustment does not result in an adverse impact on the Incentive Fee payable to NSAM, as determined by NSAM in its sole discretion, then NSAM may elect to use the updated CAD or Weighted Average Shares reported by NRE for purposes of calculating the Incentive Fee. Conversely, to the extent any such adjustment by NRE to the manner in which CAD or Weighted Average Shares is calculated for NRE reporting purposes results in an adverse impact on the Incentive Fee payable to NSAM, as determined by NSAM in its sole discretion, then NSAM may elect not to use the updated CAD or Weighted Average Shares reported by NRE for purposes of calculating the Incentive Fee.

5. Limited Power of Attorney

(a) NRE does hereby constitute and appoint Asset Manager, in performing its duties under this Agreement, and its successors and assigns, and the officers of the foregoing, as NRE's true and lawful attorney- in- fact, with full power of substitution, in NRE's name, place and stead, to (i) negotiate, make, execute, sign, acknowledge, swear to, deliver, record and file any agreements, documents or instruments which may be considered necessary or desirable by Asset Manager to carry out fully the provisions of this Agreement and (ii) to perform all other acts contemplated by this Agreement or necessary, advisable or convenient to the day- to- day operations of NRE (subject at all times, however, to each and all of the limitations and stipulations set forth herein).

(b) Because this limited power of attorney shall be deemed to be coupled with an interest, it shall be irrevocable and survive and not be affected by NRE's insolvency or dissolution. However, this limited power of attorney will become revocable upon the expiration of such interest and, therefore, this limited power of attorney will terminate upon termination of this Agreement in accordance with Section 12 of this Agreement.

(c) Nothing herein is meant or shall be claimed, by either party, to confer upon Asset Manager custody, possession or control of or over any of NRE's assets.

6. Regulatory Matters. Asset Manager agrees that at all times it will use commercially reasonable efforts to be in compliance in all material respects with all applicable federal, state, foreign, local and territorial laws governing its operations and investments.

7. Additional Undertakings; Exclusivity.

(a) Asset Manager and its Affiliated Entities may engage in any other business or render similar or different services to others including, without limitation, the direct or indirect sponsorship or management of other investment based accounts or commingled pools of capital, however structured, having investment objectives the same, similar or dissimilar to those of NRE or its subsidiaries, and nothing in this Agreement shall limit or restrict the right of any director, officer, employee, partner, manager or member of Asset Manager or of its Affiliated Entities to engage in any other business or to devote his or her time and attention in part to any other business, whether of a similar or dissimilar nature, or to receive any fees or compensation in connection therewith. Asset Manager assumes no responsibility under this Agreement other than to provide or cause to be provided the Services

called for hereunder. It is understood that directors, officers, employees, partners, managers, members and shareholders of NRE or any of its subsidiaries are or may become interested in Asset Manager and its Affiliates, as directors, officers, employees, partners, managers, members, stockholders, or otherwise, and that Asset Manager and directors, officers, employees, partners, managers, members and stockholders of Asset Manager and its Affiliates are or may become similarly interested in NRE or any of its subsidiaries as directors, officers, employees, partners, managers, members, shareholders or otherwise, and persons shall be permitted to hold positions with both NRE, Asset Manager and/or Affiliates of either or both.

(b) During the term of this Agreement, (i) Asset Manager and its Affiliated Entities shall be the exclusive provider of Services to NRE and its subsidiaries, other than services provided to NRE and/or its subsidiaries by (x) any partner or joint venture approved by NRE, on the one hand, and Asset Manager or its Affiliated Entities, on the other hand, in every case in the sole discretion of Asset Manager and its Affiliated Entities, (y) any third parties that are providing such services as of the date hereof and (z) any third party or Affiliated Entity delegates of Asset Manager as Asset Manager may appoint from time to time in accordance with the terms of this Agreement and (ii) NRE and its subsidiaries shall not employ or contract with any other third party to provide the same or substantially similar services as provided by Asset Manager and its Affiliated Entities without the prior written consent of Asset Manager, which may be withheld by Asset Manager in its sole discretion.

(c) If NRE spins- off any assets or entities in the future, NRE agrees to cause the resulting entity or entities to enter into a substantially similar asset management agreement with Asset Manager or an Affiliated Entity providing for both a base management fee and an Incentive Fee, in each case as determined in Asset Manager's discretion taking into account the nature of the assets involved, the primary services of Asset Manager expected to be utilized by the new company and the expenses associated with managing the new company on a standalone basis. The parties understand and agree that the aggregate base management fee in place immediately after any such spin- off will not be less than the aggregate base management fee in place at NRE immediately prior to such spin- off. Furthermore, the Incentive Fee shall be adjusted for NRE and established for the newly created entity at the discretion of Asset Manager in a manner reasonably consistent with the Incentive Fee description provided herein, with consideration of the factors described above. In addition, the reimbursement of NRE G&A as provided herein shall also be adjusted for NRE and established for the newly created entity at the discretion of Asset Manager in a manner reasonably consistent with the reimbursement provisions provided herein, with consideration of the factors described above.

(d) To the extent NRE engages in crowd funding activities on its own behalf or on behalf of others, it will negotiate in good faith with Asset Manager to utilize the services of Asset Manager and its Affiliated Entities and to pay Asset Manager competitive compensation for its services, as may be mutually agreed to by the parties.

8. Limitation of Liability of Asset Manager; Indemnification.

(a) Asset Manager, its Affiliated Entities and their directors, officers, employees, partners, managers, members, controlling persons, and any other person affiliated with Asset Manager and/or its Affiliated Entities (each of whom shall be deemed a third party beneficiary hereof) (collectively, the "Indemnified Parties") shall not be liable to NRE, its directors, officers, employees, partners, managers, members, controlling persons and any other person or entity affiliated with NRE (collectively, "NRE Parties") for any action taken or omitted to be taken by the Indemnified Parties in connection with the performance of the Services and of any of Asset Manager's duties or obligations under this Agreement or otherwise as an asset manager of NRE or any of its subsidiaries, with respect to the receipt of compensation for Services, and NRE shall indemnify, defend and protect Indemnified Parties and hold them harmless from and against all damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) incurred by the Indemnified Parties in or by reason of any pending, threatened or completed action, suit, investigation or other proceeding (including an action or suit by or in the right of NRE, its shareholders or its subsidiaries) arising out of, in connection with or otherwise based upon the performance of any of Asset Manager's duties or obligations under this Agreement or otherwise as an asset manager of NRE or any of its subsidiaries. Notwithstanding the preceding sentence, nothing contained herein shall protect or be deemed to protect the Indemnified Parties against, or entitle or be deemed to entitle the Indemnified Parties to indemnification in respect of any liability to NRE, its shareholders or the NRE Parties, to which the Indemnified Parties would otherwise be subject by reason of gross negligence, willful misfeasance or bad faith in the performance of their duties.

(b) In the event that any Indemnified Party receives notice of commencement of any suit, action, proceeding or investigation in connection with any matter arising out of or in connection with such Indemnified Party's duties hereunder (or under the Affiliated Agreements, as the case may be), such Indemnified Party will promptly notify NRE of the commencement thereof; provided, however, that failure to give such notice shall not relieve NRE of its obligations under this Section 8, except to the extent it shall have been materially prejudiced by such failure and then only to the extent of such prejudice. In case any such action is brought against any Indemnified Party, and it notifies NRE of the commencement thereof, NRE will be entitled to, to the extent it may wish, jointly with any of the NRE Parties similarly notified, to participate in the defense thereof, with separate counsel. Such participation shall not relieve NRE of the obligation to reimburse the Indemnified Party for reasonable legal and other costs and expenses incurred by such Indemnified Party in defending itself. NRE shall not be liable to any such Indemnified Party on account of any settlement of any claim or action effected without the consent of NRE. NRE may not unreasonably withhold or deny its consent to any settlement of any claim, suit, action, proceeding or investigation which may be covered hereunder.

(c) In the event that any Indemnified Party becomes involved in any capacity in any suit, action, proceeding or investigation in connection with any matter arising out of or in connection with its duties hereunder (or under the Affiliated Agreements, as the case may

be), NRE will periodically reimburse such Indemnified Party for its reasonable legal and other costs and expenses (including the cost and expense of any investigation and preparation) incurred in connection therewith, no later than 30 days after receiving evidence of such costs and expenses; provided, however, that prior to any such advancement of costs and expenses (i) such Indemnified Party shall provide NRE with an undertaking to promptly repay NRE the amount of any such costs and expenses paid to it if it shall ultimately be determined that such Indemnified Party is not entitled to be indemnified by NRE as herein provided in connection with such suit, action, proceeding or investigation, and (ii) the Indemnified Party shall provide NRE with a written affirmation that such Indemnified Party in good faith believes that it has met the standard of conduct necessary for indemnification hereunder.

9. Duties With Respect to Investment Opportunities.

(a) NRE shall be obligated, as part of the consideration for the Services being provided by Asset Manager and its Affiliated Entities, to make available to Asset Manager (for allocation among the NSAM Managers and Affiliated Entities) all investment opportunities for the acquisition or origination of Real Estate Assets ("Investment Opportunities") that are presented to, or sourced by, employees of NRE or its subsidiaries, if any, or of which any employee of NRE or its subsidiaries becomes aware.

(b) Asset Manager shall form an investment committee (the "Investment Committee") that shall review the Investment Opportunities and use its commercially reasonable efforts to fairly allocate such Investment Opportunities among Affiliated Entities and among the NSAM Managers, including Asset Manager, for the benefit of Managed Entities, including NRE. The Investment Committee will allocate Investment Opportunities in accordance with an allocation policy, set forth on **Exhibit B**, established by Asset Manager and adopted by each of the NSAM Managers. Changes to the allocation policy that could adversely impact the allocation of Investment Opportunities to NRE in any material respect may be proposed by Asset Manager and must be approved by the Board of Directors.

(c) It is further acknowledged by NRE that the decision of how any potential Investment Opportunities should be allocated may in many cases be a matter of highly subjective judgment which will be made by the Investment Committee in its sole discretion. Asset Manager may from time to time increase or decrease the number of members of the Investment Committee, or replace members of the Investment Committee, in its sole discretion. It is further acknowledged by NRE that certain types of Investment Opportunities may not enter the allocation process because of special or unique circumstances related to the Real Estate Asset or the seller of the Real Estate Asset, among other things, that in the judgment of the Investment Committee do not fall within the investment objectives or mandate of any particular Managed Entity, including NRE or another Affiliated Entity. In these cases, the investment may be made by another Managed Entity or by Asset Manager or one of its Affiliated Entities without NRE having an opportunity to make such investment.

10. No Joint Venture. Nothing in this Agreement shall be construed to make NRE and Asset Manager or any of its Affiliated Entities partners or joint venturers or impose any liability as such on any of them.

11. Term. Subject to Section 12, this Agreement shall be in effect from the Effective Time through the twentieth anniversary of the Effective Time (the "Initial Term") and shall be automatically renewed for an additional twenty- year term on each anniversary of such twentieth anniversary date (each, a "Renewal Term").

12. Termination for Cause.

(a) NRE may terminate this Agreement, effective upon 60 days' prior written notice of termination from the Board of Directors to Asset Manager if (i) Asset Manager engages in any act of fraud, misappropriation of funds, or embezzlement against NRE or any of its subsidiaries; (ii) Asset Manager breaches, in bad faith, any provision of this Agreement or there is an event of gross negligence on the part of Asset Manager in the performance of its duties under this Agreement and, in each case, if it has a Material Adverse Effect on NRE and, with respect to a breach in bad faith or gross negligence, if the effects of such breach in bad faith or gross negligence can be reversed, such effects are not reversed within a period of 60 days of Asset Manager's receipt of the written notice (or 90 days if Asset Manager takes steps to reverse such effects within 30 days of written notice); (iii) there is a commencement of any proceeding relating to Asset Manager's bankruptcy or insolvency, including an order for relief in an involuntary bankruptcy case or Asset Manager authorizing or filing a voluntary bankruptcy petition that is not dismissed in 60 days; (iv) there is a dissolution of Asset Manager; or (v) unless the Board of Directors determines that qualification for taxation as a REIT under the U.S. federal income tax laws is no longer desirable, there is a determination by a court of competent jurisdiction, in a non- appealable binding order, or the Internal Revenue Service, in a closing agreement made under section 7121 of the Code, that a provision of this Agreement caused or will cause NRE to fail to satisfy a requirement for qualification as a REIT and, within 60 days of such determination, Asset Manager has not agreed to amend or modify this Agreement in a manner that would allow NRE to qualify as a REIT. Notwithstanding the foregoing, if Asset Manager assigns the Agreement to an Affiliate or a permitted assignee, the events in (iii) and (iv) with respect to such assignee shall not constitute grounds for termination by NRE.

(b) Asset Manager may terminate this Agreement effective upon 60 days' prior written notice of termination to NRE in the event that NRE shall default in the performance or observance of any material term, condition or covenant contained in this Agreement and such default shall continue for a period of 60 days (or 90 days if NRE takes steps to cure such breach within 30 days of the written notice) after written notice thereof is received by NRE specifying such default and requesting that the same be remedied in such 60- day period. In the event that this Agreement is terminated pursuant to this Section 12(b), Asset Manager shall be entitled to any and all damages and legal remedies arising from or in connection with such default including, but not limited to, direct, indirect, special, consequential, speculative and punitive damages, as well as lost future profits and business in the future.

13. Action Upon Termination. From and after the effective date of termination of this Agreement, pursuant to Section 12 of this Agreement, Asset Manager shall not be entitled to compensation for further services under this Agreement, but shall be paid all compensation accruing to the date of termination. Upon such termination, Asset Manager shall deliver to the Board of Directors all property and documents of NRE and its subsidiaries then in the custody of Asset Manager and Asset Manager shall cooperate with NRE, at NRE's cost and expense, to provide an orderly transition of its advisory and asset management functions.

14. Bank Accounts. Asset Manager may establish and maintain one or more bank accounts in the name of NRE or its subsidiaries and may collect and deposit into any such account or accounts, and disburse from any such account or accounts, any money on behalf of NRE or its subsidiaries, under such terms and conditions as the Board of Directors may approve, provided that no funds shall be commingled with the funds of Asset Manager. Asset Manager shall from time to time render appropriate accountings of such collections and payments to the Board of Directors and the independent auditors of NRE. Any such bank shall be a "qualified custodian" as defined in Rule 206(4)- 2 under the Advisers Act.

15. Other Services. If (i) NRE requests that Asset Manager or any officer or employee thereof render services for NRE other than as set forth in this Agreement; or (ii) there are changes to the regulatory environment in which Asset Manager or NRE operates that would increase significantly the level of services performed such that the costs and expenses borne by Asset Manager for which Asset Manager is not entitled to separate reimbursement for personnel and related employment direct costs and expenses and overhead under Section 3 of this Agreement would increase significantly, such services shall be separately compensated at such rates and in such amounts as are reasonably agreed by Asset Manager and NRE.

16. Assignment.

(a) The Agreement may not be assigned (within the meaning of the Investment Advisers Act of 1940, as amended (the "Advisers Act")) without the consent of the parties hereto.

(b) Notwithstanding the foregoing, to the extent either party proposes, or any action is taken by either party that could be deemed an assignment of this Agreement as defined under the Advisers Act (an "Advisers Act Assignment"), both parties agree to consider such assignment in good faith and to not unreasonably withhold, condition or delay such consent. The parties would anticipate that consent would be granted in the event of a proposed Advisers Act Assignment to a party with expertise in commercial real estate and, together with its Affiliates, over $10 billion of assets under management. Both parties acknowledge that time is of the essence with respect to the consideration of any Advisers Act Assignment and each party shall: (a) respond to the party seeking consent of such assignment within 10 days of notification of an Advisers Act Assignment (the "Notification Period") by the party seeking consent thereto; and (b) provide such consent or set forth the reasons why such consent shall not be given. To the extent the party whose consent is sought with respect to any Advisers Act Assignment fails to respond to the party seeking consent for said Advisers Act Assignment within the Notification Period, the consent of the party

failing to respond shall be deemed to have been granted. The parties understand and agree that the terms of this Section 16(b) are material terms hereof and the Asset Manager would not have entered into this Agreement but for the benefit of such provisions.

(c) Asset Manager may, at no additional cost or expense to NRE, obtain information and assistance for the account of NRE, without NRE's consent. Such assistance may include the hiring of one or more entities, including Affiliated Entities, to provide sub- advisory services. A sub- adviser shall have all of the rights and powers of Asset Manager set forth in this Agreement, and Asset Manager shall be as fully responsible to NRE's accounts for the acts and omissions of the sub-adviser as it is for its own acts and omissions.

(d) Notwithstanding the foregoing or anything else contained herein to the contrary, to the maximum extent permitted by applicable law, rules and regulations, in connection with any merger, sale of all or substantially all of the assets, change of control, reorganization, consolidation or any similar transaction of either party hereto, directly or indirectly, the surviving entity will succeed to the terms of this Agreement.

17. Representations and Warranties.

(a) NRE hereby makes the following representations and warranties to Asset Manager, all of which shall survive the execution and delivery of this Agreement:

(i) NRE is a corporation duly organized, validly existing and in good standing under the laws of the State of Maryland. NRE has all power and authority required to execute and deliver this Agreement and to perform all its duties and obligations hereunder;

(ii) The execution, delivery, and performance of this Agreement by NRE have been duly authorized by all necessary action on the part of NRE;

(iii) This Agreement constitutes a legal, valid, and binding agreement of NRE enforceable against NRE in accordance with its terms, except as limited by bankruptcy, insolvency, receivership and similar laws from time to time in effect and general principles of equity, including, without limitation, those relating to the availability of specific performance; and

(iv) NRE is entering into this Agreement with the approval of its Board of Directors, including a majority of its disinterested directors, and with full knowledge and understanding of the consequences of its execution and believes that it is receiving full and valuable consideration hereunder and that it is in its best interests to enter into this Agreement.

(b) Asset Manager hereby makes the following representations and warranties to NRE, all of which shall survive the execution and delivery of this Agreement:

(i) Asset Manager is a limited company duly organized, validly existing and in good standing under the laws of Jersey. Asset Manager has all power and authority required to execute and deliver this Agreement and to perform all its duties and obligations hereunder, subject only to its qualifying to do business and obtaining all requisite permits and licenses required as a result of or relating to the nature or location of any of the assets or properties of NRE (which it shall do promptly after being required to do so);

(ii) The execution, delivery, and performance of this Agreement by Asset Manager have been duly authorized by all necessary action on the part of Asset Manager; and

(iii) This Agreement constitutes a legal, valid, and binding agreement of Asset Manager enforceable against Asset Manager in accordance with its terms, except as limited by bankruptcy, insolvency, receivership and similar laws from time to time in effect and general principles of equity, including, without limitation, those relating to the availability of specific performance.

(c) Each party will promptly inform the other party if any of the representations herein ceases to be true.

18. Additional Covenants of Asset Manager.

(a) Asset Manager agrees to provide the Services hereunder in such a manner as to seek to avoid causing NRE to fail to qualify for taxation as a REIT under the U.S. federal income tax laws, unless the Board of Directors determines that such qualification is no longer desirable. In the event that the provision of Services hereunder would cause NRE to fail to qualify for taxation as a REIT, such Services shall be modified to the extent reasonably practical and only to the minimum extent necessary to preserve provision of the Services and qualification as a REIT, in all cases, unless the Board of Directors determine that such qualification is no longer necessary.

(b) Asset Manager agrees to provide the services hereunder in such a manner as to seek to avoid causing NRE to be required to register as an investment company under the Investment Company Act of 1940, as amended.

(c) Asset Manager agrees and acknowledges that it is providing the Services hereunder subject to the direction, supervision, oversight and control of the Board of Directors.

19. Additional Covenants of NRE.

(a) NRE hereby agrees that, in consideration of the Services to be provided hereunder, for so long as this Agreement is in effect, Asset Manager or one of its Affiliates (including NSAM) shall have the right to (a) designate one (1) individual to serve as a non- voting observer of the Board of Directors and each committee thereof (the "Observer"), (b)

remove such individual as the Observer at any time and (c) appoint a successor to such Observer in the event that the current Observer resigns or is removed by Asset Manager or its Affiliate as the Observer. In the event that the individual designated by Asset Manager or one of its Affiliates to serve as the Observer is unable to attend any meeting of the Board of Directors or any committee thereof for any reason, Asset Manager or its Affiliate, as the case may be, shall be permitted to designate another individual to serve as the Observer at such meeting. NRE further covenants and agrees to provide the Observer with copies of all notices, written correspondence, board materials and other documents provided to the Board of Directors and each committee thereof at substantially the same time as provided to the Board of Directors or the members of the relevant committee thereof; provided, that NRE reserves the right to withhold any information and to exclude such Observer from any meeting or portion thereof if a conflict of interest exists because the Board of Directors plans to discuss a matter involving Asset Manager or its Affiliates, on the one hand, and NRE or its Affiliates, on the other hand, or if access to such information or attendance at such meeting would reasonably likely adversely affect the attorney- client privilege between NRE and its counsel or result in the disclosure of trade secrets.

(b) NRE hereby further agrees that it will not directly or indirectly enter into a merger, sale of all or substantially all of its assets, change of control, reorganization, consolidation or any similar transaction, unless the party assuming control or otherwise entering into the transaction with NRE or its Affiliates agrees in writing, in a form satisfactory to the Asset Manager, to succeed to this Agreement and otherwise assume the obligations and liabilities under this Agreement.

20. **Confidentiality**. Each party, on behalf of itself and its Affiliates, shall keep confidential any and all information obtained by it in connection with this Agreement and provision of the Services and shall not disclose any such information (or use the same except in furtherance of its duties and obligations under this Agreement) to unaffiliated third parties, except: (i) with the prior written consent of the board of directors of the applicable party; (ii) to legal counsel, accountants and other professional advisors; (iii) to appraisers, financing sources and others in the ordinary course of business; (iv) to third parties who agree to keep such information confidential by contract or by professional or ethical duty and who need to know such information to perform services or to evaluate a prospective transaction; (v) to governmental officials having jurisdiction over the applicable party; (vi) in connection with any governmental or regulatory filings of the applicable party, or disclosure or presentations to such party's investors; (vii) as required by law or legal process to which a party or any person to whom disclosure is permitted hereunder is subject; or (viii) to the extent such information is otherwise publicly available through the actions of a person other than the party not resulting from the party's violation of this Section 20. The provisions of this Section 20 shall survive the expiration or earlier termination of this Agreement for a period of one year.

21. **Use of Name**. NRE agrees that Asset Manager and its Affiliated Entities may identify NRE by name in its or their current client list. Such list may be disclosed to third parties.

22. **Notices**. Any notice under this Agreement shall be given in writing, addressed and delivered or mailed, postage prepaid, to the addresses set forth herein (or such other address as a party may identify to the other party from time to time). All notices shall be effective upon receipt.

If to NRE:

NorthStar Realty Europe Corp.
399 Park Avenue
18th Floor
New York, New York 10022
Attention: General Counsel

If to Asset Manager:

NSAM J- NRE Ltd
c/o NSAM Luxembourg S.à r.l.
6ème étage, 6A route de Trèves
L- 2633 Senningerberg
Grand- Duchy of Luxembourg
Attention: General Counsel

23. **Amendments**. This Agreement may be amended or modified only by mutual consent of the parties in writing.

24. **Entire Agreement; Governing Law**. This Agreement contains the entire agreement of the parties and supersedes all prior agreements, understandings and arrangements with respect to the subject matter hereof. This Agreement shall be construed in accordance with the laws of the State of New York.

25. **Severability**. Each provision of this Agreement shall be considered separate from the others and, if for any reason, any provision or its application is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, then such invalid, illegal or unenforceable provision shall not impair the operation of or affect any other provisions of this Agreement, and either (a) such invalid, illegal or unenforceable provision shall be construed and enforced to the maximum extent legally permissible or (b) the parties shall substitute for the invalid, illegal or unenforceable provision a valid, legal and enforceable provision with a substantially similar effect and intent.

26. **Force Majeure**. No party to this Agreement will be responsible for nonperformance resulting from acts beyond the reasonable control of such party; provided that such party uses commercially reasonable efforts to avoid or remove such causes of nonperformance and continues performance under this Agreement with reasonable dispatch as soon as such causes are removed.

27. **Waiver**. Neither the failure nor any delay on the part of a party to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege, nor shall any waiver of any

right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

28. **Counterparts**. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.

29. **Headings**. The section headings contained in this Agreement are inserted for convenience only, and shall not affect in any way, the meaning or interpretation of this Agreement.

30. **Binding Effect; Benefit**. This Agreement and all terms, provisions and conditions hereof shall be binding upon the parties hereto, and shall inure to the benefit of the parties hereto and to their respective successors and assigns.

31. **Miscellaneous**. It is understood that certain provisions of this Agreement may serve to limit the potential liability of Asset Manager. NRE has had the opportunity to consult with Asset Manager as well as, if desired, its professional advisors and legal counsel as to the effect of these provisions. It is further understood that certain applicable laws including, but not limited to, the Advisers Act may impose liability or allow for legal remedies even where Asset Manager has acted in good faith and that the rights under those laws may be non- waivable. Nothing in this Agreement shall, in any way, constitute a waiver or limitation of any rights which may not be limited or waived in accordance with applicable law.

32. **Arbitration**. Notwithstanding anything herein to the contrary, including the parties' submission to jurisdiction of the courts of the State of New York pursuant to Section 33, any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in the New York offices of the American Arbitration Association ("AAA") before three (3) qualified arbitrators, one (1) selected by each party and one (1) selected by both parties. The arbitration shall be administered by AAA under its Commercial Arbitration Rules and Mediation Procedures (the "Rules") in accordance with the expedited procedures in those Rules. Judgment on the arbitration award may be entered in any state or federal court sitting in New York, New York or in any other applicable court. This Section 32 shall not preclude the parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. In the event that this Agreement is terminated pursuant to this Section 32, Asset Manager shall be entitled to any and all damages and legal remedies arising from or in connection with such default including, but not limited to, direct, indirect, special, consequential, speculative and punitive damages, as well as lost profits and business in the future.

(a) Any arbitration arising out of or related to this Agreement shall be conducted in accordance with the expedited procedures set forth in the Rules as those Rules exist at the Effective Time.

(b) The parties agree that they will give conclusive effect to the arbitrators' determination and award and that judgment thereon may be entered in any court having jurisdiction.
(c) The arbitrators may issue awards for all damages and legal remedies arising from or in connection with such default including, but not limited to, direct, indirect, special, consequential, speculative and punitive damages, as well as lost profits and business in the future.
(d) Any party may, without inconsistency with this arbitration provision, apply to any state or federal court sitting in New York, New York and seek interim provisional, injunctive or other equitable relief until the arbitration award is rendered or the controversy is otherwise resolved.
(e) The arbitration will be conducted in the English language. The arbitrators shall decide the dispute in accordance with the law of New York. The arbitration provisions contained herein are self- executing and will remain in full force and effect after expiration or termination of this Agreement.
(f) The costs and expenses of the arbitration shall be funded fifty percent (50%) by the claimant and the remaining fifty percent (50%) shall be split equally among the respondent(s). All parties shall bear their own attorneys' fees during the arbitration. The prevailing party on substantially all of its claims shall be repaid all of such costs and expenses by the non-prevailing party within ten (10) days after receiving notice of the arbitrator's decision.

33. Submission to Jurisdiction; Consent to Service of Process. Subject to Section 32 hereof, the parties hereto hereby irrevocably submit to the exclusive jurisdiction of and consent to service of process and venue in the state and federal courts in the County of New York, State of New York in any dispute, claim, controversy, action, suit or proceeding between the parties arising out of this Agreement which are permitted to be filed or determined in such court. Subject to Section 32 hereof, the parties hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection which they may now or hereafter have to the laying of venue of any such dispute brought in such court or any defense of inconvenient forum for the maintenance of such dispute. The parties agree that process may be served in any action, suit or proceeding by mailing copies thereof by registered or certified mail (or its equivalent) postage prepaid, to the party's address set forth in Section 22 of this Agreement or to such other address to which the party shall have given written notice to the other party. The parties agree that such service shall be deemed in every respect effective service of process upon such party in any such action, suit or proceeding and shall, to the fullest extent permitted by law, be taken and held to be valid personal service upon and personal delivery to such party. Nothing in this Section 33 shall affect the right of the parties to serve process in any manner permitted by law.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above by their duly authorized representatives.

NORTHSTAR REALTY EUROPE CORP.

By: _____
Name:
Title:

NSAM J- NRE LTD

By: _____
Name:
Title:

SCHEDULE A

For purposes of this Agreement, the following terms shall have the definitions indicated below:

"AAA" has the meaning set forth in Section 32.

"Advisers Act" has the meaning set forth in Section 16(a).

"Advisers Act Assignment" has the meaning set forth in Section 16(b).

"Affiliate" means, with respect to a Person, any other Person that either directly or indirectly controls, is controlled by or is under common control with the first Person. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting interests, by contract or otherwise. For the avoidance of doubt, for purposes of this Agreement, none of the Managed Entities shall be considered an Affiliate of NSAM Parent or its Affiliates.

"Affiliated Agreements" means any agreement entered into by an Affiliated Entity with respect to duties that are permitted to be delegated by Asset Manager under this Agreement.

"Affiliated Entities" has the meaning set forth in Section 1(a).

"Agreement" has the meaning set forth in the preamble.

"Asset Manager" has the meaning set forth in the preamble.

"Board of Directors" has the meaning set forth in Section 1(a).

"Business Day" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions in New York City are authorized or required by law, regulation or executive order to close.

"Cash Available for Distribution" or "CAD" shall mean net income (loss) attributable to common stockholders in NRE, adjusted by adding (or subtracting) non- controlling interests, if any, and the following items: depreciation and amortization items, including depreciation and amortization (excluding amortization of second generation tenant improvements and leasing commissions), straight- line rental income or expense (excluding amortization of rent free periods), amortization of above/below market leases, amortization of deferred financing costs, amortization of discount on financings and other and equity based compensation; maintenance capital expenditures; unrealized gain (loss) from the change in fair value; realized gain (loss) on investments and other, excluding accelerated amortization related to sales of investments; provision for loan losses, net; impairment on depreciable property; bad debt expense; deferred tax benefit (expense); acquisition gains or losses; distributions and adjustments related to joint venture partners; transaction costs; foreign currency gains (losses); impairment on goodwill and other intangible assets; gains

(losses) on sales; and one- time events pursuant to changes in U.S. GAAP and certain other non- recurring items. These items, if applicable, include any adjustments for unconsolidated ventures. The definition of CAD may be adjusted from time to time for NRE reporting purposes in the discretion of NRE, acting through its audit committee or otherwise.
"Charter" has the meaning set forth in Exhibit A.
"CMBS" means commercial mortgage- backed securities.
"Code" means the U.S. Internal Revenue Code of 1986, as amended from time to time, or any successor statute.
"Effective Time" means 11:59 p.m. on [_____ __], 2015 or such other time as the distribution effectuating the spin- off of NRF's European business to NRE is completed.
"Equity Compensation" has the meaning set forth in Section 3(c)(i).
"FINRA" means the Financial Industry Regulatory Authority, Inc.
"GAAP" means U.S. generally accepted accounting principles, consistently applied.
"Incentive Fee" has the meaning set forth in Section 4(a)(ii).
"Indemnified Parties" has the meaning set forth in Section 8(a).
"Initial Term" has the meaning set forth in Section 11.
"Investment Committee" has the meaning set forth in Section 9(c).
"LTIP" has the meaning set forth in Section 3(c)(i).
"Managed Entities" means NRE and all other entities that have entered into an asset management agreement or a similar investment advisory contract with NSAM or one or more of its subsidiaries.
"Material Adverse Effect" means a material adverse effect on the business, results of operations, financial condition and assets of NRE and its subsidiaries, taken as a whole. The parties understand and agree that the following, either alone or in combination, shall be excluded from consideration when evaluating the existence of a Material Adverse Effect: (i) changes or effects in the general economic conditions; (ii) changes or effects in general market conditions, including the securities, credit, currency, interest rate or financial markets; (iii) fluctuations in the market value of common stock (or other debt or equity securities) on the New York Stock Exchange, any other market or otherwise; (iv) changes in GAAP; (v) changes or effects, including legal, tax or regulatory changes, that generally affect the industry in which NRE operates; (vi) any failure by NRE to meet internal projections, plans or forecasts for any period; (vii) changes or effects that directly arise out of or are directly attributable to the negotiation, execution, public announcement or

performance of this Agreement or the compliance with the provisions hereof; (viii) changes or effects that arise out of or are attributable to the commencement, occurrence, continuation or intensification of any war, sabotage, armed hostilities or acts of terrorism; and (ix) the effects of earthquakes, hurricanes or other natural disasters.

"Maximum Allocable G&A" has the meaning set forth in Section 3(b).

"Notification Period" has the meaning set forth in Section 16(b).

"NRE" has the meaning set forth in the preamble.

"NRE Accelerated Performance Awards" has the meaning set forth in Section 3(d).

"NRE Equity Compensation" has the meaning set forth in Section 3(c)(i).

"NRE G&A" means NRE's general and administrative expenses as reported for the calendar quarter on its consolidated financial statements prepared in accordance with GAAP, excluding (i) equity- based compensation expenses, (ii) non-recurring expenses, (iii) compensation payable pursuant to Section 4 (or any successor provision) of this Agreement or any cash paid in settlement of securities pursuant to Section 3(c)(i) (or any successor provision) of this Agreement in the event NRE common stock is not available for issuance under NRE's equity compensation plan and (iv) any allocation of expenses from Asset Manager or its Affiliated Entities.

"NRE Parties" has the meaning set forth in Section 8(a).

"NRF" has the meaning set forth in the recitals.

"NRF G&A" means NRF's general and administrative expenses as reported for the calendar quarter on its consolidated financial statements prepared in accordance with GAAP excluding (i) equity- based compensation expenses, (ii) non-recurring expenses, (iii) compensation paid pursuant to Section 4 of the NRF Management Agreement or cash paid in settlement of securities, in the event common stock is not available for issuance under the NRF equity compensation plan, pursuant to Section 3(c)(i) of the NRF Management Agreement and (iv) any allocation of expenses from the NRF Manager or its Affiliated Entities.

"NRF Management Agreement" has the meaning set forth in the recitals.

"NRF Manager" has the meaning set forth in the recitals.

"NSAM" has the meaning set forth in the recitals.

"NSAM Compensation Committee" has the meaning set forth in Section 3(c)(i).

"NSAM G&A" means the NSAM Managers' and their Affiliated Entities' general and administrative expenses as reported for the calendar quarter on NSAM's consolidated

financial statements prepared in accordance with GAAP, excluding equity- based compensation expenses and adding back any such expenses that are allocated to any other company, fund or vehicle managed by the NSAM Managers.
"NSAM Managers" means Asset Manager and any of its Affiliated Entities that serve as asset managers to one or more Managed Entities.
"Observer" has the meaning set forth in Section 19(a).
"Operating Partnership" has the meaning set forth in Section 4(a)(i)(B).
"Person" means any individual, partnership, corporation, limited liability company, trust or other entity.
"Real Estate Assets" means the following asset classes: (A) first mortgage loans, (B) subordinate mortgage interests, (C) mezzanine loans, (D) preferred equity investments relating to commercial real estate, (E) credit tenant leases and term loans relating to commercial real estate, (F) manufactured housing communities, (G) healthcare real estate, including but not limited to independent living, assisted living and skilled nursing facilities, (H) net lease properties relating to commercial real estate, including office, retail and industrial facilities, (I) multifamily and other similar real estate assets, (J) hotels, (K) other commercial properties, (L) land, (M) indirect interests in commercial real estate through investments in private equity real estate funds and non- traded real estate investment trusts and other entities holding interests in real estate, (N) commercial real estate securities including CMBS and third–party CDO notes and (O) any other real estate or real estate related assets or investments as may be agreed to by the parties.
"REIT" means any entity that has elected to be treated as a real estate investment trust for U.S. federal income tax purposes.
"Renewal Term" has the meaning set forth in Section 11.
"RSUs" has the meaning set forth in Section 3(c)(i).
"Rules" has the meaning set forth in Section 32.
"SEC" means the United States Securities and Exchange Commission.
"Service Agreement" has the meaning set forth in Section 3(c)(ii).
"Services" has the meaning set forth in Section 1(a).
"SpinCo" means each entity other than NRE that separates from NRF via spin- off or other transaction after the Effective Time and enters into a SpinCo Asset Management Agreement, as well as each entity that separates from an entity previously separated from NRF via spin- off or other transaction, including NRE but excluding NSAM, that enters into a SpinCo Asset Management Agreement.

"SpinCo Asset Management Agreement" means an asset management or similar advisory agreement between a SpinCo and an NSAM Manager that is similar in scope, term and compensation to this Agreement, except as may otherwise be agreed upon by NSAM or its Affiliates.

"SpinCo G&A" means the aggregate general and administrative expenses as reported for the calendar quarter on each SpinCo's consolidated financial statements prepared in accordance with GAAP, excluding, for each SpinCo, (i) equity-based compensation expenses, (ii) non- recurring expenses, (iii) compensation, or cash paid in settlement of securities, in the event common stock is not available for issuance under the applicable SpinCo equity compensation plan, payable pursuant to the provisions of the SpinCo Asset Management Agreement comparable to Section 4 and Section 3(c)(i), respectively, of the NRF Management Agreement and (iv) any allocation of expenses from NSAM Managers or their Affiliated Entities.

"Weighted Average Shares" shall mean, for the applicable period, the number of shares of common stock and LTIPs, or other equity- based awards, excluding restricted stock units, or any other equity based awards that are subject to performance metrics that are not currently achieved, outstanding on a daily weighted average basis during such period. This calculation is intended to result in the identical number of weighted average shares that NRE uses in calculating its reported CAD per share for the applicable calendar quarter, in connection with calculating and reporting CAD for such applicable period.

EXHIBIT A

DUTIES OF ASSET MANAGER

Asset Manager is responsible, either directly or, to the extent permitted under the Agreement and as determined to be appropriate by Asset Manager, by engaging Affiliated Entities or third parties, for managing, operating, directing and supervising the operations and administration of NRE, its subsidiaries and the Real Estate Assets, subject in all circumstances and in every respect to the direction, supervision, oversight and control of the Board of Directors. Asset Manager undertakes to use its commercially reasonable efforts to implement its allocation policy and present to NRE and its subsidiaries potential suitable Investment Opportunities consistent with the investment objectives and policies of NRE and its subsidiaries, as determined and adopted from time to time by the Board of Directors, after taking into consideration the Investment Opportunities sourced by and allocated to NRE pursuant to Section 9 hereof. Asset Manager will make investment decisions on behalf of NRE, subject to the limitations in the articles of incorporation of NRE, as amended from time to time (hereinafter the "Charter"). Subject to the limitations set forth in this Agreement, and the continuing and exclusive authority of the Board of Directors over the management of NRE, Asset Manager may, either directly or, to the extent permitted under the Agreement and as determined to be appropriate by Asset Manager, by engaging Affiliated Entities or third parties, perform the following duties, as may be applicable as determined by Asset Manager:

1.Acquisition Services.

(i) Serve as NRE's investment and financial advisor and obtain certain market research and economic and statistical data in connection with NRE's Real Estate Assets and investment objectives and policies;

(ii) Monitor NRE's investments in Real Estate Assets and the nature and timing of changes therein and the manner of implementing such changes (including through the sale or purchase of Real Estate Assets);

(iii) Review all Investment Opportunities sourced by NRE and referred to Asset Manager pursuant to Section 9 hereof, and allocate those opportunities among Affiliated Entities and among the NSAM Managers, including Asset Manager, for the acquisition or origination by one or more Managed Entities, including NRE, in accordance with Asset Manager's allocation policy, as such may be modified or amended form time to time, and in a fair and reasonable manner;

(iv) (a) locate, analyze and select potential Real Estate Assets compatible with its obligations pursuant to Section 9 hereof and the investment objectives and policies of NRE; (b) structure and negotiate the terms and conditions of transactions pursuant to which investment in the Real Estate Assets will be made; and (c) acquire Real Estate Assets on behalf of NRE and its subsidiaries;

(v) Perform or oversee the due diligence process related to prospective Real Estate Assets;

(vi) Prepare reports regarding prospective investments, which include recommendations and supporting documentation necessary for the Board of Directors to evaluate the prospective investments;
(vii) Obtain reports (which may be prepared by Asset Manager or its Affiliated Entities), where appropriate, concerning the value of prospective Real Estate Assets of NRE;
(viii) Negotiate and execute approved transactions related to Real Estate Assets and other transactions; and
(ix) Create or arrange for the creation of special purpose vehicles and make such investments in Real Estate Assets through such special purpose vehicles on behalf of NRE when necessary or advisable.

2. Asset Management Services.

(i) Investigate, select, and, on behalf of NRE, engage and conduct business with such persons as Asset Manager or its Affiliated Entities deem necessary to the proper performance of its obligations hereunder or under the Affiliated Agreements, including but not limited to consultants, accountants, lenders, technical advisors, attorneys, brokers, underwriters, corporate fiduciaries, escrow agents, depositaries, trust companies, title companies, custodians, agents for collection, insurers, insurance agents, developers, construction companies, property managers and any and all persons acting in any other capacity deemed by Asset Manager or its Affiliated Entities necessary or desirable for the performance of any of the foregoing services;
(ii) Monitor applicable markets and obtain reports (which may be prepared by Asset Manager or its Affiliated Entities) where appropriate, concerning the value of the Real Estate Assets of NRE;
(iii) Monitor and evaluate the performance of the Real Estate Assets of NRE, provide daily management services to NRE and perform and supervise the various management and operational functions related to NRE's Real Estate Assets;
(iv) Formulate and oversee the implementation of strategies for the administration, promotion, management, operation, maintenance, improvement, financing and refinancing, marketing, leasing and disposition of Real Estate Assets on an overall portfolio basis;
(v) Engage and oversee the performance by the property managers of their duties, including collection and proper deposits of rental payments and payment of property costs and expenses and maintenance;
(vi) Conduct periodic on- site property visits to some or all (as Asset Manager or its Affiliated Entities deem reasonably necessary) of the Real Estate Assets to inspect the

physical condition of the Real Estate Assets and to evaluate the performance of the property managers;
(vii) Review, analyze and comment upon the operating budgets, capital budgets and leasing plans prepared and submitted by each property manager and aggregate these property budgets into NRE's overall budget;
(viii) Coordinate and manage relationships between NRE and any joint venture partners; and
(ix) Provide financial and operational planning services and investment portfolio management functions.

3. Accounting and Other Administrative Services.

(i) Manage and perform the various administrative functions necessary for the management of the day- to- day operations of NRE;
(ii) From time- to- time, or at any time reasonably requested by the Board of Directors, make reports to the Board of Directors on Asset Manager's performance of Services to NRE under the Agreement;
(iii) Make reports to the Board of Directors, at least annually, of the Real Estate Assets that have been purchased by NRE;
(iv) Coordinate with NRE's independent auditors to prepare and deliver to NRE's audit committee an annual report covering Asset Manager's compliance with certain material aspects of this Agreement;
(v) Provide or arrange for administrative services and items, legal and other services, office space, office furnishings and equipment, technology, insurance, human resources, payroll, benefits and other personnel and overhead items necessary and incidental to NRE's business and operations;
(vi) Provide financial and operational planning services and portfolio management functions;
(vii) Maintain accounting data and any other information concerning the activities of NRE as shall be needed to prepare and file all periodic financial reports and returns required to be filed with the SEC and any other regulatory agency, including annual financial statements;
(viii) Maintain all appropriate books and records of NRE and its subsidiaries in accordance with U.S. GAAP;

(ix) Oversee tax and compliance services and risk management services and coordinate with appropriate parties, including independent accountants and other consultants, on related tax matters;
(x) Supervise the performance of such ministerial and administrative functions as may be necessary in connection with the daily operations of NRE;
(xi) Provide NRE with all necessary cash management services for NRE, its subsidiaries and for their properties;
(xii) Manage and coordinate with the transfer agent the distribution process and payments to stockholders;
(xiii) Consult with the officers of NRE and the Board of Directors, and assist in evaluating and obtaining adequate insurance coverage based upon risk management determinations;
(xiv) Provide the officers of NRE and the Board of Directors with timely updates related to the overall regulatory environment affecting NRE, as well as managing compliance with such matters;
(xv) Consult with the officers of NRE and the Board of Directors relating to the corporate governance structure and appropriate policies and procedures related thereto;
(xvi) Oversee all reporting, record keeping, internal controls and similar matters in a manner to allow NRE to comply with applicable law, including the Sarbanes- Oxley Act of 2002; and
(xvii) Prepare annual overall operating budgets for NRE, which shall be submitted to the Board of Directors for its approval.

4. Stockholder Services.

(i) Manage communications with stockholders, including answering phone calls, preparing and sending written and electronic reports and other communications; and
(ii) Establish systems to assist in providing stockholder support and services.

5. Financing Services.

(i) Identify and evaluate potential financing and refinancing sources, engaging a broker if necessary;
(ii) Negotiate terms, arrange and execute financing agreements;
(iii) Manage relationships between NRE and its lenders; and

(iv) Monitor and oversee the service of NRE's debt facilities and other borrowings.

6. Disposition Services.

(i) Consult with the Board of Directors and provide assistance with the evaluation and approval of potential asset dispositions, sales or other liquidity events; and

(ii) Structure and negotiate the terms and conditions of transactions pursuant to which Real Estate Assets may be sold.

7. Offering Services.

(i) Oversee the preparation and execution of public and private offerings of equity and debt, determination of the specific terms of the securities to be offered by NRE or its subsidiaries, preparation of all offering and related documents and obtaining all required regulatory approvals of such documents;

(ii) Identify and negotiate with underwriting firms;

(iii) Coordinate the due diligence process relating to participating underwriting firms and their review of any registration statement and/or other offering and NRE documents;

(iv) Coordinate the preparation of and approve investor reports and other materials contemplated to be used in the offerings;

(v) Negotiate and coordinate with the transfer agent; and

(vi) Perform all other services related to any offering, other than services that (a) are to be performed by the underwriters, (b) NRE elects to perform directly or (c) would require Asset Manager to register as a broker- dealer with the SEC, FINRA or any state.

8. Property Management Services.

(i) Manage, operate, lease and maintain all properties or hire third parties or Affiliated Entities to do the same;

(ii) Employ and/or oversee a sufficient number of capable personnel to enable it to properly manage, operate, lease and maintain the properties; and

(iii) Prepare operating and capital budgets, marketing programs and leasing guidelines.

EXHIBIT B

ALLOCATION OF INVESTMENT OPPORTUNITIES

NorthStar Realty Europe Corp. ("NRE") is externally managed by NSAM J- NRE Ltd, a Jersey limited company ("Asset Manager") and an affiliate of NorthStar Asset Management Group Inc. ("NSAM"), pursuant to that certain Asset Management Agreement (the "Agreement"), dated as of [ ], 2015, by and between NRE and the Asset Manager.

NRE's investment strategy may be similar to that of, and may overlap with, the investment strategies of other companies, funds or vehicles (collectively with NRE, the "Managed Entities") managed, advised or sub- advised by the Asset Manager and its affiliated advisers and sub- advisers (collectively, as the context may warrant, the "NSAM Group"). Certain of the Managed Entities and other companies, funds or vehicles may be co- sponsored, co- branded or co- founded by, or subject to a strategic relationship between, NSAM or one of its affiliates, on the one hand, and a strategic or joint venture partner of NSAM, on the other (collectively, "Strategic Vehicles"). Therefore, many investment opportunities sourced by the NSAM Group or its strategic or joint venture partners that are suitable for NRE may also be suitable for other Managed Entities and/or Strategic Vehicles.

Each investment opportunity sourced by the NSAM Group will be allocated to one or more of the Managed Entities, including NRE or, as applicable, affiliates of NSAM ("Affiliated Entities") or Strategic Vehicles, for which the NSAM Group determines, in its sole discretion, the investment opportunity is most suitable. When determining the entity for which an investment opportunity would be the most suitable, the factors that the NSAM Group may consider include, without limitation, the following:

(i) investment objectives, strategy and criteria;
(ii) cash requirements;
(iii) effect of the investment on the diversification of the portfolio, including by geography, size of investment, type of investment and risk of investment;
(iv) leverage policy and the availability of financing for the investment by each entity;
(v) anticipated cash flow of the asset to be acquired;
(vi) income tax effects of the purchase;
(vii) the size of the investment;
(viii) the amount of funds available;
(ix) cost of capital;
(x) risk return profiles;

(xi) targeted distribution rates;
(xii) anticipated future pipeline of suitable investments;
(xiii) the expected holding period of the investment and the remaining term of the Managed Entity, or itself, if applicable;
(xiv) affiliate and/or related party considerations; and
(xv) whether a Strategic Vehicle has received a Special Allocation (as defined below).

If, after consideration of the relevant factors, the NSAM Group determines that an investment is equally suitable for multiple Managed Entities, including NRE, Strategic Vehicles or Affiliated Entities, the investment will be allocated for acquisition or origination by one or more of the Managed Entities, including NRE, Strategic Vehicles or Affiliated Entities, as applicable, on a rotating basis. If, after an investment has been allocated to NRE or any other Managed Entity, Strategic Vehicle or Affiliated Entity, a subsequent event or development, such as delays in structuring or closing on the investment, makes it, in the opinion of the NSAM Group, more appropriate for a different entity to fund the investment, the NSAM Group may determine to place the investment with the more appropriate Managed Entity, Strategic Vehicle or Affiliated Entity while still giving credit to the original allocation. In certain situations, the NSAM Group may determine to allow more than one Managed Entity, including NRE, Strategic Vehicle and/or Affiliated Entity, to co- invest in a particular investment. In addition, Strategic Vehicles may receive special allocations of investment opportunities that are initially presented to the NSAM Group by the applicable strategic or joint venture partner (each, a “Special Allocation”). In discharging its duties under this allocation policy, Asset Manager endeavors to allocate all investment opportunities among the Managed Entities, Strategic Vehicles and Affiliated Entities in a manner that is fair and equitable over time.

Exhibit 10.3

FORM OF CONTRIBUTION AGREEMENT

CONTRIBUTION AGREEMENT (this "Agreement"), dated as of _____, 2015, by and between NorthStar Realty Europe Corp., a Maryland corporation ("NRE"), and NorthStar Realty Finance Corp., a Maryland corporation ("NRE").

RECITALS

WHEREAS, NRE and NRF will be parties to a Separation Agreement, dated as of the date hereof (the "Separation Agreement"), pursuant to which NRF will (i) spin- off its European commercial real estate business into a separate publicly traded company, NRE (the "Spin- Off"), and (ii) distribute to the Recipients (as defined in the Separation Agreement) all of the outstanding common stock of NRE in accordance with the terms of the Distribution (as defined in the Separation Agreement);

WHEREAS, in connection with the transactions described on Annex I hereto (the "Separation Transactions") and to further capitalize NRE, NorthStar Realty Finance Limited Partnership (the "NRF Operating Partnership") has transferred (i) all of the equity interests in certain of its subsidiaries and (ii) $250 million in cash, to NorthStar Realty Europe Limited Partnership (the "NRE Operating Partnership") on or prior to the date hereof pursuant to the contribution agreements attached on Annex II hereto;

WHEREAS, the NRF Operating Partnership has distributed all of the partnership common units of the NRE Operating Partnership to NRF and holders of certain equity interests in the NRF Operating Partnership, causing approximately 99% of the partnership common units of the NRE Operating Partnership to be held by NRF and approximately 1% of the partnership common units of the NRE Operating Partnership to be held by the holders of certain equity interests in the NRF Operating Partnership;

WHEREAS, NRF desires to contribute to NRE all of the outstanding partnership common units of the NRE Operating Partnership that NRF currently owns in exchange for additional shares of NRE's common stock (the "Contribution"); and

WHEREAS, in consideration of the substantial actions and expense that have been taken in connection with the Spin- Off, the parties hereto are entering into this Agreement to bind each other to effect the Contribution as part of the Separation Transactions.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged by this Agreement, the parties agree as follows:

1.Contribution and Issuance of NRE Shares. In connection with the Separation Transactions, NRF hereby agrees to contribute and NRE agrees to accept, effective as of 11:03 p.m. New York City time on the date of this Agreement, all of the outstanding partnership common units of the NRE Operating Partnership that NRF currently owns. In exchange for the Contribution, NRE hereby agrees to issue to NRF a number of shares of NRE common stock

equal to one share of NRE common stock for every six shares of NRF common stock that will be outstanding as of 5:01 PM on October 22, 2015, minus the number of shares of NRE common stock owned by NRF prior to such issuance. It is the intention of the parties hereto that after the shares of NRE common stock are issued to NRF pursuant to this section, NRF shall own an amount of NRE common stock that is equivalent to one- sixth of the number of shares of common stock of NRF that are outstanding as of 5:01 PM on October 22, 2015.

2. Further Assurances. Each party hereto agrees to take such further actions as may be reasonably necessary to effect the transactions contemplated by this Agreement, including the Separation Transactions, and cooperate in all matters relating to the Separation Transactions. Such cooperation shall include, but not be limited to, obtaining all consents, licenses, sublicenses or approvals necessary for such party to effect the Separation Transactions.

3. Complete Agreement; Construction. This Agreement, including the Annex hereto, shall constitute the entire agreement between the parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments and writings with respect to such subject matter.

4. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the parties hereto and delivered to each other party.

5. Waivers. The failure of any party to require strict performance by any other party of any provision in this Agreement shall not waive or diminish that party's right to demand strict performance thereafter of that or any other provision hereof.

6. Amendments. This Agreement may not be modified or amended except by an agreement in writing signed by each of the parties hereto.

7. Assignment. This Agreement shall not be assignable, in whole or in part, directly or indirectly, by any party hereto without the prior written consent of each other party hereto, and any attempt to assign any rights or obligations arising under this Agreement without such consent shall be void; provided that any party may assign this Agreement to a purchaser of all or substantially all of the properties and assets of such party so long as such purchaser expressly assumes, in a written instrument in form reasonably satisfactory to the non- assigning parties, the due and punctual performance or observance of every agreement and covenant of this Agreement on the part of the assigning party to be performed or observed.

8. Third- Party Beneficiaries. This Agreement is solely for the benefit of the parties hereto and shall not be deemed to confer upon any other person any remedy, claim, liability, reimbursement, cause of action or other right of any kind.

9. Titles and Headings. Titles and headings to Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

10. Annex. The Annex shall be construed with and as an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein.

11. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN THE STATE OF NEW YORK AND WITHOUT REGARD TO ITS CHOICE OF LAW PRINCIPLES.

12. Waiver of Jury Trial. The parties hereto hereby irrevocably waive any and all right to trial by jury in any legal proceeding arising out of or related to this Agreement.

13. Specific Performance. From and after the Distribution Date (as defined in the Separation Agreement), in the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the parties agree that the party to this Agreement who is or is to be thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief of its rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The parties agree that, from and after the Distribution Date, the remedies at law for any breach or threatened breach of this Agreement, including monetary damages, are inadequate compensation for any loss, that any defense in any action for specific performance that a remedy at law would be adequate is hereby waived, and that any requirements for the securing or posting of any bond with such remedy are hereby waived.

14. Severability. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby. The parties hereto shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

NORTHSTAR REALTY EUROPE CORP.

Name:
Title:

NORTHSTAR REALTY FINANCE CORP.

Name:
Title:

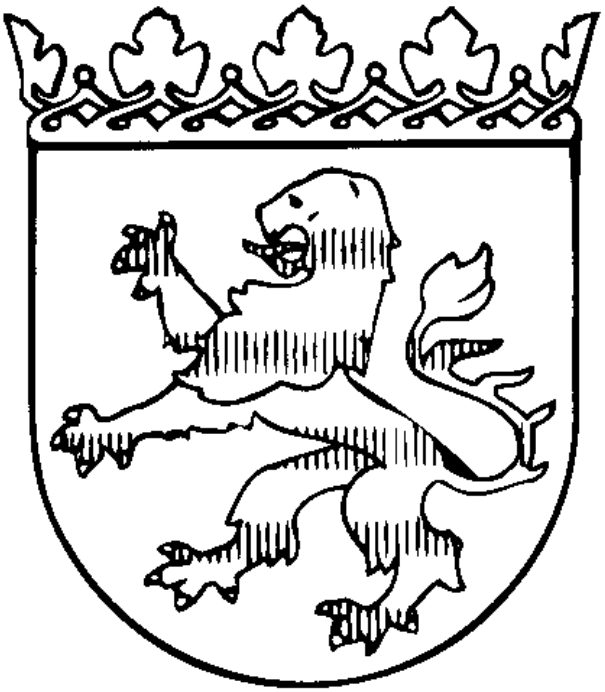
Annex I

Separation Transactions

1. NRF contributes its 5.1% ownership interest in Trias Holdings- T(US), LLC and its 5.1% ownership interest in Prime Holdings- T(US), LLC to NRF Operating Partnership pursuant to the contribution agreement included in Annex II to the Contribution Agreement.
2. NRF Operating Partnership contributes (i) all of its rights, title, and interest in Trias Holdings- T(US), LLC, Prime Holdings- T(US), LLC, Symbol Holdings- T(US), LLC and Dukes Court- T(UK), LLC, and (ii) $250 million in cash, to NRE Operating Partnership in exchange for a number of partnership common units in NRE Operating Partnership calculated pursuant to the contribution agreement included in Annex II to the Contribution Agreement.
3. NRF Operating Partnership distributes partnership common units of NRE Operating Partnership, pro rata, to NRF and holders of certain equity interests in NRF Operating Partnership based on their percentage ownership in NRF Operating Partnership.
4. NRF contributes all of the outstanding common units of the NRE Operating Partnership that it owns to NRE in exchange for such number of shares of NRE common stock equal to one share of NRE common stock for every six shares of NRF common stock that will be outstanding as of 5:01 PM on October 22, 2015, minus the number of shares of NRE owned by NRF prior to such issuance.
5. NRF distributes one share of NRE common stock, par value $0.01 per share, for every six shares of NRF common stock held by the Record Holders (as defined in the Separation Agreement).

Exhibit 10.8

Roll of deeds no. 234/2014



NEGOTIATED

On 19 December 2014

Before me, the undersigning notary
Dr. Hinrich Thieme
in the district of the Higher Regional Court of Frankfurt am Main, Germany
with official seat in Frankfurt am Main, Untermainanlage 1, 60329 Frankfurt am Main

appeared today:
(1) Mr. Wolfram H. Krüger,
identified by his ID card with the number L39F01CJ1,
with business address at Mainzer Landstraße 16, 60325 Frankfurt a.M.,

The person appearing at (1) declares that in the following he is not acting in his own name, but – excluding any personal liability towards the Parties – in the name and on behalf of:

(1.1) **IVG Institutional Funds GmbH** with business address at THE SQUAIRE 18, Am Flughafen, 60549 Frankfurt am Main and its seat in Frankfurt am Main, registered in the commercial register of Frankfurt am Main under number HR B 91062, acting for the special AIF- fund (Spezial- AIF- Sondervermögen) "EuroWest"

- "**IVG Seller 1**" -

(1.2) **PMG - Property Management GmbH** with business address at THE SQUAIRE 18, Am Flughafen, 60549 Frankfurt am Main and its seat in Frankfurt, registered in the commercial register of the local court Frankfurt am Main under number HRB 96246

- "**IVG Seller 2**" –

(1.3) **Via Bensi S.r.l.** a limited liability company incorporated under the laws of Italy with registered office at via Olmetto 17, Milan Italy

- "**IVG Seller 3**" -

The person appearing at (1) presented the notarised original of the powers of attorney dated 8 December 2014 (roll of deeds number 568/2014 of notary Dr. Carsten J. Angersbach in Frankfurt am Main), dated 11 December 2014 (roll of deeds number 583/2014 of notary Dr. Carsten J. Angersbach in Frankfurt am Main), and dated 18 December 2014 (roll of deeds number 166/2014 P of notary Dr. Gero Pfeiffer in Frankfurt am Main). Certified copies of the powers of attorney are attached to this Master Agreement as **Exhibit A 1 – A 3**.

(2) a) Mr. Nils Lütthans,
identified by his ID card with the number L287F2V8H,
with business address at INTERNOS Spezialfondgesellschaft mbH, Goetheplatz 4, 60311 Frankfurt am Main,
and
b) Mr. Sebastian Lietsch,
identified by his ID card with the number 403008442,
with business address at INTERNOS Spezialfondgesellschaft mbH, Goetheplatz 4, 60311 Frankfurt am Main,
The persons appearing at (2) declare that in the following they are not acting in their own name, but – excluding any personal liability towards the Parties – in the name and on behalf of:
INTERNOS Spezialfondsgesellschaft mbH, with business address at Goetheplatz 4, 60311 Frankfurt am Main and its seat in Frankfurt am Main, registered in the commercial register of Frankfurt am Main under number HR B 98593, acting for the special AIF-fund (Spezial- AIF- Sondervermögen) "ProCommerz"

- "**INTERNOS Seller**" -

The persons appearing at (2) presented the notarised original of the power of attorney dated 18 December 2014 (roll of deeds number 165/2014 P of notary Dr. Gero Pfeiffer in Frankfurt am

Main). A certified copy of the power of attorney is attached to this Master Agreement as **Exhibit B**.
The INTERNOS Seller was previously named Commerz Real Spezialfondsgesellschaft mbH and was subsequently renamed into its present name without a change of legal form or identity on the basis of the shareholders resolution dated 1 November 2013 registered with the commercial register on 13 February 2014.

(3) a) Mr. Victor Stoltenburg,
identified by his ID card with the number L5L2WGLXN,
with business address at Taunusanlage 1, 60329 Frankfurt am Main,
and
b) Dr. Alexander Ruhl,
identified by his ID card with the number L5J6HV3VP,
with business address at Mainzer Landstraße 16, 60325 Frankfurt am Main
The persons appearing at (3) declare that in the following they are not acting in their own name, but – excluding any personal liability towards the Parties – in the name and on behalf of:
WestInvest Gesellschaft für Investmentfonds mbH with business address at Hans- Böckler- Straße 33, 40476 Düsseldorf and its seat in Düsseldorf, registered in the commercial register of Düsseldorf under number HR B 24304, acting for the special AIF- fund (Spezial- AIF- Sondervermögen) "WestInvest Spezial 1"

- "**Deka Seller**" -

The persons appearing at (3) presented the notarised original of the power of attorney dated 18 December 2014 (roll of deeds number 1133/2014 B of notary Frank Brüggemann in Frankfurt am Main). A certified copy of the power of attorney is attached to this Master Agreement as **Exhibit C**.

(4) Mr. Dr. David Elshorst,
identified by his ID card with the number 40147380,
with business address at Mainzer Landstraße 46, 60325 Frankfurt am Main.
The person appearing at (4) declares that in the following he is not acting in his own name, but – excluding any personal liability towards the Parties – in the name and on behalf of:

(4.1) **Trias Holdco C – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.534), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 1**" -

(4.2) **Trias GER Immermannstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.539), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 2**" -

(4.3) **Trias GER Munsterstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.544), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 3**" -

(4.4) **Trias GER Rather Strasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.630), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 4**" -

(4.5) **Trias GER Ludwigstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.548), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 5**" -

(4.6) **Trias GER Kaygasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.561), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 6**" -

(4.7) **Trias GER Bottrop – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.563), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 7**" -

(4.8) **Trias GER Holzwickede – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.569), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 8**" -

(4.9) **Trias GER Munster – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.568), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 9**" -

(4.10) **Trias GER Werl – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.577), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 10**" -

(4.11) **Trias GER Cuxhaven – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.578), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 11**" -

(4.12) **Trias GER Kirchheide – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.579), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 12**" -

(4.13) **Trias GER Uhlandstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.581), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 13**" -

(4.14) **Trias GER Stuttgart – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.583), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 14**" -

(4.15) **Trias GER Bunte Kuh – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.584), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 15**" -

(4.16) **Trias GER Pferdemarkt – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.585), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 16**" -

(4.17) **Trias GER Munich Airport – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.586), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 17**" -

(4.18) **Trias GER Ibis Berlin – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.597), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 18**" -

(4.19) **Trias GER IC Berlin – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.631), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 19**" -

(4.20) **Trias GER Parexel – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.593), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 20**" -

(4.21) **Trias PRT Office 123- T, LDA,** a private limited company incorporated under the law of Portugal (registered in the Portuguese Commercial Register under registration number 513.330.470), with a share capital of EUR 12,500, having its registered office at Rua Ivens no. 42, 1st floor, 1200- 023 Lisbon,

- "**Purchaser 21**" -

(4.22) **Trias PRT Albufeira- T, LDA,** a private limited company incorporated under the law of Portugal (registered in the Portuguese Commercial Register under registration number 513.330.453), with a share capital of EUR 12,500, having its registered office at Rua Ivens no. 42, 1st floor, 1200- 023 Lisbon,

- "**Purchaser 22**" -

The person appearing at (4) presented the notarised and apostilled originals of the powers of attorney dated 15 December 2014 of notary Carlo Wersandt in Luxembourg and dated 17 December 2014 of deputy notary Sandra Cristina Sousa Gomes dos Reis in Lisbon. Certified copies of the powers of attorney are attached to this Master Agreement as **Exhibit D 1 – D 4**.

I. DESIGNATION OF PARTIES

The IVG Seller 1, the IVG Seller 2, the IVG Seller 3, the INTERNOS Seller and the Deka Seller are collectively referred to as the "**Sellers**" and each individually as a "**Seller**"

The Purchaser 1, the Purchaser 2, the Purchaser 3, the Purchaser 4, the Purchaser 5, the Purchaser 6, the Purchaser 7, the Purchaser 8, the Purchaser 9, the Purchaser 10, the Purchaser 11, Purchaser 12, the Purchaser 13, the Purchaser 14, the Purchaser 15, the Purchaser 16, the Purchaser 17, the Purchaser 18, the Purchaser 19, the Purchaser 20, the Purchaser 21 and the Purchaser 22 are collectively referred to as the "**Purchasers**" and each individually as a "**Purchaser**".

The Sellers and the Purchasers are collectively also referred to as the "**Parties**" or each individually as a "**Party**".

II. RECORDING IN THE ENGLISH LANGUAGE

The persons appearing requested that this Master Agreement – except the German APA (Exhibit G) together with its Annexes which were read aloud in the German language - be recorded in the English language and stated that they had sufficient command of the English language. The Notary, who himself has sufficient command of the English language, verified that the persons appearing did, in fact, have such sufficient command of the English language. Advised by the Notary of their rights to obtain the assistance of a sworn interpreter and to have a certified translation attached to this Master Agreement, the persons appearing waived such rights.

III. REFERENCE DEEDS

In preparation of this Master Agreement, the notarial deed dated 18 December 2014, roll of deeds number 232/2014 (the "**Reference Deed INT 1**"), the notarial deed dated 15, 16, 17 December 2014, roll of deeds number 150/2014 P of the notary Dr. Gero Pfeiffer in Frankfurt am Main (the "**Reference Deed INT 2**") and the notarial deed dated 13, 14, 15, 16 December 2014, roll of deeds number 1184/2014 S of the notary Dr. Bernhard Schütz (the "**Reference Deed INT 3**" and Reference Deed INT 1, Reference Deed INT 2 and Reference Deed INT 3 together the "**Reference Deeds INT**") and the notarial deed dated 18 December 2014, roll of deeds number 233/2014 of the Notary Dr. Hinrich Thieme in Frankfurt am Main (the "**Reference Deed GER**" and together with Reference Deeds INT the "**Reference Deeds**") were created.

Reference is hereby made to the Reference Deeds and their content is made the subject of this Master Agreement. They were available as an original at today's notarisation. The persons appearing state they are familiar with the contents of the Reference Deeds and they waive them being read out loud and them being attached to this Master Agreement. The Notary has informed the persons appearing of the importance of the reference under section 13a of the German Notarisation Act (Beurkundungsgesetz). The Parties hereby approve all statements made in the Reference Deeds.

Appendices referred to in this Master Agreement are designated as follows:

- "**Exhibit**" refers to direct appendices to this Master Agreement.
- "**Schedule**" refers to appendices that legally form part of this Master Agreement but are physically attached to the Reference Deeds.
- "**Annex**" refers to appendices of agreements contained in the Reference Deeds and the German APA.

Exhibits, Schedules and Annexes are jointly referred to as "**Appendices**". A list of Appendices is attached to this Master Agreement as **Exhibit E** for information purpose.

If and to the extent that reference is made to Appendices, the Parties agree that they shall form an integral part of this Master Agreement. However, where reference is made to Annexes which are explicitly attached to this Master Agreement and/or the Reference Deed only for information purposes these shall not form part of the declarations of intention (Willenserklärungen) made by the Parties in this Master Agreement and/or in any of the Exhibits or Schedules attached to this Deed.

IV. NO PRIOR INVOLVEMENT

Upon the Notary's instruction on the contents of prior involvement (Vorbefassung) within the meaning of Section 3 (1) no. 7 of the German Notarisation Act (Beurkundungsgesetz), the persons appearing and the Notary confirmed that there was no such prior involvement.

The persons appearing requested notarisation of the following:

Project Trias
Master Agreement

Table of Contents

1 RECITALS

(A) The Sellers are the owners of the assets set out and defined in **Exhibit F**. These assets, as specifically indicated in **Exhibit F** for each asset, consist either of real property (each a "**Property**" and together the "**Properties**") or shares or interests in the legal entity owning such Property (each a "**PropCo**" and together the "**PropCos**").

(B) The Sellers wish to dispose of and the Purchasers wish to acquire the Properties or the PropCos, respectively, in each case as described in **Exhibit F** (each a "**Purchase Object**" and together the "**Purchase Objects**").

(C) It is understood that the Sellers act for the account of different regulated German special funds set up in the form of Spezial- AIF or Spezial- Sondervermögen, as applicable (jointly the "**Funds**" and each a "**Fund**") which have to be administered in accordance with the German Capital Investment Act (Kapitalanlagegesetzbuch – "**KAGB**").

(D) Accordingly, it is understood that the Sellers are under binding regulatory restrictions. In consequence, each Seller will only assume obligations and liabilities relating to the Purchase Objects it sells and that there shall not be any joint and several liability (gesamtschuldnerische Haftung) between Sellers.

2 DEFINITIONS

2.1 The definitions listed in this Master Agreement have, to the extent they are used in this Master Agreement, the following agreed meaning:

"**Ancillary Costs**" means all service charges, operating expenses and ancillary costs as defined in clause 6.7;

"**BGB**" means the German Civil Code (Bürgerliches Gesetzbuch);

"**Belgian Montoyer- FPA**" means the asset framework purchase agreement in respect of the office building located at rue Montoyer 10, 1000 Brussels;

"**Belgian Souverain- FPA**" means the asset framework purchase agreement in respect of the office building located at boulevard du Souverain 278, 280/286, 1160 Brussels;

"**Belgian S- FPA**" means the share framework purchase agreement in respect of the shares of Immo Science 41 BV BVBA;

"**Business Day**" means a day on which banks are open for general business in Frankfurt am Main, London, Luxembourg, New York and Paris;

Data Room" means the online data room facility, hosted by Drooms under the Project name "Project Trias" with all the information disclosed in such Data Room as of the Data Room Cut- off Date, as evidenced by six sealed DVD copies containing the documents uploaded into the Data Room until such time together with conformity declarations of the Data Room provider, provided to the Notary today.

"**Data Room Cut- off Date**" means 21 November 2014, 12:00 hrs. CET;

“**Down Payment**” means the advance payment on the Purchase Price onto a notarial escrow account as defined in clause 4.3;
"**Encumbrance**" means servitudes, easements, liens, mortgages, land charges and other charges resting on the Property as defined in clause 11.3.2.
“**Environmental Damages**” means all contamination of the ground and soil, the soil air, seepage water, surface water or groundwater, harmful substances in and on structures and building pollutants (e.g. asbestos), inoperative structural or technical items or relics enclosed in the ground and parts of them, military materials and substances (e.g. unexploded ordnances) as well as waste and other contaminants. Environmental damage consists especially of harmful changes to the ground and pre- existing contamination within the meaning of sec. 2 German Ground Protection Act (Bundesbodenschutzgesetz) and hazardous or environmentally hazardous substances or compounds within the meaning of sec. 3a German Chemicals Act (Chemikaliengesetz) existing in or on buildings, in both instances as supplemented by the applicable regulations, administrative provisions and technical guidelines and in each case corresponding regulations under Local Law or as specified in the IPAs.
"Funds" means the three special funds set up in the form of Spezial- AIF or Spezial- Sondervermögen “EuroWest“, “ProCommerz” and “WestInvest Spezial 1“;
“**Guarantees**” means independent promises of guarantees according to sec. 311 para. 1 BGB as defined in clause 10.3;
“**GWB**” means the German Act against Restraints on Competition (Gesetz gegen Wettbewerbsbeschränkungen) as defined in clause 16.1.1;
“**Individual Long Stop Date**” has the meaning defined in clause 13.2;
“**IPA CP Confirmation**” means the confirmation that all the conditions precedent for the validity of the respective IPA have been fulfilled
“**IPAs**” means the individual purchase agreements relating to the Purchase Objects as set out in clauses 3.1 and 3.2 and as defined in clause 3.3;
"**Leases**" has the meaning of lease agreements, occupational leases, agreements on use and comparable agreements under Local Law in relation to a Property as defined in clause 11.5.1;
"Local Law" in each case means the laws of the country governing the respective IPA which in turn is determined by the laws applicable to the relevant Purchase Object, i.e. (i) where a Purchase Object consists of a Property the laws of the country where such Property is located and (ii) where a Purchase Object consists of a PropCo the laws of the country where such PropCo is incorporated;
“**Material Deterioration**” refers to a deterioration of a Property exceeding the thresholds in clause 9.2 as defined in clause 9.3;
“**Maturity Dates**” are all dates on which a Purchase Price falls due according to clause 4.6, comprising the February Maturity Date, the March Maturity Date, the April Maturity Date, the May Maturity Date and any further subsequent maturity dates;
“**Maturity Notices**” are all confirmations that a Purchase Price falls due according to clause 4.5, comprising the February Maturity Notice, the March Maturity Notice, the April Maturity Notice, the May Maturity Notice and any further subsequent maturity notices;

“**Merger Control Clearance Event**” means the occurrence of an event set out in clause 16.1. allowing the transactions contemplated under this Master Agreement to proceed;
“**Normal Wear and Tear**” has the meaning defined in clause 9.1;
“**Notarisation CP Confirmation**” is the confirmation of the Notary according to clause 3.5.1 that this Master Agreement has been notarised;
"**Notary**" within the meaning of this Master Agreement is the officiating notary and his officially appointed deputy, representative or successor in office;
“**Original IPAs**” means the individual purchase agreements in relation to the Purchase Objects concluded prior to the notarisation of this Master Agreement as referred to in clause 3.2;
"**Payment Date**" means in respect of each Purchase Price the date on which the Remaining Purchase Price is actually paid in full by or on behalf of the Purchasers and credited in full in accordance with clause 4.9;
“**Projected Reinstatement Costs**” are the expected costs for the remediation of a deterioration of a Property as defined in clause 9.1 (ii), plus a contingency sum of 20%; it being understood that the contingency is a one time contingency that should replace any buffer that valuers/experts already ordinarily take into account (i.e. no contingency on contingency); it being further understood that Projected Reinstatement Costs mean only the costs of such measures and works necessary to remediate the deterioration of the building on the Property to the form in which it essentially existed on the Date of this Master Agreement; it being further understood that the Projected Reinstatement Costs shall not be reduced to account for the fact that certain parts of the Property may be better after remediation than they were before the deterioration, if that is unavoidable (no deduction of value "new for old", kein Abzug Neu für Alt); it finally being understood that material changes to the building which may be undertaken, at the Purchaser's discretion, because the opportunity arises as a result of the deterioration shall not be covered by Projected Reinstatement Costs;
“**Projected Reinstatement Time**” is the expected duration for the remediation of a deterioration of a Property as defined in clause 9.2 (ii);
“**PropCo**” means the legal entity owning a Property;
"**Properties**" means all of the real properties set out in **Exhibit F**;
"**Purchase Objects**" collectively means the sold Properties and PropCos as defined in clause 3.4;
"**Purchase Price**" means the purchase price apportioned to each Purchase Object as set out in the respective IPA and summarised in **Exhibit F**, as adjusted as per clause 4.13;
“**Purchase Price CP Confirmation**” means the confirmation according to clause 4.4.2 that the Purchase Price Maturity CPs for a Purchase Price falling due have been fulfilled;
“**Purchase Price Maturity CPs**” means the conditions precedent for the maturity of the Purchase Price for the respective Purchase Object under the respective IPA as defined in clause 4.4.2;
"**Purchasers**" means collectively the Purchaser 1, the Purchaser 2, the Purchaser 3, the Purchaser 4, the Purchaser 5, the Purchaser 6, the Purchaser 7, the Purchaser 8, the Purchaser 9, the Purchaser 10, the Purchaser 11, Purchaser 12, the Purchaser 13, the Purchaser 14, the Purchaser 15, the Purchaser 16, the Purchaser 17, the Purchaser 18, the Purchaser 19, the Purchaser 20, the Purchaser 21 and the Purchaser 22;

“**Qualified Claims**” means claims under Guarantees that exceed the de minimis threshold defined on clause 10.10.1;
“**Reference Deeds**” is the entirety of Reference Deed GER, Reference Deed INT 1, Reference Deed INT 2 and Reference Deed INT 3;
"**Reference Deed GER**" is the notarial deed of the Notary Dr. Hinrich Thieme in Frankfurt am Main dated 18 December 2014, roll of deeds number 233/2014;
"**Reference Deed INT 1**" is the notarial deed of the Notary Dr. Hinrich Thieme in Frankfurt am Main dated 18 December 2014, roll of deeds number 233/2014;
“**Reference Deed INT 2”** is the notarial deed dated 15, 16, 17 December 2014, roll of deeds number 150/2014 P of the notary Dr. Gero Pfeiffer in Frankfurt am Main;
“Reference Deed INT 3” is the notarial deed dated 13, 14, 15, 16, December 2014, roll of deeds number 1184/2014 S of the notary Dr. Bernhard Schütz in Frankfurt am Main;
“**Reference Deeds INT”** is the entirety of Reference Deed INT 1, Reference Deed INT 2 and Reference Deed INT 3;
“**Relevant Deterioration**” refers to the deterioration of a Property beyond Normal Wear and Tear and is defined in clause 9.2;
“**Remaining Purchase Price**” is, in relation to each Purchase Object the Purchase Price, as adjusted as per clause 4.13, minus the Down Payment allocated to such Purchase Object as defined in clause 4.3;
“**Rent Security**” means all security, surety, deposit or other collateral provided under Leases as set out in clause 11.5.7;
"**Sellers**" means collectively the IVG Seller 1, the IVG Seller 2, the IVG Seller 3 the INTERNOS Seller and the Deka Seller;
“**Settlement Account**” means a settlement account prepared by the Sellers for the Ancillary Costs of the Transfer Accounting Period as set out in clause 6.9.1;
“**Tax**” means any form of taxation, levy, duty, charge, contribution, withholding or impost of whatever nature (including any related fine, penalty, surcharge or interest) imposed, collected or assessed by, or payable to, a Tax Authority;
“**Tax Authority**” means any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function;
"**Tenant**" means a user, tenant or lessee under a Lease as defined in clause 11.5.3;
“**Title Guarantee**” has the meaning set out in clause 10.8 and refers to specific Guarantees relating to legal title to Purchase Objects;
“**Total Down Payment**” means the aggregate of all Down Payments according to clause 4.3 being EUR 23,250,000;
"**Total Purchase Price**" means the aggregate of all Purchase Prices according to clause 4.1, as adjusted as per clause 4.13, being EUR 465,000,000;

"**Transfer Accounting Period**" means the Ancillary Cost accounting period into which the Transfer Date falls as defined in clause 6.8;
"**Transfer Date**" means, in relation to each Purchase Object separately, the respective Payment Date in accordance with clause 5.1 and the IPAs;
"**ZPO**" means the German Civil Procedure Code (Zivilprozessordnung).
Where terms are defined in singular, the corresponding plural of the defined term shall jointly refer to all of the defined singular terms combined. Where terms are defined in plural, the corresponding singular of the defined term shall refer to any of the singular terms comprised in the defined plural.

3INDIVIDUAL PURCHASE AGREEMENTS, PURCHASE OBJECTS, RELATION OF MASTER AGREEMENT AND INDIVIDUAL PURCHASE AGREEMENTS, LIABILITY, COLLECTIVE DESIGNATIONS

3.1 The IVG Seller 1, the INTERNOS Seller and the Deka Seller and the Purchaser 2, the Purchaser 3, the Purchaser 4, the Purchaser 5, the Purchaser 6, the Purchaser 7, the Purchaser 8, the Purchaser 9, the Purchaser 10, the Purchaser 11, the Purchaser 12, the Purchaser 13, the Purchaser 14, the Purchaser 15, the Purchaser 16, the Purchaser 17, the Purchaser 18, the Purchaser 19, the Purchaser 20, hereby conclude an asset purchase agreement over the Properties located in Germany (the "**German APA**") as attached in **Exhibit G**.

3.2 The Parties, as set out below, have already conditionally concluded, in the form and language and under the governing law required in the respective jurisdictions of the relevant Properties and PropCos ("**Local Law**"), further asset purchase agreements and share purchase agreements (the "**Original IPAs**").

For German notarisation purposes, and specifically in order to comply with the comprehensive notarisation principle (Gesamtbeurkundungsgrundsatz) and the requirements of sec. 311b para. 1 BGB the Parties, as set out below, hereby re- notarise such asset purchase and share purchase agreements in the English language as follows:

3.2.1 The Seller IVG Seller 1 and the Purchaser 1 hereby conclude an asset framework purchase agreement over a Property located in Belgium (the "**Belgian Montoyer- FPA**") as attached in **Schedule II- A** of the Reference Deed INT.

3.2.2 The Seller INTERNOS Seller and the Purchaser 1 hereby conclude an asset framework purchase agreement over a Property located in Belgium (the "**Belgian Souverain- FPA**") as attached in **Schedule II- B** of the Reference Deed INT.

3.2.3 The Sellers IVG Seller 1 and IVG Seller 2 and the Purchaser 1 hereby conclude a share framework purchase agreement over the Belgian PropCo (the "**Belgian S- FPA**") as attached in **Schedule III** of the Reference Deed INT.

3.2.4 The Seller INTERNOS Seller and the Purchaser 1 hereby conclude an asset purchase agreement over Properties located in the Netherlands (the "**Dutch APA**") as attached in **Schedule IV** of the Reference Deed INT.

3.2.5 The Sellers IVG Seller 1 and INTERNOS Seller and the Purchaser 1 hereby conclude an asset purchase agreement over Properties located in England and Wales (the "**English APA**") as attached in **Schedule V** of the Reference Deed INT.

3.2.6 The Seller INTERNOS Seller and the Purchaser 1 hereby conclude an asset purchase agreement over a Property located in France (the "**French APA**") as attached in **Schedule VI** of the Reference Deed INT.

3.2.7 The Seller IVG Seller 1 and the Purchaser 1 hereby conclude a share purchase agreement over the French PropCo 20 Rue Joubert, a société par actions simplifiée à capital variable, with registered office in Paris (8th arrondissement), 32 rue des Mathurins (the "**French Joubert SPA**") as attached in **Schedule VII- A** of the Reference Deed INT.

3.2.8 The Seller IVG Seller 1 and the Purchaser 1 hereby conclude a share purchase agreement over the French PropCo 121 Rue d'Alésia, a société par actions simplifiée à capital variable, with registered office in Paris (8th arrondissement), 32 rue des Mathurins (the "**French Alésia SPA**") as attached in **Schedule VII- B** of the Reference Deed INT.

3.2.9 The Seller IVG Seller 1 and the Purchaser 1 hereby conclude a share purchase agreement over the French PropCo 58 Avenue Marceau, a société par actions simplifiée à capital variable, with registered office in Paris (8th arrondissement), 32 rue des Mathurins (the "**French Marceau SPA**") as attached in **Schedule VII- C** of the Reference Deed INT.

3.2.10 The Seller IVG Seller 3 and the Purchaser 1 hereby conclude an asset purchase agreement over the Property located in Italy (the "**Italian APA**") as attached in **Schedule VIII** of the Reference Deed INT.

3.2.11 The Seller INTERNOS Seller, the Purchaser 21 and the Purchaser 22 hereby conclude an asset purchase agreement over Properties located in Portugal (the "**Portuguese APA**") as attached in **Schedule IX** of the Reference Deed INT.

3.2.12 The Sellers IVG Seller 1 and INTERNOS Seller and the Purchaser 1 hereby conclude an asset purchase agreement over Properties located in Scotland (the "**Scottish APA**") as attached in **Schedule X** of the Reference Deed INT.

3.2.13 The Seller IVG Seller 1 and the Purchaser 1 hereby conclude an asset purchase agreement over Property located in Spain (the "**Spanish APA**") as attached in **Schedule XI** of the Reference Deed INT.

3.3 The purchase agreements set out in clauses 3.1 and 3.2 are jointly referred to as the "**IPAs**" and each individually as an "**IPA**".

3.4 The assets sold under the IPAs – real property and/or shares, respectively, in each case with legal constituents (gesetzlichen Bestandteilen), inventory (Zubehör) and other items as specifically defined and designated in the IPA – are jointly referred to as the "**Purchase Objects**" and each individually as a "**Purchase Object**".

3.5 In relation to the IPAs set out in clause 3.2 the following applies:

3.5.1 The Original IPAs have each been concluded and the IPAs are each concluded under the condition precedent that this Master Agreement is notarised.

The Parties hereby agree and confirm that with the notarisation of this Master Agreement this condition precedent is fulfilled in each case. They instruct the Notary to issue a written confirmation corresponding to the template attached as **Schedule 3.5.1** to each Party that this Master Agreement has been notarised (the "**Notarisation CP Confirmation**").

To the extent so required, under Local Law the Parties undertake to repeat the Notarisation CP Confirmation themselves in the required form.

3.5.2 Where the Original IPAs are not in the English language, the Parties hereby agree that the English language versions of the IPAs as attached in **Schedules II- A, II- B and VI** are correct English translations of the Original IPAs.

Should a discrepancy between an IPA and the Original IPA nevertheless subsequently be detected, the IPA shall prevail and the Parties undertake to amend the Original IPA accordingly to fully correspond to the IPA (unless such amendment is not possible or legal under Local Law – in which case the Original IPA shall prevail).

3.5.3 The Notary has instructed the Parties that he is not qualified to advise on documents not governed by German law and accordingly assumes no responsibility for their content, validity and legality. He has, therefore, advised the Parties about the resulting risks, and, therefore to seek independent advice by advisors qualified to advise on Local Law. Nevertheless the persons appearing insisted on the immediate notarisation.

3.5.4 The rights and obligations of the Parties under the IPAs and the Original IPAs do exist only once, not twice, and the fulfilment of an obligation under an IPA effects the automatic fulfilment of the corresponding obligation pursuant to the Original IPA for the very same Purchase Object, and vice- versa.

3.6 Where there are contradictory discrepancies between this Master Agreement and an IPA (as opposed to discrepancies of a nature only clarifying, individualising or transforming into Local Law concepts or provisions of this Master Agreement), the provisions of this Master Agreement shall prevail and the Parties undertake to amend the IPA and the Original IPA accordingly to fully correspond to this Master Agreement (unless such amendment is not possible or legal under Local Law – in which case the IPA shall prevail). The same applies for the instructions to the Notary in which case the instructions given by the Parties in the Master Agreement prevail.

3.7 In case of one or several or all IPAs or Original IPAs subsequently becoming invalid due to legal reasons, all parties undertake to use their best efforts to eliminate the legal reasons for the invalidity subject to the terms and conditions of the IPAs, Original IPAs and this Master Agreement.

3.8 The Parties hereby agree that this Master Agreement, the IPAs and the Original IPAs shall only constitute a legal unity (rechtliche Einheit) for the purpose of entering into the aforementioned agreements on the date of this Master Agreement, and otherwise shall not constitute a legal unity (rechtliche Einheit). However, the IPA for a certain Purchase Object and the Original IPA for the same Purchase Object are legally dependent upon each other. In consequence:

3.8.1 the IPA and Original IPA for one Purchase Object may subsequently suffer different fates than the IPAs and Original IPAs for other Purchase Objects, e.g. in case of invalidity, execution or consummation obstacles and rescissions.

3.8.2 the IPAs, Original IPAs and this Master Agreement do not require notarial form (notarielle Beurkundung) in respect of, but not limited to:

(i) any amendment or variation to, or waiver of, this Master Agreement, the IPAs and the Original IPAs; and

(ii) the exercise of any rights under this Master Agreement or any IPA or Original IPA,

however, in each case only unless notarial form is required under Local Law or specially provided for in an IPA.

3.8.3 Should an IPA be or become entirely invalid, void or rescindable (rückabwickelbar), the Original IPA for the very same Purchase Object shall be invalid, void or rescindable as well, and vice- versa.

3.8.4 Should this Master Agreement be or become entirely invalid, void or rescindable, all IPAs and Original IPAs shall be invalid, void or rescindable as well.

3.9 Collective designations are used in this Master Agreement for ease of reference. The following applies to the use of the collective designations in this Master Agreement:

3.9.1 Whenever this Master Agreement refers to the Sellers or a Seller and, accordingly, to the Purchasers or a Purchaser, this always refers with regard to each Purchase Object, to the respective Seller and Purchaser of that Purchase Object.

3.9.2 Whenever this Master Agreement refers to the Purchase Objects or a Purchase Object, the corresponding provision applies separately to each individual Purchase Object.

3.10 The Purchasers are jointly and severally (gesamtschuldnerisch) obliged and liable for the performance of the obligations of each Purchaser under this Master Agreement and the IPAs.

3.11 The Sellers are not jointly and severally (gesamtschuldnerisch) obliged and liable under this Master Agreement and/or the IPAs.

Accordingly, even when this Master Agreement or the IPAs refer to obligations or liabilities of "the Sellers" this is not intended to create or imply a joint and several liability, i.e. each Seller assumes obligations and liabilities strictly only in respect of the Purchase Objects it sells under the respective IPA.

4 PURCHASE PRICE, DOWN PAYMENT, MATURITY OF PURCHASE PRICE

4.1 The aggregated purchase price for all Purchase Objects under all IPAs (the "**Total Purchase Price**") is

EUR 465,000,000

(in words: four hundred and sixty five million Euro)

The Total Purchase Price is the aggregate of all individual purchase prices under the IPAs (together the "**Purchase Prices**" and each a "**Purchase Price**") as again set out for each Purchase Object in **Exhibit F**.

For the avoidance of doubt, in cases where the Purchase Object is not a Property but shares or interests in a PropCo, the Purchase Price in the meaning of this Master Agreement is the initial asset purchase price (net, debt and cash free) it being understood that such initial purchase price is subject to subsequent adjustment mechanisms as agreed in the relevant IPA and in clause 4.13, and that the purchase price accordingly deviates and can also be lower.

The Parties confirm that according to their common understanding the Purchase Prices attributed to the Purchase Objects correspond to their current fair market value.

4.2 All Purchase Prices are net amounts and do not contain any value added tax, turnover tax (Umsatzsteuer) or comparable tax under the relevant Local Law. The relevant VAT regime under Local Law is reflected in the IPAs, where necessary.

4.3 NorthStar Reality Finance Corp. has on behalf of all Purchasers deposited prior to the notarisation of this Master Agreement to an escrow account established by the Notary a partial amount of five per cent of each Purchase Price (each a "**Down Payment**"), i.e. in aggregate an amount of five per cent of the Total Purchase Price (the "**Total Down Payment**"). The allocation of the Down Payments to the Purchase Objects is summarised in **Exhibit F**. Receipt of the Total Down Payment is hereby confirmed by the Notary.

Each Purchase Price minus the corresponding Down Payment is defined as the "**Remaining Purchase Price**".

The Notary is instructed to invest the Down Payments at standard banking conditions and release the Down Payments in accordance with clauses 4.7.1 and 13.6.

In case of a rescission or other unwinding of this Master Agreement or an IPA, the Parties hereby irrevocably instruct the Notary to pay out the Down Payments in accordance with clauses 10.16 and 13.6.

4.4 The Notary will collect the following additional confirmations:

4.4.1 for each IPA (except the German APA) separately, confirmation in writing of the Parties that the further conditions precedent for the validity (Wirksamkeitsvoraussetzungen) of the respective IPA have been fulfilled corresponding to the template attached as **Schedule 4.4.1** (each a "**IPA CP Confirmation**"); and

4.4.2 for each Purchase Object separately, confirmation in writing of the Parties that the conditions precedent for the maturity of the Purchase Price (Kaufpreisfälligkeitsvoraussetzungen) for the respective Purchase Object ("**Purchase Price Maturity CPs**") under the respective IPA, save for any excluded completion items set out in an IPA, have been fulfilled, corresponding to the template attached as **Schedule 4.4.2** (each a "**Purchase Price CP Confirmation**"). This does not apply for the Properties subject to the German APA, where the Notary does not need to rely on a confirmation of the Parties but is himself able to determine fulfilment of the respective Purchase Price Maturity CPs; and

4.4.3 for the Cuxhaven Purchase Object, the confirmation by the Deka Seller and the Purchaser 11 that the Maturity Notice can be sent; and

4.4.4 the Parties have confirmed or the Sellers have proven to him that the Merger Control Clearance Event according to clause 16.1 has occurred.

The Parties undertake to provide such IPA CP Confirmations and Purchase Price CP Confirmations to the Notary unasked and promptly once such conditions have been fulfilled.

4.5 The Notary will notify the Parties, each such notification a "**Maturity Notice**", as follows, unless the Notary has been instructed in writing otherwise by the Parties pursuant to clauses 9.6 and 9.9 or by either Parties pursuant to clause 9.3.1:

4.5.1 on 13 February 2015 about all IPA CP Confirmations and Purchase Price CP Confirmations he has received by 12 February 2015, 24.00 hrs. (midnight) Central European Time (the "**February Maturity Notice**");

4.5.2 on 17 March 2015 about all further IPA CP Confirmations and Purchase Price CP Confirmations he has received since 13 February 2015 and by 16 March 2015, 24.00 hrs. (midnight) Central European Time (the "**March Maturity Notice**");

4.5.3 on 16 April 2015 about all further IPA CP Confirmations and Purchase Price CP Confirmations he has received since 17 March 2015 and by 15 April 2015, 24.00 hrs. (midnight) Central European Time (the "**April Maturity Notice**");

4.5.4 on 14 May 2015 about all further IPA CP Confirmations and Purchase Price CP Confirmations he has received since 16 April 2015 and by 13 May 2015, 24.00 hrs. (midnight) Central European Time (the "**May Maturity Notice**");

4.5.5 at any time after 14 May 2015 about all further IPA CP Confirmations and Purchase Price CP Confirmations he receives, on a Purchase Object by Purchase Object basis for all Purchase Objects in relation to which the Notary has not received any rescission pursuant to clause 13.9.1 by one of the Parties;

it being understood that the Cuxhaven Purchase Object shall be included in the Maturity Notice next to be sent out after the confirmation specified in clause 4.4.3 has been received by the Notary.

The notification of the Maturity Notice may be sent by Email and afterwards by courier and the dispatch by the Notary shall be decisive.

4.6 The Purchase Prices will be due and payable in tranches on the following Dates (the "**Maturity Dates**"):

4.6.1 on 27 February 2015 (the "**February Maturity Date**") for all Purchase Objects included in the February Maturity Notice;

4.6.2 on 31 March 2015 (the "**March Maturity Date**") for all Purchase Objects included in the March Maturity Notice;

4.6.3 on 30 April 2015 (the "**April Maturity Date**") for all Purchase Objects included in the April Maturity Notice;

4.6.4 on 29 May 2015 (the "**May Maturity Date**") for all Purchase Objects included in the May Maturity Notice;

4.6.5 ten Business Days after any further Maturity Notice.

The Purchase Prices accordingly fall due on a per Purchase Object basis according to the tranches set out above, the Maturity Dates having been chosen to fall on the last Business Day of any given month and Maturity Notices having been chosen to be issued so that ten Business Days lapse between them and the respective Maturity Date.

If – contrary to expectation – no Purchase Price at all would fall due at a certain Maturity Date, the respective tranche will simply be omitted without any further consequences and the Notary will assess the status again when the next date for the issuance of a Maturity Notice approaches.

In relation to each of the Purchase Objects sold under the French APA and the French Joubert SPA, the Purchaser has a deferral right (the "**Deferral Right**") as follows:

The Deferral Right can only be exercised in writing (telefax suffices) vis- à- vis the respective Seller with a copy to the Notary until 12 February 2015 and needs to designate to which of the IPAs it relates.

In case the Deferral Right is exercised, the Maturity Date for the relevant Purchase Object or Purchase Objects shall occur on 31 March 2015, provided that all other Purchase Price Maturity CPs are also fulfilled by 16 March 2015.

4.7 At each Maturity Date, the following payments are due:

4.7.1 The Notary shall release the Down Payments allocated to the Purchase Objects for which the Purchase Prices fall due at such Maturity Date to the respective Seller's accounts set out in clause 4.8, unless the Notary has been instructed otherwise by the Parties pursuant to clauses 10.16 and 13.6. The Parties hereby irrevocably instruct the Notary to disburse the Down Payments accordingly. For the avoidance of doubt the adjustment of the Purchase Price pursuant to clause 4.13 shall have no effect on the Down Payments to be released by the Notary pursuant to clause 4.7.1.

4.7.2 The Purchasers are obliged to pay the Remaining Purchase Prices in accordance with the provisions of the relevant IPAs.

4.8 All payments to the Sellers must be made to their accounts designated in **Exhibit H**, unless stipulated differently under the relevant IPA.

4.9 A payment of the Remaining Purchase Price by the Purchaser is not already considered effected for the Purposes of this Master Agreement when the funds have been transferred but only once it has been fully, irrevocably and without reservations credited on the correct account of the Sellers (or as otherwise stipulated under the relevant IPA). The date of receipt of payment in accordance with clauses 4.7.2 to and including 4.9 is referred to as the "**Payment Date**" (provided that the Purchaser has not in any way interfered with the payment to be made by the Notary in accordance with clause 4.7.1; otherwise any delay in payment of the Down Payment shall be deemed to be a delay in the payment of the Remaining Purchase Price for the purposes of this Master Agreement).

4.10 All payments should – either in the reference of such payment or in a separate communication accompanying such payment – clearly designate in relation to which debt and Purchase Object they are made, it being understood that a reference to the City and the Street of the relevant Property shall be sufficient designation.

In case of missing or inconclusive designations, the Sellers are entitled to allocate the payment to any Purchase Prices falling due on such Maturity Date or any other due claims at their discretion. In the absence of an allocation by the Sellers, payments are allocated in the following order:

4.10.1 first, on due but outstanding contractual penalty claims;

4.10.2 secondly, on due but outstanding damage claims;

4.10.3 thirdly, on due but outstanding indemnity claims;

4.10.4 fourthly, on due but outstanding interest;

4.10.5 fifthly, on due but outstanding Purchase Price payment claims;

and within each category on older claims prior to newer claims.

4.11 Every Maturity Notice constitutes a preceding event in the meaning of sec. 286, para. 2, no. 2 BGB. Accordingly, the Purchasers are automatically in payment default if and when they fail to make payment of the Purchase Price on the relevant Maturity Date, i.e. no further reminder or deadline is required.

In the case of a default (Verzug) in the payment of a Purchase Price the Purchasers are required to pay default interest rate in the amount of five percentage points p.a.

4.12 The Purchasers submit to immediate enforcement (Unterwerfung unter die sofortige Zwangsvollstreckung) under this Document in their entire assets as follows:

4.12.1 The Purchasers submit to enforcement in the amount of the Remaining Purchase Prices and any default interest. Merely in light of the requirement of specification under the law on enforcement, and without establishing or limiting any claim under substantive law, default interest is deemed to be owed since 1 March 2015.

4.12.2 The Notary is irrevocably instructed to issue to the Sellers an enforceable official copy (vollstreckbare Ausfertigung) of this Document if the Sellers so request in writing and confirm in writing that any Remaining Purchase Price due has not been paid, however, in no case prior to the first Maturity Date. The Notary is irrevocably instructed to immediately inform the Purchaser in writing of the issuance of the enforceable official copy.

4.13 The Parties assume that on the February Maturity Date the largest part of the Total Purchase Price will be due and payable and that by the April Maturity Date the Total Purchase Price will have fallen due in its entirety. The Purchaser has assumed as the basis for its discounted cash flow valuation that all of the Total Purchase Price will become due and payable on the February Maturity Date. The Parties thus agree that, should – regardless of the reason – less than the Total Purchase Price actually become due and payable on the February Maturity Date, those Purchase Prices not payable on the February Maturity Date shall be adjusted as follows:

4.13.1 each individual Purchase Price due and payable on the March Maturity Date shall be reduced by an amount equal to one twelfth of the aggregate annual net rent minus non recoverable Ancillary Costs as listed for the respective Property in the list specified in clause 11.5.1.

4.13.2 each individual Purchase Price due and payable on the April Maturity Date shall be reduced by an amount equal to two twelfths of the aggregated annual net rent minus non recoverable Ancillary Costs as listed for the respective Property in the list specified in clause 11.5.1.

4.13.3 each individual Purchase Price due and payable on the May Maturity Date shall be reduced by an amount equal to three twelfths of the aggregated annual net rent minus non recoverable Ancillary Costs as listed for the respective Property in the list specified in clause 11.5.1.

4.13.4 each individual Purchase Price due and payable after the May Maturity Date shall be reduced by three months of the aggregated net rent minus non- recoverable Ancillary Costs, plus the aggregated net rent minus non recoverable Ancillary Costs for the time as of 1 June 2015 and thereafter, determined on a pro rata temporis day- by- day basis, as listed for the respective Property in the list specified in clause 11.5.1.

5 TRANSFER DATE

5.1 The transfer of the respective Purchase Object will occur, separately for each Individual Purchase Object, automatically at the beginning of the Payment Date (hereinafter separately referred to as the "**Transfer Date**" for each Purchase Object).

5.2 The Parties endeavour to make the transfer of legal title (= legal ownership) coincide with the Transfer Date to the extent possible or practical under Local Law and subject to any contrary provision in the relevant IPA. For the Dutch Properties, the Dutch APA shall stipulate that the risk transfers only upon execution of the Dutch notarial transfer deeds.

However, should there be a deviation between date of transfer of legal title and the Transfer Date, the Parties agree as follows: On the Transfer Date (0:00 hours CET) the possession, risk, benefits and burdens (including all tax burdens and duties under public law related to the Purchase Object) pass to the Purchasers (= transfer of commercial ownership).

Where the Purchase Object is a Property, the Sellers will hand over to the Purchasers all keys or other entry media to the Property and enable the Purchasers to exercise full management of the Purchase Object.

Where the Purchase Object is a PropCo, the Sellers will grant the Purchasers full control over the management and governance of the Purchase Object.

5.3 The risk of incidental deterioration and coincidental demise of the Purchase Object shall pass to the Purchasers on the Transfer Date. Specific provisions are set out in the IPAs.

5.4 All obligations and property costs relating to the Purchase Objects (e.g. taxes, public charges, ancillary costs for operation of the Properties (utilities, etc.)) shall be settled between the Parties as per the Transfer Date. Where such costs cannot be specifically allocated to the time prior or post the Transfer Date, they shall be allocated on a pro rata temporis basis as per the Transfer Date.

The Sellers will forward all monies received relating to the respective Property and the time period after the Transfer Date to the Purchasers without undue delay and shall, upon receipt of a proper invoice, reimburse the Purchasers promptly without undue delay for any costs which are paid by the Purchasers after the Transfer Date but relating to the period prior to the Transfer Date. The same applies vice versa.

5.5 In order to make the settlement of costs according to clause 5.4 more efficient, the Parties agree to settle such obligations and costs only once (and every time) they exceed an amount of EUR 5,000 net per Purchase Object in aggregate, but at least once every calendar month. Where the costs exceed such threshold amount, the Parties will settle the full amount of the costs and not just the excess (Freigrenze, kein Freibetrag).

5.6 The Purchasers will indemnify the Sellers against the assertion of claims for property taxes (Grundsteuern and their equivalents under Local Law) which accrue proportionately to the time from (and on) the Transfer Date, also to the extent that claims have been asserted against the Seller as the obligor for the year in which the Transfer Date falls.

The Sellers will indemnify the Purchasers against the assertion of claims for property taxes which accrued for the time periods before the Transfer Date, also to the extent that claims have been asserted against the Purchaser as the obligor for the year in which the Transfer Date falls.

5.7 All deeds, documents and information related to the Purchase Objects shall, to the extent that the Sellers have these items in their possession or control, be handed over to the Purchaser within two weeks after the Transfer Date, it being understood that the hand-over does not have to be centrally in one location upon closing ("physical closing"), but can take place locally in each jurisdiction. Sellers and Purchaser shall work together to agree on the details of how the handover shall be effected in due course to allow Sellers ample time to prepare. The Sellers will hand over

the originals of the documents unless the Sellers are required by law to retain the originals and, in such case, provide accurate copies instead, in such format as may be designated in the IPAs.

The Sellers undertake to forward to the Purchasers without undue delay any tax notices by tax authorities relating to the Individual Purchase Objects received by the Sellers after the Transfer Date.

5.8 Where the Purchase Object is a Property and unless stipulated differently in the relevant IPA, the Sellers hereby assign to the Purchasers, who accept such assignment, all claims against contractors, architects, neighbours and other third parties in relation to the Purchase Objects with effect as per the Transfer Date. The Sellers, however, assume no liability for the existence, scope, enforceability and assignability of these assigned claims.

If and to the extent that the Purchasers validly claim against the Sellers under Guarantees, and are compensated by the Sellers, the Purchasers re- assign such claims to the Sellers, subject only to the actual receipt of the compensation under the Guarantee and only insofar as necessary in order to enable the Sellers to take recourse. The Sellers accept such re- assignment.

The assignment and re- assignment in this clause 5.8 does not cover claims against Tenants and tax related claims which are governed by specific provisions.

5.9 In the period between the date of this Master Agreement and the Transfer Date the Sellers undertake to support the Purchaser in order to secure the proper and orderly transfer of the operation and management of the Purchase Objects to the Purchasers. They will in particular (i) share information, (ii) grant the Purchasers reasonable access to the Sellers' staff currently dealing with the Property (it, however, being understood that the Sellers themselves will be occupied with preparations for the Transfer Date and no new reporting lines can be established) and (iii) grant the Purchaser access to the relevant property managers, release the property managers from confidentiality obligations vis- à- vis the Purchasers and – within the framework of the existing scope of services agreed with the property managers – instruct these to support the Purchasers.

Should the Purchasers in the first three months after the Transfer Date still reasonably require any information or assistance in connection with a smooth transfer of the operation and management of the Purchase Objects to the Purchaser, the Sellers will make reasonable efforts to support the Purchaser in this regard and will in particular grant reasonable access to the Sellers' staff currently dealing with the Property. The Purchasers are, however, aware that the Sellers will terminate or, where possible and upon request, transfer to the Purchaser, the property management agreements as per the Transfer Date and unwind the asset management in relation to the Properties so that they will not be able to hold available significant resources.

Should the Sellers after the Transfer Date reasonably require any information or documents in connection with the unwinding or the liquidation of the Funds on account and behalf of which the Sellers own the Purchase Objects, the Purchasers will endeavour to use best efforts to support the Sellers in this regard and will in particular grant reasonable access to, and provide copies (at Sellers' expense) of, such documentation, which shall have been handed over to Purchaser by the Sellers since the Transfer Date.

6 SPECIFIC TRANSFER PROVISIONS ON LEASES

The following provisions apply where the Purchase Object is a Property

6.1 Where the Leases, as defined in clause 11.5.1, do not or not yet automatically transfer to the Purchaser on the Transfer Date by operation of law (for example under German law: sec. 566 BGB) the Parties:

6.1.1 shall endeavor to achieve such a transfer of Leases on the Transfer Date by contractual agreement; and

6.1.2 where such a transfer by contractual agreement cannot be achieved, e.g. because required third party consents are withheld, the Parties inter se (im Innenverhältnis) shall treat each other as if the Leases had transferred to the Purchasers on the Transfer Date.

6.2 The Sellers assign all their claims under the Leases under the condition precedent and with effect from (and on) the Transfer Date to the Purchasers. Subject to the IPA in relation to the relevant Purchase Object being rescinded or otherwise not consummated, the Purchaser hereby re- assigns these claims to the respective Seller with effect from the Business Day following such rescission, subject only to receipt of the respective Purchase Price of the relevant Purchase Object in accordance with this Master Agreement. The Sellers hereby accept such re- assignment.

6.3 The Sellers and the Purchasers will cooperate in notifying the Tenants under the Leases of the change of landlord. The Sellers shall, prior to the Transfer Date, provide the Notary with letters materially corresponding to the template attached as **Schedule 6.3** in which they confirm the sale of the Purchase Objects and the assignment of the claims under clause 6.2; the Notary is hereby instructed to release these letters to the Purchaser without undue delay after the Transfer Date, so that the Purchaser can send out these letters to the Tenants.

The Sellers shall also instruct the property managers, at the request of the Purchasers, to notify the Tenants and to request the Tenants to make all payments under the Leases relating to time periods from (and on) the Transfer Date to the accounts designated by the Purchasers.

6.4 The Sellers shall promptly forward to the Purchasers all payments under the Leases they receive that relate to time periods from (and on) the Transfer Date and vice versa. In order to avoid a multitude of single payments, each Party is entitled to make payments of the aggregate amounts that have fallen due under this clause 6.4 only on every tenth Business Day of any given month.

6.5 The Purchasers will declare the rental income as their own turnover in turnover tax or value added tax returns as from the Transfer Date.

6.6 The Sellers hereby authorise the Purchasers to exercise all rights under the Leases as from the Transfer Date, including the right to terminate, amend or vary the lease agreements. The Sellers will, on the Transfer Date (but in turn (Zug um Zug) to receipt of the Purchase Price), provide the Purchasers with appropriate written powers of attorney in separate documents materially corresponding to the template attached in English language as **Schedule 6.6** but which will be translated into local language where appropriate.

6.7 Unless specified differently in the IPAs, the Sellers will effect the reconciliation of service charges, operating expenses and ancillary costs that are incurred by the Sellers, but charged to the Tenants (the "**Ancillary Costs**") for all accounting periods (calendar years) that are already concluded on the Transfer Date and be entitled to any claims against Tenants and liable for any liabilities vis- à- vis Tenants resulting therefrom. This also applies if the reconciliation only takes place after the Transfer Date.

6.8 In relation to Ancillary Costs for the accounting period in which the Transfer Date falls (the "**Transfer Accounting Period**") the Parties will closely cooperate. They will furnish each other

all relevant information and documentation in relation to Ancillary Costs for the Transfer Accounting Period. Unless stipulated differently in an IPA, the following additional provisions apply:

6.8.1 The Sellers shall no later than six weeks after such Transfer Date make available all relevant documents (e.g. invoices) that will later enable the Purchasers to settle Ancillary Costs vis- à- vis the Tenants. The Sellers shall also prepare, and the Parties shall agree upon, a settlement account for the Transfer Accounting Period (the "**Settlement Account**").

6.8.2 The Settlement Account is to be prepared on a Property by Property basis with effect as of the Transfer Date promptly, and no later than six weeks after the respective Transfer Date.

6.8.3 The Settlement Account shall contain all advance payments collected from the Tenants in respect of Ancillary Costs of the Transfer Accounting Period up to (but excluding) the Transfer Date. From such payments the Sellers are entitled to deduct any payments actually made by the Sellers in settlement of Ancillary Costs in the Transfer Accounting Period as far as such payments do not relate to vacant parts of Properties (Leerstandsflächen).

6.8.4 To the extent possible, costs that are metered are to be taken into account based on interim meter readings on or about the Transfer Date. To the extent this is not possible the Sellers may in their equitable discretion (billiges Ermessen) according to sec. 315 BGB use adequate averages or experience values. Costs that cannot be precisely allocated to either the time prior to the Transfer Date or the time from (and including) the Transfer Date may be accounted on a pro rata temporis basis.

6.8.5 The Sellers are obliged to pay out to the Purchasers within ten Business Days following agreement of the Settlement Account any positive balance of the Settlement Account. Conversely, the Purchasers are obliged to pay out to the Sellers within ten Business Days following agreement of the Settlement Account any negative balance of the Settlement Account.

6.8.6 Once the payments according to clause 6.8.5 are effected, the Ancillary Costs for the Transfer Accounting Period are finally settled between the Parties inter se. All payments subsequently made by or owed to Tenants in relation to Ancillary Costs of the Transfer Accounting Period are exclusively for the account of the Purchasers. The Purchasers shall indemnify the Sellers against any third party claims deviating from this internal allocation.

6.8.7 In relation to Ancillary Costs of the Transfer Accounting Period the Sellers further have the obligations according to clauses 8.1.4 and 8.1.5.

7 SPECIFIC TRANSFER PROVISIONS ON INSURANCE AND ONGOING LITIGATION

7.1 The Sellers are responsible to insure the Purchase Objects in the present scope until (but excluding) the Transfer Date and pay the corresponding insurance premiums. They are entitled to terminate the insurance cover as per the Transfer Date and are not liable for insurance premiums relating to periods after the Transfer Date.

Unless specified differently in the IPAs, where the Sellers' insurances automatically transfer under statutory law, the Purchasers are obliged to (i) reimburse to the Sellers on a pro rata temporis

basis any insurance premiums already paid by the Sellers which relate to the time from (and on) the Transfer Date and (ii) terminate such insurances at the earliest possible date following the Transfer Date.

The Purchasers are responsible to conclude their own insurance for the time from (and on) the Transfer Date. The Sellers will introduce the Purchasers to the existing insurers or insurance brokers with the aim of facilitating follow- up insurance, and will use reasonable efforts to assist the Purchaser in answering any queries related to the Properties by any insurers contacted by the Purchaser.

Until the last possible rescission date under this Master Agreement and in no event for a period of time lapsing before change of title to the relevant Property occurs, the Purchasers are obliged to implement and maintain owners' liability and property insurance cover that shall not fall below the full reinstatement value of the Properties. At the request of the Sellers the Purchasers are obliged to document that cover complying with the provisions in this clause is in place.

7.2 Any litigation relating to the Properties and initiated by or against the Sellers prior to the Transfer Date shall be dealt with as follows:

7.2.1 The litigation shall be continued by the Sellers at their costs, and the Purchasers shall have no obligation to participate in the court proceedings. The Purchasers shall, however, reasonably support the Sellers in case access to information in the possession of the Purchasers is required in the litigation.

7.2.2 Any obligations resulting from the outcome of the litigation shall be borne by the Sellers insofar as the factual circumstances or tenant's payments relate to the time prior to the Transfer Date, and the Sellers shall indemnify the Purchaser insofar from and against any claims brought against Purchaser on the basis of such litigation.

7.2.3 Any obligations resulting from the outcome of the litigation shall be borne by the Purchaser insofar as they relate to reclaiming payments made by the relevant litigation counterparty after the Transfer Date and actually received by the Purchaser. The Purchaser shall transfer such payments to the Sellers upon their written request and provided the Sellers show that the respective claim by the litigation counterparty has been settled by the Sellers.

7.2.4 For the avoidance of doubt, the Sellers shall be under no obligation to compensate the Purchaser for any shortfall in income (be it rent or otherwise) resulting from the outcome of litigation which the Purchaser may suffer after the Transfer Date.

8 MANAGEMENT OF PURCHASE OBJECTS UNTIL TRANSFER DATE

8.1 Until (but excluding) the Transfer Date, the Sellers undertake to manage the Properties with the diligence of a prudent real estate professional (Sorgfalt eines ordentlichen Immobilienkaufmanns) or – in cases where the Purchase Object is a PropCo – procure that the Properties are managed in such manner. The Sellers will, in particular, but without limitation, until the Transfer Date:

8.1.1 maintain on existing terms all existing insurance policies relating to the Properties until the Transfer Date;

8.1.2 continue to effect at their own cost any strictly required routine maintenance and repair;

8.1.3 carry out all inspections required by mandatory law, public order or insurance requirements;

8.1.4 comply with the landlord's obligations under the leases and collect rents and payments/pre- payments from tenants on Ancillary Costs;

8.1.15 pay to the relevant utility providers, service providers and other third parties all due Ancillary Costs and other costs that cannot be charged to Tenants;

8.1.6 prepare due rent reviews, unless specified otherwise in the IPAs, and claim pre- agreed or index based rent adjustments when due;

8.1.7 police any breaches of lease agreements by Tenants extra- judicially, i.e. without any obligation to commence litigation against such Tenants;

8.1.8 pay all due taxes, duties and other public charges;

8.1.9 make all due payments to financing banks and other creditors (e.g. contractors) in order to avoid recourse against or enforcement of charges secured on the Properties;

8.1.10 continue complying with all material laws, as applicable (for the avoidance of doubt this obligation does not oblige the Sellers to carry out inspections or perform upgrades that are not or not yet required by law);

8.1.11 inform the Purchaser without undue delay (in any case within five Business Days after discovery) and in writing of any deterioration of any Property, and allow the Purchaser access to the relevant Property to make his own assessment of the deterioration; and

8.1.12 inform the Purchaser without undue delay (in any case within five Business Days after discovery) and in writing about any material event (e.g. insolvency, termination of lease) with a Tenant.

The Purchaser may enquire, from time to time, as to the progress on specific items of property management. The Sellers will procure that the Purchaser will receive adequate answers without undue delay without, however, new reporting formats thereby being established. Where matters are not progressing properly, the Purchaser may request from the Sellers that the Properties are managed prudently within the meaning of sentence 1 of this clause 8.1, and the Sellers shall take into due consideration such request.

8.2 Where a Purchase Object is a Property, the Sellers undertake not to conclude, amend, vary, terminate or accept to be surrendered, or negotiate or agree rent reviews, or waive any breach of, any agreements with current Tenants, new tenants, neighbours, contracts under public law or other contracts, including the granting of security, relating to the Purchase Object without the consent of the Purchaser after the notarisation of this Master Agreement and not to take any other measures (for example commence litigation) which have or could have any material effects on the condition, value, usability, earnings or similar relevant effects on the Purchase Object. The Parties agree that any measure described in the preceding sentence with a cost effect of less than EUR 10,000 in an individual case and EUR 50,000 per Property in the aggregate is deemed not to be material and Purchaser's consent is deemed to be granted. The Sellers further undertake not to dispose of, charge or encumber, except as specifically provided for or permitted under the IPAs, any Property.

Where the Purchase Object is a PropCo the preceding paragraph applies accordingly on the corporate level and the Sellers shall procure that the relevant PropCo adheres to these guidelines on a Property level.

In relation to measures described in this clause 8.2:

8.2.1 The Purchasers may not unreasonably withhold or unduly delay their consent once requested and, in particular, shall grant such consent insofar as the conclusion of a contract or any other declaration or action is objectively appropriate in the ordinary course of business when complying with the standard of care of a prudent commercial party (Sorgfalt eines ordentlichen Kaufmanns).

8.2.2 Any consent requested by the Sellers and not explicitly refused within a period of ten Business Days following receipt of the Seller's request for consent shall be deemed granted.

8.2.3 No consent shall be required where immediate measures are necessary in order to (i) comply with statutory law or orders of courts or public authorities or (ii) to avert imminent danger (Gefahr im Verzug) for the relevant Purchase Object, it being understood that the Sellers shall inform the Purchaser of the immediate measure taken without undue delay.

8.3 The Sellers shall without undue delay provide the Purchasers with copies of all material notices received by the Sellers which relate to any of the Properties (including, without limitation, notices received from Tenants or local or municipal authorities) and which could reasonably be expected to have a material effect on the management, investment value or use of the Properties.

8.4 Where legal title to the Properties does not already pass to the Purchasers on the Transfer Date, the Sellers hereby grant power of attorney to the Purchasers as of the Transfer Date to enter into lease agreements or to amend or terminate lease agreement with effect as of the Transfer Date, provided that the effects of such agreements cannot be held against and are not binding upon the Sellers. The IPAs set out alternative mechanisms (opt out) where the mechanism in this clause 8.4 is not compatible with Local Law.

8.5 Until the Transfer Date and, to the extent required also after the Transfer Date, the Sellers and the Purchasers will co- operate and assist each other on a good faith basis in managing the Purchase Objects and complying with all statutory tax filing and payment obligations. In particular, the Sellers will furnish all available information regarding potential input turnover tax or value added tax (Vorsteuer) repayment obligations to the Purchaser and will amend invoices to Tenants for time periods before the Transfer Date, if required. If the Sellers do not or not in full comply with this obligation such that the Purchasers may not or not in the correct manner make any necessary VAT adjustments, the Sellers shall indemnify and hold the Purchasers harmless from any disadvantages or damages resulting from the Sellers' non- or incomplete compliance with its obligation to make correct VAT adjustments (incl. but not limited to any interest damages).

8.6 The Sellers undertake to not agree any new rent free periods, cash allowances or cash contributions ("**Tenant Incentives**") relating to any of the Properties after today and to settle, prior to the Transfer Date, with the relevant tenants all Tenant Incentives agreed to as of today, that are due or relate to time periods prior to the Transfer Date. The Sellers further undertake to settle with the relevant tenants all cash allowances or cash contributions agreed to as of today, that are due or relate to time periods after the Transfer Date, regardless of whether these have been disclosed in the Data Room.

9 MATERIAL ADVERSE CHANGE

This clause 9 exhaustively governs the consequences of a material adverse change in relation to a Property occurring between today and the relevant Transfer Date. A material adverse change

can be either (i) the deterioration of the relevant Property as stipulated in clauses 9.1 through 9.6 or (ii) the loss of a major Tenant as stipulated in clauses 9.7 through 9.12.

9.1 The Sellers shall not be liable for any deterioration of a Property

(i) that constitutes ordinary wear and tear which might reasonably be expected in the usual course of business of the Properties, it being understood that any wear and tear resulting from actions, or the lack of actions, not in compliance with clause 8.1 shall in no case be deemed to be ordinary wear and tear; or

(ii) where Projected Reinstatement Costs are expected to not exceed EUR 12,500 per Property (de minimis)

("**Normal Wear and Tear**").

9.2 The Sellers shall be liable for any deterioration of a Property beyond Normal Wear and Tear ("**Relevant Deterioration**"). In such case, they shall be obliged to remedy, if the Relevant Deterioration is discovered prior to or until two months after the Transfer Date in a good and workmanlike manner with materials corresponding to the market standard and the standard of the relevant Property and by a fully suitable firm such Relevant Deterioration without undue delay after the deterioration is discovered (i.e. also prior to the Transfer Date) up to the following maximum:

(i) Projected Reinstatement Costs of up to EUR 100,000; and

(ii) an expected duration for the full completion of the reinstatement works, including, to the extent applicable, planning the necessary measures, tendering and commissioning contractors, obtaining required planning and other permissions and execution of the works (together the "**Projected Reinstatement Time**") of up to four months as of the date the deterioration is discovered.

9.3 Where a deterioration exceeds the maximum set out in clause 9.2 (i) or (ii) (a "**Material Deterioration**") the Sellers may, at their discretion, elect to:

9.3.1 either fully remediate such Material Deterioration at their own cost in which case either Party may and to instruct the Notary not to issue a Maturity Notice for the relevant Property until such reinstatement is concluded; or

9.3.2 instead of remediating the Material Deterioration,

(i) transfer the Purchase Object to the Purchasers in its then current condition; and

(ii) fully assign/transfer any insurance claims and proceeds payable based on the Material Deterioration to the Purchasers; and

(iii) compensate the Purchasers for the actual reinstatement costs plus loss of income from the Property related to the Material Deterioration, it being understood that insurance proceeds actually received by the Purchaser as a result of the assignment/transfer of clause 9.3.2(ii) shall be deducted from such compensation. For the avoidance of doubt, the Purchaser shall receive cost compensation in excess of the Projected Reinstatement Costs only if the general layout and technical construction of the building is not materially altered (which, for the avoidance of doubt, the Purchaser shall be free to do at its discretion), unless this is a result of binding legal requirements applicable to the remediation works, as compared to the status quo ante, in which case the Purchaser shall

receive the Projected Reinstatement Costs. Any actual reinstatement costs resulting from delays in the remediation, or from changes in building materials, in each case caused by the Purchaser (unless as a result of binding legal requirements applicable to the remediation works), shall be deducted from the actual reinstatement costs. The Purchaser shall diligently, but only extra- judicially and no longer than six months after the discovery of the Material Deterioration, pursue the claims against the insurance before claiming against the Sellers under this clause. Insofar as Purchaser is compensated by Sellers, any claims against the insurance are re- assigned to the Sellers.

9.4 Where Projected Reinstatement Costs exceed 30% of the Purchase Price of the affected Property, or Projected Reinstatement Time exceeds eight months after the discovery of the deterioration, either of the Parties shall be entitled to rescind in writing the IPA and the Original IPA of the affected Purchase Object with ten Business Days notice. In this case, the Seller has no further remediation or compensation obligation in relation to such Property.

9.5 All further claims of the Purchasers against the Sellers based on a deterioration of a Purchase Object are excluded to the full extent permissible under statutory law.

9.6 In case the Parties cannot agree on the Projected Reinstatement Costs or the Projected Reinstatement Time, these circumstances shall be determined for them by a jointly selected and appointed expert arbitrator (Schiedsgutachter). If the Parties cannot agree on an expert arbitrator such expert arbitrator will at the request of either Party be bindingly designated by the president of the Chamber of Commerce (or equivalent under Local Law, as designated in the IPAs) competent for the location of the affected Property. The costs of the expert arbitrator are split according to secs. 91 seq. ZPO, i.e. pro rata based on the deviation between the positions of the Parties, as notified to the expert arbitrator in advance, and the expert arbitrators findings. The expert arbitrator is asked to also decide on the costs in his determination.

If expert arbitrator proceedings are pending in relation to a Purchase Object, the Sellers and Purchasers shall jointly instruct the Notary not to send out the Maturity Notice of the Purchase Price for such Purchase Object according to clause 4.5 until ten Business Days after the Sellers and Purchasers have jointly confirmed in writing to the Notary that the determination of the expert arbitrator is rendered.

9.7 If the circumstances set out in clauses 9.7.1 and 9.7.2 are cumulatively fulfilled between the date of this Master Agreement and the Transfer Date for the relevant Purchase Object this shall constitute a material adverse change in relation to Leases ("**Lease MAC**"):

9.7.1 One of the following events occurs:

(i) a Tenant extraordinarily terminates a Lease (i.e. not by exercising a regular termination or break right) unless such termination is apparently unjustified (offensichtlich unbegründet); or

(ii) insolvency (Insolvenz), bankruptcy, administration, receivership or comparable proceedings are commenced or issued over the Tenant of a Lease or its assets or the opening is rejected due to a lack of assets; or

(iii) the Sanofi Lease for the Marly- la- Ville Property is terminated by the Tenant, not renewed, or otherwise not continued, in particular as a result of an exercise by

either party of its option right (droit d'option) during the proceedings for the determination of the rent of the renewed lease; and

9.7.2 the rental income affected by one of the events set out in clause 9.7.1 exceeds 30% of the relevant Property's total rent.

9.8 In case a Lease MAC occurs:

9.8.1 the Sellers shall inform the Purchaser and the Notary without undue delay (in any case within five Business Days after discovery) and

9.8.2 the Sellers shall grant the Purchaser immediate access to the relevant Tenant with the aim to – in close cooperation with the Sellers – (i) persuade the Tenant to remain in the Property and continue the Lease at unchanged conditions or (ii) as a fall- back position, negotiate a remaining of the Tenant in the Property at reasonably amended conditions (the "**Tenant Negotiations**"), it being understood, however, that such negotiations shall not take longer than 30 June 2015.

9.9 The Sellers and the Purchasers shall instruct the Notary not to send out a Maturity Notice for the duration of the Tenant Negotiations for the relevant Purchase Object until the Parties have informed the Notary in writing of the end of the Tenant Negotiations.

9.10 Upon conclusion of the Tenant Negotiations and taking into account their result the Sellers and the Purchaser shall negotiate in good faith a reasonable adjustment of the Purchase Price for the relevant Purchase Object.

9.11 Should the Sellers and the Purchaser not be able to agree on an adjustment of the Purchase Price such adjustment shall be bindingly determined for them by a jointly selected valuer as expert arbitrator (Schiedsgutachter) taking into due account the initially agreed Purchase Price, the remaining Lease term and the Lease MAC.

9.12 The valuer shall be one of Colliers, JLL, CBRE, Knight Frank or Cushman who shall carry out the valuation according to the RICS Red Book standards. The costs of the valuer shall be split according to secs. 91 seq. ZPO, i.e. pro rata based on the deviation between the positions of the Parties, as notified to the valuer in advance, and the valuer's findings. The valuer shall be asked to also decide on the costs in his determination.

The provisions in clause 9.6 apply accordingly.

9.13 If, following the final determination of the Purchase Price reduction by the valuer under clause 9.12, the Sellers taking into account their regulatory environment conclude that such reduction is inacceptable to them, they are entitled to rescind the relevant IPA.

10 GENERAL PROVISIONS ON SELLERS' WARRANTIES

10.1 To the extent not specifically and explicitly set out in clause 11 or the IPAs and Original IPAs, the Sellers assume no guarantees, representations or warranties whatsoever in relation to the Purchase Objects, neither for defects in substance (Sachmängel) nor for legal defects (Rechtsmängel).

10.2 The Properties are accordingly purchased in their current "as is" condition (wie sie stehen und liegen).

The Purchasers have inspected and examined the Properties and employed legal, technical, environmental and financial advice in their assessment of the Properties, as usual in acquisitions of this kind. The Purchasers are accordingly aware of the condition of the Properties, as can be deducted by visual inspection, as well as the information provided by the Sellers in the Data Room. The Purchasers are especially aware that the Properties have a certain age and are accordingly not in a “as new” condition.
The Sellers assume no liability for the size or the quality of the Properties (including the buildings constructed on them) or that they are free from apparent or hidden defects.
The Sellers further assume no liability for the objective accuracy of third- party information disclosed in the Data Room, it being understood that the Sellers have not put any information in the Data Room in a misleading manner, for example (without limitation) information which the Sellers in each case know is in material respects wrong, or only partially correct, or outdated, or in a relevant manner incomplete, or inaccurate, or incorrectly placed in the Data Room, in each case if the information thereby is misleading.
The Parties have deposited six sealed DVD's ("Trias – Tristar 1/6 – 6/6") with the Notary. The Notary is hereby instructed to keep the DVD in custody together with this Deed and to provide a copy of the DVD to each Party upon request. The Notary has instructed the Parties that he can not exclude that the data contained in the DVD may be destroyed or deteriorated during the period of custody. The Notary is not obliged to provide any particular storage conditions or back- up storage.

10.3 The Parties agree that the guarantees of the Sellers contained in this Master Agreement or the IPAs and Original IPAs (the “**Guarantees**”) are such by way of an independent promise of guarantee according to sec. 311 para. 1 BGB (selbständiges Garantieversprechen) and do not constitute guarantees of quality (Beschaffenheitsgarantien) pursuant to secs. 443, 444 BGB.

The Parties further agree that the legal consequences of breaches or violations of a Guarantee are conclusively and exhaustively stipulated in this clause 10.

10.4 All Guarantees are given only at the Date of this Master Agreement, unless otherwise stipulated herein.

10.5 With regard to Guarantees that are knowledge qualified (“the Sellers are not aware …”), Sellers shall only be liable in case of any of fraud, or positive knowledge, or grossly negligent lack of knowledge (grob fahrlässige Unkenntnis) of the Sellers.

The persons relevant for the attribution of such knowledge to the Sellers are in each case only the legal representatives (gesetzliche Vertreter) of the Sellers and the Sellers’ employees specifically tasked with either the asset and/or property management, or the sale of the Properties under this Master Agreement. The Sellers’ employees specifically tasked with the sale of the Properties under this Master Agreement are set out in **Schedule 10.5**, the Sellers’ employees specifically tasked with the asset and/or property management of the Properties are set out in Annex 10.5 to the respective IPA and Original IPA. The knowledge of any other parties and persons, in particular but not limited to external transaction managers, external asset or property managers, brokers, advisers, and other external parties is not attributed to the Sellers.
The Sellers' legal representatives have confirmed with the Sellers’ employees specifically tasked with the asset and/or property management, and with the sale of the Properties under this Master Agreement that, except as disclosed in the Data Room, they are not aware of any incorrectness of the facts underlying the warranties given. The Sellers' employees specifically tasked with the

asset and/or property management, and with the sale of the Properties under this Master Agreement have asked in writing the external transaction managers, asset or property managers, brokers, advisers, and other external parties contracted in relationship to a Property (the "**Service Providers**"), whether they are aware of any incorrectness of the facts underlying the warranties given. The Sellers have informed the Purchaser of such instances where the answers to this query uncovered new issues, and have made all due and careful enquiries and used all contractual means at their disposal within the given timeframe, apart from court proceedings, to extract satisfactory answers from the Service Providers where there was no, or no satisfactory, answer.

The Sellers hereby assign, except as provided differently under the IPAs, to the Purchaser with effect as of the Transfer Date any claims they have against the Service Providers based on inaccurate or incomplete reporting. The Purchaser accepts such assignment. Clause 5.8 applies accordingly.

10.6 Any limitation or exclusion of liability contained in this Master Agreement or the IPAs and Original IPAs does not apply to:

10.6.1 claims for damages resulting from fraud, injury to life, physical integrity or health of persons if the Sellers are responsible (hat zu vertreten) for the violation of a duty, or

10.6.2 any other damages which have their basis in an intentional (vorsätzlich) or grossly negligent (grob fahrlässig) violation of a duty.

The violation of a duty by the Sellers' legal representatives (gesetzliche Vertreter) or vicarious agents (Erfüllungsgehilfen) in this context is the same as the own violation of duty by the Sellers.

10.7 If and to the extent that a Guarantee of the Seller has been agreed, the Seller owes the accuracy and correctness of the Guarantee.

10.8 Except for fraud and claims in relation to clause 11.2, 11.3.1, 11.3.2 sentence 1, 11.3.4 sentence 1, and corporate or property title Guarantees under IPAs (the "**Title Guarantees**"), knowledge or grossly negligent lack of knowledge of a defect in substance or a legal defect which could, in each case, be deducted from the information in the Data Room excludes claims of the Purchasers. In clauses 11.3.1 sentence 1 and 11.3.4 sentence one the respective guarantee shall not be considered a Title Guarantee if the relevant encumbrance has a less than significant impact on the value or usability of the relevant Property (for the avoidance of doubt "significant" shall include, inter alia, all land charges (Grundschulden) and mortgages, tenant servitudes (Mieterdienstbarkeiten), usufructs (Nießbräuche) and heritable building rights (Erbbaurechte), but shall exclude minor servitudes or easements such as standard rights of way or cable rights not materially impeding the usability of the Property).

In this context, all information disclosed until the Data Room Cut- off Date is deemed known by the Purchasers unless such information was provided or presented in a misleading manner. Any information disclosed by the Sellers after the Data Room Cut- off Date shall not exclude Purchaser's claims under clauses 11.5.2, 11.5.6, 11.5.7, 11.6 (except where an Environmental Damage was caused by a third party), 11.7, 11.8, 11.9 and 11.10.

10.9 If any Guarantee of the Sellers is completely or partially incorrect, the Sellers are required to establish the condition which would have existed if the relevant Guarantee had been accurate.

If the Sellers do not establish the contractual condition within a reasonable deadline of at least eight weeks after written demand by the Purchasers or if it is not possible to establish the

contractual condition, the Sellers are required to compensate the Purchasers for the resulting damages incurred by the Purchasers.

10.10 Except in relation to Title Guarantees, the damage claims according to clause 10.9 can only be raised if:

10.10.1 the damage resulting from the respective individual breach of a Guarantee exceeding a EUR 35,000 de minimis threshold (the "**Qualified Claims**"); and

10.10.2 the Qualified Claims in aggregate exceed a EUR 300,000 threshold (so- called "basket");

in each case in relation to each Seller separately.

Where claims exceed such threshold amounts, they shall be fully accounted for and not just the excess above the threshold (Freigrenze, kein Freibetrag).

10.11 Except in relation to Title Guarantees, all aggregate damage claims raised in accordance with clauses 10.10.1 and 10.10.2 are, separately in relation to each Seller, capped at a maximum amount corresponding to four per cent of the aggregated Purchases Prices (the "**Cap**") and, as set forth in clause 10.16, the Excess Down Payments of all Purchase Objects sold by such Seller.

10.12 The compensation for loss of profit (entgangener Gewinn) is explicitly excluded.

The same applies to damages calculated by reference to the assumption that the Purchasers would have applied a different factor or multiplier on rental income in order to determine the Purchase Price had they been aware of the incorrect Guarantee.

10.13 A – full or partial – rescission of or withdrawal from this Master Agreement and/or an IPA by way of compensation for damages or loss suffered as a result of a breach of a Guarantee (sog. großer Schadensersatz) is excluded. Rights of rescission agreed in this Master Agreement and/or an IPA remain untouched.

10.14 Any claims of the Purchasers due to a breach or violation of a Guarantee shall become statute- barred (verjähren) twelve months after the Transfer Date, unless otherwise provided for in this Master Agreement or an IPA. Title Guarantees shall become statute-barred in eighteen months after the Transfer Date. The Guarantee in clause 11.7 shall become statute- barred on 31 December 2016.

10.15 The Purchaser is entitled to rescind the relevant IPA in relation to a Purchase Object in case of a material breach of any of the Title Guarantees and the Guarantees in clause 11.9.

10.16 If and to the extent the Down Payment in a case of a rescission from an IPA for which the Purchaser is responsible (clause 13.6.3) exceeds the actual damages incurred by the relevant Seller and serves as a contractual penalty (the "**Excess Down Payments**") the following provisions apply: The Excess Down Payments shall, separately in relation to each Seller, be utilised to settle any claims of the Purchasers due to a breach or violation of a Guarantee by such Seller where the claim exceeds the Cap. The Sellers and the Purchasers shall instruct in writing the Notary to disburse the respective Excess Down Payment pursuant to clause 4.3, and any interest accrued thereon, as soon as the Purchaser's claim for breach or violation of a Guarantee by such Seller is accepted by the Seller, or awarded by a court, and otherwise in accordance with clause 13.6.3. The Notary is hereby instructed to disburse the respective Down Payment according to the joint instruction by the Sellers and the Purchasers or if the prerequisites for the release of the Down Payment pursuant to clause 13.6. have been fulfilled.

11 SPECIFIC SELLERS' WARRANTIES

11.1 The Sellers, i.e. each Seller in respect of Purchase Objects it sells, give the guarantees specifically set out in clause 11. Such Guarantees, in each case where the Purchase Object is a PropCo, apply accordingly as if the PropCo itself as owner of the respective Property had given the Guarantee.

All Guarantees are only given to the extent not stipulated or disclosed differently in the respective IPA.

11.2 In relation to title and circumstances of PropCos

All guarantees in relation to title to and circumstances of PropCos, in cases where the Purchase Object is a PropCo, are exclusively governed by the respective IPA.

11.3 In relation to title of Properties

11.3.1 Subject to the respective IPA, the Sellers are, and will be on the Transfer Date, the full legal owner of each Property and have the authority to sell and transfer such Property.

11.3.2 The Sellers have not allowed, consented to, requested or applied for any changes in relation to the title of the Property and its encumbrance with servitudes, easements, liens, mortgages, land charges and other charges (jointly the "**Encumbrances**") compared to the current Encumbrances as disclosed in each IPA, and will not do so until the Transfer Date unless expressly provided for or permitted in the IPA. The Sellers are not aware of any process to change the title or the Encumbrances of the Property initiated by a third party.

11.3.3 Where applicable, the Sellers are not aware of any Encumbrances not registered or not capable of registration in the land register (Grundbuch) or equivalent registers.

11.3.4 The Sellers have not allowed, consented to, requested or applied for any changes in relation to public easements (Baulasten) or other edificial or comparable charges under public law compared to those disclosed in each IPA, and will not do so until the Transfer Date unless expressly provided for or permitted in the IPA or bindingly required under public law. The Sellers are not aware of any process to enter, amend or change such charges under public law initiated by a third party.

11.3.5 The Sellers are not aware of unpermitted encroachments from the Properties onto neighbouring properties or from neighbouring properties onto the Properties.

11.3.6 None of the Purchase Objects will, after payment of the Purchase Price and after the Transfer Date, be encumbered with any security of any kind (including, without limitation, mortgages, rent assignments, assignment of insurance claims) for any kind of loan or financing (including shareholder loans and financing), unless specifically agreed otherwise in the IPAs.

11.4 In relation to planning, zoning and public law

The Sellers have not received addressed to them any revocation, withdrawal or contest of public building permits, licenses or permits of use, nor non- compliance notices or orders.

11.5 In relation to Leases

11.5.1 The list of lease agreements, occupational leases, agreements on use and comparable agreements under Local Law, subject to thresholds for minor leases as may be defined on a case by case basis, (jointly the "**Leases**" and each a "**Lease**") annexed to each IPA is, a complete and accurate list of current Leases. In consequence, (i) the Leases listed exist, (ii) no Leases not listed exist in relation to the Property and (iii) the Sellers have actually received, in November 2014, the rent and Ancillary Costs stated for each of the Leases (for the avoidance of doubt, such stated amounts set out the actuals which do not necessarily fully correspond to the owed amounts).

11.5.2 The Sellers have not, and will not have at the Transfer Date, terminated any Leases.

11.5.3 No Lease has been terminated, or announced in writing to be terminated, by the respective user, tenant or lessee (jointly the "**Tenants**" and each a "**Tenant**") as per 11 December 2014 prior to notarisation, except as disclosed in each IPA.

11.5.4 The list of arrears of rent, Ancillary Costs payments or prepayments and other payments of Tenants under the Leases (the "**Arrears**"), in each case as disclosed in each IPA and as per the date defined in such IPA, is accurate.

11.5.5 Since 1 December 2013, no Tenant has reduced the rent or consideration payable under its Lease or claimed such reduction by way of a formal or registered letter, or announced such reduction in writing for a period after the Transfer Date, except as disclosed in the relevant IPA.

11.5.6 The Sellers have not made any advance dispositions over rents relating to time periods from (and including) the Transfer Date.

11.5.7 The list of security, surety, deposit or other collateral under the Leases (the "**Rent Security**") attached to each IPA, as per the date given in such list, accurately reflects the Rent Security the Sellers hold. For the avoidance of doubt, the Sellers are entitled to return Rent Security to Tenants following the date of this Master Agreement where so required under the Leases (i.e. when the Lease ends) but are not entitled to utilise, draw or enforce on Rent Security.

11.5.8 The Sellers are not aware of any material information relating to leases (it being understood that such information is "material" which relates to the lease's duration, the amount of rent or Ancillary Costs receivable, the expenses to be borne by the landlord (for the avoidance of doubt excluding non- recoverable Ancillary Costs), or rent free periods agreed to under the current leases), (in each case) regardless of whether they are due prior to or after the Transfer Date, which are not provided in the Data Room and (in each case) have a more than insignificant commercial or legal impact on the Lease.

11.5.9 There are no outstanding tenant incentives or payments to Tenants, regardless of whether they are due prior to or after the Transfer Date, which are not provided in the Data Room and (in each case) have a more than insignificant commercial or legal impact on the Lease.

11.6 In relation to environmental matters

The Sellers are not aware of any Environmental Damages other than those disclosed in the Data Room or under an IPA and have, until the Transfer Date, not caused, or specifically allowed to be caused in a situation where they had the requisite knowledge and were in a position to effectively prevent, any Environmental Damage.

11.7 In relation to litigation

The Sellers are not a party to any pending (rechtshängig) litigation in respect of the Properties, nor are they aware of litigation not yet pending but announced or threatened in writing, in each case which could transfer to the Purchasers without their consent and except as disclosed in the relevant IPA.

11.8 In relation to tax matters

In relation to the Purchase Objects all Taxes due before the Transfer Date, to payment of which the Sellers, or – in case the Purchase Object are PropCos – the Purchase Object, were obliged, have been paid and will be paid up to (but excluding) the Transfer Date.

11.9 In relation to insolvency

None of the Sellers is, at the time of the notarization of this Master Agreement or the Transfer Date of the relevant Purchase Object, insolvent, or subject to insolvency proceedings, in any of the jurisdictions of any of the Purchase Objects or Properties.

11.10 In relation to employees

The Sellers have no employees in relation to which employment or pension liabilities would, as a result of execution of this Master Agreement or the IPAs, transfer to the Purchaser.

11.11 Compliance with Law

The Sellers are not aware, that any Property does not comply with materially all the relevant regulatory or statutory requirements, as applicable to this Property, including fire safety standards, health and safety.

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13 LONG STOP DATES, RESCISSION RIGHTS

13.1 The Sellers are entitled to rescind the relevant IPA in relation to a Purchase Object if and to the extent:

13.1.1 statutory pre- emption rights are exercised (for the avoidance of doubt, this rescission right shall not hinder or preclude the exercise of any statutory pre- emption right under Local Law); or

13.1.2 the depository agent (Verwahrstelle) does not grant a release of the Purchase Object from the blocking notice (Sperrvermerk) under the German Act for Investments (Kapitalanlagegesetzbuch, KAGB).

13.2 If in relation to any Purchase Object, the Notary has not issued a Maturity Notice according to clause 4.5 by 31 May 2015 (the "**Individual Long Stop Date**") the Parties shall discuss in good faith the continuation of the transaction contemplated by the relevant IPA in relation to the affected Purchase Object(s).

If they cannot agree on such continuation by 30 June 2015 each Party is entitled to rescind the relevant IPA in relation to the affected Purchase Object(s).

13.3 In case the Purchasers are in payment default (Verzug) with the Remaining Purchase Price for any Purchase Object on the relevant Maturity Date in accordance with clauses 4.7.2 to and including 4.9, the Sellers may set the Purchasers, with a copy to the Notary, a written deadline (facsimile is sufficient) of at least ten Business Days. If such deadline has passed without full payment in accordance with clauses 4.7.2 to and including 4.9, the Sellers are entitled at their discretion to:

13.3.1 either rescind the relevant IPA in relation to the affected Purchase Object(s); or

13.3.2 rescind the relevant IPAs and this Master Agreement in relation to all Purchase Objects for which the Transfer Date has not yet occurred at such time.

No Seller can exercise a rescission right in a way that it affects others Sellers. Accordingly, the rescission rights in clause 13.3.2 can only be exercised if the relevant Sellers act jointly.

13.4 The Purchaser shall be entitled to rescind the relevant IPA in relation to a Purchase Object if the works to remediate a Material Deterioration undertaken by the Sellers under clause 9.3.1 exceed ten months in duration after the date the Material Deterioration was discovered.

13.5 Any rescission of this Master Agreement in its entirety automatically leads to a corresponding rescission or unwinding of all IPAs and Original IPAs unless explicitly agreed differently between the Parties on a case by case basis.

13.6 In case of a rescission, the Sellers and the Purchasers shall instruct the Notary to disburse the respective Down Payment pursuant to clause 4.3 and, in each case, any interest accrued thereon, as set out in this clause 13.6.

In case of a rescission of an IPA where:

13.6.1 the Sellers are responsible for the cause of rescission (including any case of the exercise of a pre- emption right), the Notary shall be instructed by the Parties to release the Down Payment to the Purchasers;

13.6.2 no Party is responsible for the cause of rescission, the Notary shall be instructed by the Parties to first deduct from the Down Payment any unpaid fees he is owed under clause 12 and then release the rest of the Down Payment to the Purchasers;

13.6.3 the Purchaser is responsible for the cause of rescission, in particular in case of a default in the payment of a Purchase Price, the Notary shall be instructed by the Parties to release the Down Payment to the Sellers, provided that the period of limitation of clause 10.14 of twelve months has lapsed for all Purchase Objects sold by the respective Seller and there are no claims under clause 10 by the Purchaser against the respective Seller which the Seller has not yet settled.

To the extent the Down Payment exceeds actual damages incurred by the Sellers, the Sellers are entitled to keep such an excess amount as a lump- sum contractual penalty (Vertragsstrafe).The claim of any additional damages by the Sellers in excess of the Down Payment is explicitly excluded.

The Notary is hereby instructed to disburse the respective Down Payment under the following prerequisites:

(a) The respective Sellers or the respective Purchasers, respectively, (the "**Applying Party**") asked the Notary in writing to disburse the respective Down Payment to the respective Party.

(b) Copies of the formal application for disbursement, including copies of all documents accompanying such application, have been served to the other Party not applying for such disbursement (the "**Other Party**"), accompanied by a request to comment on this application within a deadline of one month after service. Such service shall be made in accordance with the German Code of Civil Procedure. The written request to comment must contain a warning concerning the consequences to be expected if such comments are not issued within the set deadline.

(c) The Other Party agreed in writing to the disbursement of the respective Down Payment or failed to submit an objection in writing against the disbursement, setting out the reasons for such objection, within the above deadline of one month.

13.7 In case of a rescission, the Purchasers shall:

13.7.1 re- transfer legal title of the relevant Purchase Objects to the Seller, where a transfer of title to the Purchaser has already occurred;

13.7.2 delete any priority notices (Auflassungsvormerkungen) or other encumbrances or charges in favour of the Purchasers or securing their acquisition of title;

13.7.3 delete or procure to be deleted any financing mortgage, land charge or other charge registered at the request of the Purchasers for the financing of the Purchase Price; and

13.7.4 re- assign to the Sellers all claims assigned to them under this Master Agreement or the IPAs Date relating to the Property or Properties affected by the rescission.

In turn (Zug um Zug), if the Purchase Price or any part thereof has been already paid to the Sellers prior to rescission, the Sellers shall promptly reimburse the Purchasers or their financing banks, as the case may be, in full for all payments already made on the Purchase Price.

In order to facilitate the unwinding in such cases the Parties agree that (i) Purchase Prices are repaid at their nominal value, i.e. without interest, (ii) rents collected by the Purchasers from the Purchase Objects remain with the Purchasers on a strict pro rata temporis basis and (iii) Ancillary Costs borne by the Purchasers in relation to the Purchase Objects are only refunded by the Sellers on a strict pro rata temporis basis to the extent they relate to time periods after the rescission. Purchaser's investments into the Purchase Objects shall be reimbursed at book value.

13.8 All claims of the Sellers to demand payment of the Purchase Price expire upon rescission.

13.9 Any exercise of a rescission right shall be governed by the following additional provisions:

13.9.1 The rescission must be declared in writing (per facsimile shall suffice) to the respective other Parties and to the Notary, who is hereby authorised to receive on behalf of the Parties.

13.9.2 Unless stated differently in this Master Agreement, any rescission right can only be exercised within one month following knowledge by the relevant Party of the cause to rescind.

13.9.3 The rescission shall take effect immediately upon receipt by the Notary.

13.9.4 The rescission of an IPA or this Master Agreement shall be without prejudice to any claim by one Party against the other for any antecedent breach.

13.10 Unless expressly provided herein or in an IPA, any further rescission or termination rights shall be excluded except for statutory rights under Local Law that cannot be validly excluded.

14 COSTS, LAND TRANSFER TAX, STAMP DUTIES

14.1 The costs associated with the deletion of existing Encumbrances of the Purchase Objects not assumed by the Purchasers are borne by the relevant Sellers.

All other costs and fees of notarisation, execution and consummation of this Master Agreement and the IPAs shall be borne by the Purchasers. This in particular includes the fees and costs for (i) the Reference Deed, (ii) the Escrow Account, (iii) registrations in land registers, commercial registers and comparable registrations and (iv) implementing the Purchasers' own financing mortgages or land charges.

14.2 The Purchasers shall bear all applicable real estate transfer taxes, stamp duties or comparable taxes or duties triggered by the sale of the Purchase Objects.

14.3 All costs and fees to be borne by a Party have to be paid by such Party promptly when falling due.

14.4 Each Party bears the fees of its own advisors and agents.

14.5 The Parties shall indemnify each other from any claims raised against them by third parties in deviation from this contractual allocation.

15 POWERS OF ATTORNEY TO PURCHASER 1, PROCESS AGENT, NOTICES

15.1 In order to facilitate the execution of this Master Agreement, the Sellers and the Notary may effect all communications under this Master Agreement or the IPAs addressed to the Purchasers, in particular serve notices to the Purchasers and make declarations vis- à- vis the Purchasers solely to the Purchaser 1 with effect for and against all Purchasers.

Accordingly, the Purchaser 1 is hereby granted by all Purchasers the power of attorney to effect all communications under this Master Agreement or the IPAs, in particular serve notices and make declarations for and on behalf of all the Purchasers vis- à- vis the Sellers and the Notary.

The provisions of sec. 181 BGB and comparable provisions under Local Law are hereby waived in this respect.

15.2 The Purchaser 1 in turn appoints the following as domestic process agents (inländische Zustellungsbevollmächtigte) for all communications, declarations and service under this Master Agreement and the IPAs:

NorthStar Asset Management Group
attn. Mr. Mark Chudik
6 A route de Treves, 6th Floor
L- 2633 Senningerberg, Luxembourg
E- Mail: mchudik@nsamgroup.eu
With a copy to:
Clifford Chance Deutschland LLP
attn. Mr. Dr. David Elshorst
Mainzer Landstraße 46, 60325 Frankfurt am Main, Germany

Fax: +49 (0)69 7199 4000.
The Purchaser 1 may at any time replace the process agent by notifying the Sellers and the Notary accordingly in writing (facsimile shall suffice) provided, however, that there must be one domestic process agent with fully established business address in Germany at any time.

15.3 Declarations or notices under or in connection with this Master Agreement and the IPAs shall be addressed to the following recipients:

15.3.1 For the IVG Seller 1 and the IVG Seller 2 to:
IVG Institutional Funds GmbH
attn. Mr. Michael Taufiqui- von Ahlefeldt- Dehn
THE SQUAIRE 18, Am Flughafen, 60549 Frankfurt am Main
Fax: +49 (0)69 606050 2431
michael.taufiqui@ivg.de

15.3.2 For the IVG Seller 3 to the sole shareholder:
IVG Institutional Funds GmbH
attn. Mr. Michael Taufiqui- von Ahlefeldt- Dehn
THE SQUAIRE 18, Am Flughafen, 60549 Frankfurt am Main
Fax: +49 (0)69 606050 2431
michael.taufiqui@ivg.de

15.3.3 For the INTERNOS Seller to:
INTERNOS Spezialfondsgesellschaft mbH
attn. Mr. Nils Lütthans
Goetheplatz 4, 60311 Frankfurt am Main
Fax: +49 (0) 69 50 50 66 929
nils.luetthans@internosglobal.com

15.3.4 For the Deka Seller to:
DekaBank
Deutsche Girozentrale
Leitung Immobilienwirtschaftsrecht
14 03 02 - 10
attn. Mr. Dr. Alexander Ruhl
Mainzer Landstraße 16, 60325 Frankfurt am Main
Fax: +49 (0)69 71 47 11 89
alexander.ruhl@deka.de

For all Sellers with a copy to:
Linklaters LLP
attn. Mr. Wolfram H. Krüger
Mainzer Landstraße 16, 60325 Frankfurt am Main
Fax: +49 (0)69 71003 89 220
wolfram.krueger@linklaters.com

15.3.5 For all Purchasers to:
c/o NorthStar Asset Management Group
attn. General Counsel
6A Route de Trèves, 6th Floor, 2633 Luxembourg, Luxembourg
Email: legal@nsamgroup.com

and

c/o NorthStar Asset Management Group
attn. Shawana McGee
6A Route de Trèves, 6th Floor, 2633 Luxembourg, Luxembourg
Email: smcgee@nsamgroup.eu

and

c/o NorthStar Realty Finance Corp.
attn. Ronald J. Lieberman, Esq.
399 Park Avenue, 18th Floor, New York, NY 10022, USA
Fax: +1 (212) 547- 2704
Email: rlieberman@nsamgroup.com

With a copy to:
Clifford Chance Deutschland LLP
attn. Dr. David Elshorst
Mainzer Landstraße 46, 60325 Frankfurt am Main, Germany

Fax: +49 (0)69 7199 4000
Email: david.elshorst@cliffordchance.com
The Parties undertake to promptly inform the Notary and the other Parties upon any change of the above notice details. Until such notice, communications may be sent to the contact details indicated above.

15.4 Any communication to be made under or in connection with this Master Agreement or an IPA shall be addressed as set out in clause 15.2 and 15.3 and made in writing (facsimile or email shall suffice) unless a stricter form is explicitly stipulated in this Master Agreement or an IPA.

16 MERGER CONTROL FILING

16.1 The merger established by this Master Agreement will only be implemented after the satisfaction of one of the following conditions precedent (each a "**Merger Control Clearance Event**"):

16.1.2 The Federal Cartel Office (Bundeskartellamt) informs the Parties within one month after submission of a complete filing that the merger does not fulfil the prerequisites for a prohibition under sec. 36 para. 1 of the German Act against Restraints on Competition (Gesetz gegen Wettbewerbsbeschränkungen - "**GWB**").

16.1.2 The Federal Cartel Office does not inform the Parties within one month after submission of a complete filing under sec. 40 para. 1 GWB that the Federal Cartel Office has opened the main examination proceedings.

16.1.3 The Federal Cartel Office issues an order after initiation of the main examination proceedings under sec. 40 para. 1, sentence 2 GWB that the merger is cleared without any conditions.

16.1.4 The Federal Cartel Office, after initiation of the main examination proceedings, allows (i) the four month deadline after submission of the complete filing, or (ii) the extended deadline in the case of an extension with the agreement of the involved enterprises under sec. 40 para. 2 no. 1 GWB to expire without having prohibited the merger.

16.2 The Purchasers shall file the transaction agreed under this Master Agreement with the Federal Cartel Office in their own name and in the name of the Sellers until 13 January 2015.

The filing shall be prepared by the Purchasers and coordinated between the Parties and the Sellers shall input as appropriate and required.

The Sellers may request that only the Purchasers' lawyers see the input data of the Sellers and, accordingly, the full submission.

16.3 The Purchasers are obliged to inform the Notary and the Seller without undue delay about the occurrence of a Merger Control Clearance Event.

17 FINAL PROVISIONS

17.1 The Sellers and the Purchasers shall use reasonable efforts to obtain the other Party's prior approval on press releases and any other information to the public regarding the conclusion of this Master Agreement and the IPAs; provided that the Sellers shall not publicly announce the transaction in advance of the Purchaser without the Purchaser's consent; provided further that

once prior approval has been obtained, substantially similar public disclosures shall not require additional approvals.
The Parties shall keep confidential the contents of this Master Agreement and the IPAs to the extent that disclosure is not required or appropriate pursuant to applicable law, rules or regulations, including rules of any stock exchange or the respective other Party has not consented to the disclosure. Sentence 1 does not apply

17.1.1 to the extent that disclosure is necessary (also vis- à- vis third parties with which no corporate and/or employment relationship exists) to have examined the existence of claims out of or in connection with this Master Agreement;

17.1.2 vis- à- vis the auditors or auditing companies, or other advisers with a professional or equivalent voluntary obligation of secrecy, retained by the Parties;

17.1.3 vis- à- vis credit institutions financing the Properties;

17.1.4 to disclosure to the Parties' affiliates and group companies, including (without limitation) to Northstart Asset Management Group Inc. and it's affiliates, and their directors, officers, employees, partners, advisors and representatives;

17.1.5 (since the Purchaser is the subsidiary of a Real Estate Investment Trust and, as such, is subject to certain filing and reporting requirements in accordance with federal laws and regulations, including regulations promulgated by the Securities and Exchange Commission) to any public filing, disclosure, report or publication of any and all information related to this Master Agreement that may be reasonably interpreted as being required by federal law or regulation, notwithstanding any provision of this Master Agreement or the provisions of any other existing agreement between the parties hereto to the contrary.

Subject to the same exceptions set forth above, the Parties shall also keep confidential any information they have received about each other and about the enterprises affiliated with the respective other Party since they have started talks about the acquisition of the Properties, to the extent that such information is not known or available to the public, or the respective other Party has not consented to the disclosure of the information.

17.2 The Sellers undertake to keep and maintain the required liquidity, or to have reliable third- party guarantees in place, to meet their obligations until all claims by the Purchaser under this Master Agreement and that IPAs shall have become statute- barred. They have forwarded according documentation to the Purchaser for review prior to the date of this Master Agreement.

As of the first Transfer Date, each of the IVG Seller 1 (both for itself and the IVG Seller 2 and the IVG Seller 3) and the INTERNOS Seller shall retain for a period of twelve months after the last Transfer Date (or, if a claim has been brought against the respective Seller in that time, until two weeks after such claim has been decided upon or has become statute- barred) on the main account held with or blocked in favour of the respective depository bank (the "**Fund Account**") of the relevant special funds for which they are acting in the context of this Master Agreement and as set out in the heading of this Master Agreement (the "**Relevant Fund**") a minimum balance which at all times is equal to such Seller's pro rata share of the Cap, i.e. 4% of the aggregated Purchase Prices of such Seller, less any amount paid to a Purchaser in connection with the settlement of a successful claim against such Seller arising out of or in connection with this Master Agreement or any IPA (the "**Minimum Sum**").
All interest earned on the Fund Account shall accrue for the benefit of the respective Seller.

The Sellers reserve the right to take any action, legal proceedings or other procedure or step to liquidate, wind up, dissolve or otherwise administer or reorganise the Relevant Fund or take any other analogue procedures which would have a similar effect (jointly the "**Dissolution**"), provided however, that prior to any Dissolution taking legal effect the Minimum Sum at such time still held on the Fund Account will need to be transferred into an insolvency remote escrow arrangement agreed with the Purchaser (the Purchaser's agreement not to be unreasonably withheld).

17.3 The Sellers shall, at the written request by the Purchaser, and at the Purchaser's cost, take all necessary legal and factual steps to assist in procuring the following:

17.3.1 Intra- group: effect a full transfer of the contractual relationship under this Master Agreement and the relevant IPA from the Purchaser to, or the assignment or novation of the corresponding benefits and obligations to, or the nomination of, an affiliated entity of the Purchaser ("**Internal Designee**"). Affiliated entity is determined according to Secs. 15 et seq. German Stock Corporation Act (Aktiengesetz) accordingly and it being understood that in interpreting this German law concept the specifics of other jurisdictions shall reasonably be taken into account. A transfer under this clause would lead to a complete exchange of the contractual position on the Purchaser's side, i.e. only the Internal Designee would from then on be entitled and obliged under this Master Agreement and the relevant IPA.

17.3.2 Extra- group: effect the transfer of legal title to a Purchase Object, or the assignment or novation of the corresponding benefits and obligations to, or the nomination of, a third party designated by the relevant Purchaser ("**Exernal Designee**"). For the avoidance of doubt, in such case the Purchaser shall remain fully obliged under this Master Agreement and the relevant IPA, and fully entitled to make all claims under this Master Agreement and the relevant IPA vis- a- vis the Sellers (no exchange of contract parties other than for transfer of title). The right to request the transfer to an External Designee (i) does not apply to Purchase Objects located in Germany and (ii) is in any case limited to a maximum number of five Purchase Objects across the entire portfolio sold under this Master Agreement.

The details of a transfer may, if necessary, be in more detail regulated by amendment to the relevant IPA.

It is understood that (i) the rights of the Purchasers under this clause 17.3 only apply if when exercising such rights the Purchaser is not in default with any payment obligation under this Master Agreement and (ii) in case of clause 17.3.2 the Sellers in this context shall not be obliged to undertake any steps or measures that could reasonably be expected to have a negative impact on their regulatory, legal or tax position. In case of an objection to a transfer by the Seller they shall set out the reasons for such objection and the Parties agree to negotiate in good faith on such objections and any remedy that might remove the risk (e.g. the Purchaser compensating the Seller for any monetary negative impacts if such can be determined with sufficient accuracy). It is understood that by agreeing to such transfer the Sellers shall not be put into a position of increased risk or liability as compared to the situation without a transfer and. in particular, the joint and several liability of the Purchasers would not be abrogated and the provisions on Guarantees would remain unaffected.

17.4 Where a Purchase Object is being sold not by a Seller directly, but by a subsidiary of the respective Seller, the relevant Seller shall be jointly and severally liable for the fulfilment of all obligations

under the relevant IPA with the subsidiary, as if the relevant Purchase Object had been sold directly by the respective Seller to the Purchaser.

17.5 Cooperation with Purchaser's audit or review: The Seller agrees, at the Purchaser's expense (such expenses also covering reasonable internal costs of the Sellers), to reasonably cooperate with the Purchaser and the Purchaser's representatives to facilitate the Purchaser's evaluations and reports concerning the Property, including a one (1) year audit of the 2014 books and records of the Property and a review for any interim period, each in accordance with accounting principles generally accepted in the United States (US GAAP). In addition, without undue delay after the Transfer Date, the Seller shall execute and deliver to the Purchaser an audit representation letter if the Parties can mutually agree on the form of the letter prior to the end of the inspection period, it being understood that the Sellers in order to comply with the requirements of this clause 17.5 (i) shall not be obliged to disclose information that relates to other funds or assets that are not a Purchase Object, (ii) the Sellers will not be under any obligation to engage directly with the SEC or assume any liability vis- à- vis the SEC, (iii) the Sellers will not be obliged to provide information in a manner that is inconsistent with their established reporting and accounting principles but will endeavour to provide all reasonable requests by the Purchaser including with respect to the Purchaser's conversion of the books and records to US GAAP and (iv) the Seller will not be obliged to enter into any liability in excess of that provided for under this Master Agreement.

17.6 As a result of not exercising (including only partially) rights from this Master Agreement, the Parties do not waive such rights and the right also does not lapse; nor does a one- time or only partial exercise of a right exclude another exercising of this right or another right.

17.7 The set- off and assertion of retention rights and rights of refusal of performance against any Purchase Price is excluded.

17.8 The Purchasers may not assign their rights under this Master Agreement or the IPAs except to the extent required to obtain acquisition finance or except to an affiliated entity according to Secs. 15 et seq. German Stock Corporation Act (Aktiengesetz) accordingly and it being understood that in interpreting this German law concept the specifics of other jurisdictions shall reasonably be taken into account.

17.9 Amendments and supplements to this Master Agreement, including this clause 17.9, must be made in writing, unless a stricter form (e.g. notarisation) is required.

This Master Agreement together with the IPAs and all Appendices constitute the entirety of the Parties' agreements. Oral side agreements do not exist.

The Notary instructed the Parties that failure to notarise even part of the overall agreement of the Parties may result in the invalidity of the Master Agreement and the German APA.

Furthermore, the Notary advised the persons appearing:

- that the personal data of the persons appearing will be stored at the Notary's office by means of electronic data processing and will possibly be notified to third parties in connection with obligations of the Notary to inform third parties; the persons appearing agreed therewith;
- that all contractual provisions must be fully and correctly included in this deed; un- notarised agreements could be null and void and may render the entire Master Agreement invalid.

In this context, the Parties confirm once more that the information notarised herein is complete and correct;

- ⇢ he, the Notary, is unaware of the tax situation of the parties and that he did not check the tax consequences of this deed and that, if required, the parties should seek the advice of an auditor or a tax adviser before the execution of this deed;
- ⇢ that the parties hereto are, by operation of law, jointly and severally liable with respect to the payment of all notarial fees, irrespective of any internal agreement passed in that respect.

17.10 Should one or several of the provisions of this Master Agreement be or become invalid or unenforceable, the effectiveness of the remaining provisions shall explicitly remain unaffected thereby.

The Parties agree to replace the invalid or unenforceable provisions by valid and enforceable provisions that most closely reflect the commercial and legal intent of the invalid or unenforceable provisions.

The same applies to unintentional gaps or omissions.

In reference to the decision of the Federal Court of Justice of 24 September 2002 (KZR 10/01) the Parties hereby state as their express will that this clause shall not merely operate to reverse the burden of proof, but instead to expressly preclude the application of sec. 139 BGB on partial and total invalidity.

17.11 This Agreement is subject to and governed by the laws of the Federal Republic of Germany and, unless imperatively subject to different laws, shall be construed and interpreted accordingly.

17.12 Insofar as there is no exclusive statutory jurisdiction, all disputes arising under or in connection with this Master Agreement shall exclusively be determined by the civil courts of Frankfurt am Main, Germany.

The notarisation of this Deed commenced on 18 December 2014, continued on 19 December 2014 and finished on 19 December 2014.

This Master Agreement together with its Exhibits was read aloud to the persons appearing, approved by them and then signed as follows by the persons appearing and the Notary

/s/ Mr. Wolfram H. Krüger
/s/ Mr. Nils Lütthans
/s/ Mr. Sebastian Lietsch
/s/ Mr. Victor Stoltenburg
/s/ Dr. Alexander Ruhl
/s/ Mr. Dr. David Elshorst
/s/ Dr. Hinrich Thieme, Notary

NEGOTIATED

On 12 February 2015

Before me, the undersigning notary
Dr. Hinrich Thieme
in the district of the Higher Regional Court of Frankfurt am Main, Germany
with official seat in Frankfurt am Main, Untermainanlage 1, 60329 Frankfurt am Main

appeared today:
(1) Mr. Wolfram H. Krüger,
personally known to the notary,
with business address at Mainzer Landstraße 16, 60325 Frankfurt a.M.,

The person appearing at (1) declares that in the following he is not acting in his own name, but – excluding any personal liability towards the Parties – in the name and on behalf of:

(1.1) **IVG Institutional Funds GmbH** with business address at THE SQUAIRE 18, Am Flughafen, 60549 Frankfurt am Main and its seat in Frankfurt am Main, registered in the commercial register of the local court of Frankfurt am Main under number HR B 91062, acting for the special AIF- fund (Spezial- AIF- Sondervermögen) "EuroWest"

- "**IVG Seller 1**" -

(1.2) **PMG - Property Management GmbH** with business address at THE SQUAIRE 18, Am Flughafen, 60549 Frankfurt am Main and its seat in Frankfurt, registered in the commercial register of the local court Frankfurt am Main under number HRB 96246

- "**IVG Seller 2**" –

(1.3) **Via Bensi 1/1 S.r.l.** a limited liability company incorporated under the laws of Italy with registered office at via Olmetto 17, Milan Italy

- "**IVG Seller 3**" -

The person appearing at (1) presented the notarised original of the power of attorney dated 8 December 2014 (roll of deeds number 568/2014 of notary Dr. Carsten J. Angersbach in Frankfurt am Main), a certified copy of the power of attorney dated 11 December 2014 (roll of deeds number 583/2014 of notary Dr. Carsten J. Angersbach in Frankfurt am Main) and the notarised original of the power of attorney dated 18 December 2014 (roll of deeds number 166/2014 P of notary Dr. Gero Pfeiffer in Frankfurt am Main). Certified copies of the powers of attorney are attached to this Master Agreement as **Exhibit A**.

(2) a) Mr. Nils Lütthans,
personally known to the notary,
with business address at INTERNOS Spezialfondgesellschaft mbH, Goetheplatz 4, 60311 Frankfurt am Main,
and
b) Mr. Sebastian Lietsch,
personally known to the notary,
with business address at INTERNOS Spezialfondgesellschaft mbH, Goetheplatz 4, 60311 Frankfurt am Main,
The persons appearing at (2) declare that in the following they are not acting in their own name, but – excluding any personal liability towards the Parties – in the name and on behalf of:
INTERNOS Spezialfondsgesellschaft mbH, with business address at Goetheplatz 4, 60311 Frankfurt am Main and its seat in Frankfurt am Main, registered in the commercial register of Frankfurt am Main under number HR B 98593, acting for the special AIF-fund (Spezial- AIF- Sondervermögen) "ProCommerz"

- "**INTERNOS Seller**" -

The persons appearing at (2) presented the notarised original of the power of attorney dated 18 December 2014 (roll of deeds number 165/2014 P of notary Dr. Gero Pfeiffer in Frankfurt am

Main). A certified copy of the power of attorney is attached to this Master Agreement as **Exhibit B**.
The INTERNOS Seller was previously named Commerz Real Spezialfondsgesellschaft mbH and was subsequently renamed into its present name without a change of legal form or identity on the basis of the shareholders' resolution dated 1 November 2013 registered with the commercial register on 13 February 2014 and 6 March 2014.

(3) a) Mr. Victor Stoltenburg,
personally known to the notary,
with business address at Taunusanlage 1, 60329 Frankfurt am Main,
and
b) Dr. Alexander Ruhl,
personally known to the notary,
with business address at Mainzer Landstraße 16, 60325 Frankfurt am Main
The persons appearing at (3) declare that in the following they are not acting in their own name, but – excluding any personal liability towards the Parties – in the name and on behalf of:
WestInvest Gesellschaft für Investmentfonds mbH with business address at Hans- Böckler- Straße 33, 40476 Düsseldorf and its seat in Düsseldorf, registered in the commercial register of Düsseldorf under number HR B 24304, acting for the special AIF- fund (Spezial- AIF- Sondervermögen) "WestInvest Spezial 1"

- "**Deka Seller**" -

The persons appearing at (3) presented the notarised original of the power of attorney dated 18 December 2014 (roll of deeds number 1133/2014 B of notary Frank Brüggemann in Frankfurt am Main). A certified copy of the power of attorney is attached to this Master Agreement as **Exhibit C**.

(4) Mr. Markus Böhn,
identified by his valid German identy card,
with business address at Mainzer Landstraße 46, 60325 Frankfurt am Main
The person appearing at (4) declares that in the following he is not acting in his own name, but – excluding any personal liability towards the Parties – in the name and on behalf of:

(4.1) **Trias Holdco C – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.534), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 1**" -

(4.2) **Trias GER Immermannstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.539), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 2**" -

(4.3) **Trias GER Munsterstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.544), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 3**" -

(4.4) **Trias GER Rather Strasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.630), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 4**" -

(4.5) **Trias GER Ludwigstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.548), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 5**" -

(4.6) **Trias GER Kaygasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.561), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 6**" -

(4.7) **Trias GER Bottrop – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.563), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 7**" -

(4.8) **Trias GER Holzwickede – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.569), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 8**" -

(4.9) **Trias GER Munster – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.568), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 9**" -

(4.10) **Trias GER Werl – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.577), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 10**" -

(4.11) **Trias GER Cuxhaven – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.578), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 11**" -

(4.12) **Trias GER Kirchheide – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.579), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 12**" -

(4.13) **Trias GER Uhlandstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.581), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 13**" -

(4.14) **Trias GER Stuttgart – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.583), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 14**" -

(4.15) **Trias GER Bunte Kuh – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.584), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 15**" -

(4.16) **Trias GER Pferdemarkt – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.585), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 16**" -

(4.17) **Trias GER Munich Airport – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.586), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 17**" -

(4.18) **Trias GER Ibis Berlin – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.597), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 18**" -

(4.19) **Trias GER IC Berlin – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.631), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 19**" -

(4.20) **Trias GER Parexel – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.593), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 20**" -

(4.21) **Trias PRT Office 123- T, LDA,** a private limited company incorporated under the laws of Portugal (registered in the Portuguese Commercial Register under registration number 513.330.470), with a share capital of EUR 12,500, having its registered office at Rua Ivens no. 42, 1st floor, 1200- 023 Lisbon,

- "**Purchaser 21**" -

(4.22) **Trias PRT Albufeira- T, LDA,** a private limited company incorporated under the laws of Portugal (registered in the Portuguese Commercial Register under registration number 513.330.453), with a share capital of EUR 12,500, having its registered office at Rua Ivens no. 42, 1st floor, 1200- 023 Lisbon,

- "**Purchaser 22**" -

The person appearing at (4) presented the notarised and apostilled originals of the powers of attorney dated 15 December 2014 and dated 17 December 2014 of deputy notary Sandra Cristina Sousa Gomes dos Reis in Lisbon. Certified copies of the powers of attorney are attached to this Amendment No. 1 to the Master Agreement as **Exhibit D**.

I. DESIGNATION OF PARTIES

The IVG Seller 1, the IVG Seller 2, the IVG Seller 3, the INTERNOS Seller and the Deka Seller are collectively referred to as the "**Sellers**" and each individually as a "**Seller**".

The Purchaser 1, the Purchaser 2, the Purchaser 3, the Purchaser 4, the Purchaser 5, the Purchaser 6, the Purchaser 7, the Purchaser 8, the Purchaser 9, the Purchaser 10, the Purchaser 11, Purchaser 12, the Purchaser 13, the Purchaser 14, the Purchaser 15, the Purchaser 16, the Purchaser 17, the Purchaser 18, the Purchaser 19, the Purchaser 20, the Purchaser 21 and the Purchaser 22 are collectively referred to as the "**Purchasers**" and each individually as a "**Purchaser**".

The Sellers and the Purchasers are collectively also referred to as the "**Parties**" or each individually as a "**Party**".

II. RECORDING IN THE ENGLISH LANGUAGE

The persons appearing requested that this Amendment No. 1 to the Master Agreement be recorded in the English language and stated that they had sufficient command of the English language. The Notary, who himself has sufficient command of the English language, verified that the persons appearing did, in fact, have such sufficient command of the English language. Advised by the Notary of their rights to obtain the assistance of a sworn interpreter and to have a certified translation attached to this Amendment No. 1 to the Master Agreement, the persons appearing waived such rights.

III. NO PRIOR INVOLVEMENT

Upon the Notary's instruction on the contents of prior involvement (Vorbefassung) within the meaning of Section 3 (1) no. 7 of the German Notarisation Act (Beurkundungsgesetz), the persons appearing and the Notary confirmed that there was no such prior involvement.

The persons appearing requested notarisation of the following:

Project Trias
Amendment No. 1 to the
Master Agreement dated 19 December 2014

1 RECITALS

(A) A master agreement (the "**Master Agreement**") was concluded between the Sellers and the Purchasers on 19 December 2014 (roll of deeds no. 234/2014 of notary Dr. Hinrich Thieme, Frankfurt am Main) regarding the acquisition of the Purchase Objects together with the notarial deed dated 18 December 2014, roll of deeds number 232/2014 of the Notary Dr. Hinrich Thieme in Frankfurt am Main (the "**Reference Deed INT 1**"), the notarial deed dated 15, 16, 17 December 2014, roll of deeds number 150/2014 P of the notary Dr. Gero Pfeiffer in Frankfurt am Main (the "**Reference Deed INT 2**") and the notarial deed dated 13, 14, 15, 16 December 2014, roll of deeds number 1184/2014 S of the notary Dr. Bernhard Schütz (the "**Reference Deed INT 3**" and Reference Deed INT 1, Reference Deed INT 2 and Reference Deed INT 3 together the "**Reference Deeds INT**") and the notarial deed dated 18 December 2014, roll of deeds number 233/2014 of the Notary Dr. Hinrich Thieme in Frankfurt am Main (the "**Reference Deed GER**" and together with Reference Deeds INT the "**Reference Deeds**").

Reference is hereby made to the Master Agreement and the Reference Deeds. They were available as an original or certified copies respectively at today's notarisation. The persons appearing state they are familiar with the contents of the Master Agreement and the Reference Deeds and they waive them being read out loud and them being attached to this Amendment Agreement. The Notary has informed the persons appearing of the importance of the reference under section 13a of the German Notarisation Act (Beurkundungsgesetz).

(B) The Parties have established to their satisfaction that there is – contrary to the provisions in the Master Agreement – no necessity to initiate a merger control procedure under secs. 35 seq. of the Restraints on Competition Act. Therefore, the Parties would like to amend the Master Agreement accordingly and to waive Clause 4.4.4 and Clause 16 of the Master Agreement.

(C) In addition, the Parties would like to modify the provisions on the Transfer Date, the details of the Sellers accounts and several other details.

NOW, therefore, the Parties agree as follows:

2 DEFINITIONS

The definitions used in this Amendment No. 1 to the Master Agreement shall have the same meaning as the definitions listed in the Master Agreement unless otherwise stated herein.

3 NO MERGER CONTROL FILING

The Parties declare that they have examined a potential merger control filing requirement with the German Federal Cartel Office and that the Purchasers have established to the Parties' satisfaction that based on the Purchasers' turnover in Germany there is no necessity to initiate a merger control procedure under secs. 35 seq. of the Restraints on Competition Act.

Against this background, Clause 4.4.4 and Clause 16 of the Master Agreement shall hereby be waived in their entirety with retroactive effect to the notarisation of the Master Agreement. In particular the Purchaser shall not be obliged to file the transaction agreed under the Master Agreement with the German Federal Cartel Office and the transaction to be established by the Master Agreement shall not be subject to a Merger Control Clearance Event. The transaction to be established by the Master Agreement shall be treated as if Clause 4.4.4 and Clause 16 of the Master Agreement would not have been agreed.

4 DEFERRAL OF CLOSING, MATURITY OF PURCHASE PRICE

4.1 With respect to Clause 4.6.1 of the Master Agreement the Parties agree that the February Maturity Date will be postponed to the March Maturity Date.

4.2 Deviating from the stipulation in Clause 4.6.2 of the Master Agreement the March Maturity Date will now take place on 27 March 2015 (the "**New March Maturity Date**") instead of 31 March 2015, the original March Maturity Date (for the avoidance of doubt, there will only be one March closing which takes place on the New March Maturity Date).

The Parties acknowledge that thereby the New March Maturity Date (i) will no longer fall on the last Business Day of March and (ii) will lapse less than ten Business Days following the March Maturity Notice.

Subject always to the provisions of Clause 4.13 of the Master Agreement (as amended), the Parties agree that there will be no pro rata adjustment of the March earnings and costs (NRI/NOI) based on the fact that the New March Maturity Date does not correspond to the last Business Day of March.

4.3 Against the background that the first maturity date will be postponed for all Purchase Objects of the Trias Portfolio from the February Maturity Date to the New March Maturity Date (at the earliest), no purchase price adjustment in accordance with Clause 4.13.1 of the Master Agreement will be made for all Purchase Objects in relation to which (i) all IPA CP Confirmations and (ii) all Purchase Price CP Confirmations, in each case except those set out under lit. (a) and (b) below (the "**Exempted CPs**"), have been received by the Notary by 12 February 2015, 24.00 hrs. (midnight) Central European Time.

The Exempted CPs are those conditions precedent directly or indirectly relating to:

(a) the Sellers' former and present depository banks' consents to the sale of the Trias Portfolio as well as the approval of the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin) to the change of the Sellers' depository banks and the sale of the Trias Portfolio;

(b) the full discharge of the security for the Sellers' financing.

The application of the purchase price adjustment in Clauses 4.13.1 to 4.13.4 will accordingly be deferred from the February Maturity Date to the New March Maturity Date.

4.4 The Parties agree that the February Maturity Notice under Clause 4.5.1 of the Master Agreement shall be sent out by the Notary not on 13 February 2015, but shall be postponed by as much as one week and served by the Notary until 20 February 2015 at the latest. The Parties further agree that the Notary shall include in the February Maturity Notice information as to the Purchase Objects in relation to which the IPA CP Confirmations and/or the Purchase Price CP Confirmations are not fulfilled because of non- fulfilment of Exempted CPs; except for the German Properties, where the Notary can determine this, that information shall be supplied to the Notary by the Parties. For the avoidance of doubt, (i) the relevant date for the receipt by the Notary of IPA CP Confirmations and Purchase Price CP Confirmations (12 February 2015, 24.00 hrs) shall remain unaffected and (ii) the Exempted CPs shall not be waived but have to be confirmed by the Notary in a later Maturity Notice.

5 SERVED DEFERRAL NOTICES / TENANCY SCHEDULE INACCURACIES

5.1 The Deferral Notice for the Purchase Objects Marly- la- Ville and Joubert has been served. For the avoidance of doubt, the Parties agree that the Maturity Date for the Purchase Objects Marly- la- Ville and Joubert shall be 27 March 2015, unless otherwise agreed henceforth.

5.2 In relation to the Purchase Object Werl, two inaccuracies in the tenancy schedule were discovered after signing of the Master Agreement: Residential tenant Konjo Asante- Aminpong has terminated the lease in November 2014 and residential tenant Gerrit Bleß has concluded a new lease in October 2014. The Parties confirm that these occurrences are of minor impact and commercially roughly balance each other and therefore do not give rise to a breach of guarantee and/or Purchase Price adjustment.

6 CP CONFIRMATIONS

Schedules 4.4.1 and 4.4.2 of the Master Agreement are hereby replaced by the combined and simplified confirmation attached as **Schedule 6** to this Amendment No. 1 to the Master Agreement. These confirmations can be signed by the Parties in counter- parts and be served to the Notary as pdf- copy via email or by telefax.

7 ACCOUNT DETAILS

With respect to Clause 4.8 of the Master Agreement the Parties agree that **Exhibit H** attached to the Master Agreement shall be replaced by **Exhibit H- NEW** attached to this Amendment No. 1 to the Master Agreement.

8 FINAL PROVISIONS

8.1 The Parties confirm that each Party shall fulfil its obligations, in particular its co- operation obligations, under this Amendment No. 1 to the Master Agreement, the Master Agreement and the respective IPAs in a proper and timely fashion, especially where the co-operation of one Party is required to allow the other Party to liaise with third parties to further the completion of the transaction.

8.2 The Parties agree that the respective IPAs may, where necessary, be amended in accordance with this Amendment No. 1 to the Master Agreement.

8.3 Each Party shall bear the costs of its own advisers.

The Purchasers shall bear the notarisation costs connected with this Amendment No. 1 to the Master Agreement.

8.4 Unless expressly changed above, the Master Agreement remains unchanged and in full force and effect.

8.5 This Amendment No. 1 to the Master Agreement is subject to and governed by the laws of the Federal Republic of Germany and, unless imperatively subject to different laws, shall be construed and interpreted accordingly.

8.6 Insofar as there is no exclusive statutory jurisdiction, all disputes arising under or in connection with this Amendment No. 1 to the Master Agreement shall exclusively be determined by the civil courts of Frankfurt am Main, Germany.

This Amendment No. 1 to the Master Agreement together with its **Schedule 6** and **Exhibit H- New** was read aloud to the persons appearing, approved by them and then signed as follows by the persons appearing and the Notary

/s/ Mr. Wolfram H. Krüger
/s/ Mr. Nils Lütthans
/s/ Mr. Sebastian Lietsch
/s/ Mr. Victor Stoltenburg
/s/ Dr. Alexander Ruhl
/s/ Mr. Markus Böhn
/s/ Dr. Hinrich Thieme, Notary

NEGOTIATED

On 27 March 2015

Before me, the undersigning notary
Dr. Hinrich Thieme
in the district of the Higher Regional Court of Frankfurt am Main, Germany
with official seat in Frankfurt am Main, Untermainanlage 1, 60329 Frankfurt am Main

appeared today:

(1) Ms. Dr. Kim Laura Frank, born 3 August 1981
personally known to the Notary,
with business address at Mainzer Landstraße 16, 60325 Frankfurt a.M.,

The person appearing at (1) declares that in the following she is not acting in her own name, but – excluding any personal liability towards the Parties – in the name and on behalf of:

(1.1) **IVG Institutional Funds GmbH** with business address at THE SQUAIRE 18, Am Flughafen, 60549 Frankfurt am Main and its seat in Frankfurt am Main, registered in the commercial register of the local court of Frankfurt am Main under number HR B 91062, acting for the special AIF- fund (Spezial- AIF- Sondervermögen) “EuroWest“

- "**IVG Seller 1**" -

(1.2) **PMG - Property Management GmbH** with business address at THE SQUAIRE 18, Am Flughafen, 60549 Frankfurt am Main and its seat in Frankfurt, registered in the commercial register of the local court Frankfurt am Main under number HRB 96246

- "**IVG Seller 2**" –

(1.3) **Via Bensi 1/1 S.r.l.** a limited liability company incorporated under the laws of Italy with registered office at via Olmetto 17, Milan Italy

- "**IVG Seller 3**" -

The person appearing at (1) presented certified copies of the notarised original powers of attorney dated 8 December 2014 (roll of deeds number 568/2014 of notary Dr. Carsten J. Angersbach in Frankfurt am Main) and dated 11 December 2014 (roll of deeds number 583/2014 of notary Dr. Carsten J. Angersbach in Frankfurt am Main) and the notarised original of the power of attorney dated 18 December 2014 (roll of deeds number 166/2014 P of notary Dr. Gero Pfeiffer in Frankfurt am Main). Certified copies of the powers of attorney are attached to this Amendment No. 2 as **Exhibit A**.

(1.4) **INTERNOS Spezialfondsgesellschaft mbH**, with business address at Goetheplatz 4, 60311 Frankfurt am Main and its seat in Frankfurt am Main, registered in the commercial register of Frankfurt am Main under number HR B 98593, acting for the special AIF- fund (Spezial- AIF- Sondervermögen) "ProCommerz"

- "**INTERNOS Seller**" -

The person appearing at (1) presented the notarised original of the power of attorney dated 18 December 2014 (roll of deeds number 165/2014 P of notary Dr. Gero Pfeiffer in Frankfurt am Main) and the notarised original of the sub- power of attorney dated 24 March 2015 (roll of deeds number 44/2015 R of notary Dr. Volker Rebmann, Frankfurt am Main. Certified copies of the power of attorney and the sub- power of attorney are attached to this Amendment No. 2 as **Exhibit B**.

The INTERNOS Seller was previously named Commerz Real Spezialfondsgesellschaft mbH and was subsequently renamed into its present name without a change of legal form or identity on the basis of the shareholders' resolution dated 1 November 2013 registered with the commercial register on 13 February 2014 and 6 March 2014.

(1.5) **WestInvest Gesellschaft für Investmentfonds mbH** with business address at Hans- Böckler- Straße 33, 40476 Düsseldorf and its seat in Düsseldorf, registered in the commercial register of Düsseldorf under number HR B 24304, acting for the special AIF- fund (Spezial- AIF- Sondervermögen) "WestInvest Spezial 1"

- "**Deka Seller**" -

The person appearing at (1) presented the notarised original of the power of attorney dated 18 December 2014 (roll of deeds number 1133/2014 B of notary Frank Brüggemann in Frankfurt am Main) and the original of the sup- power of attorney dated 26 March 2015 (roll of deeds number 43/2015 of notary Dr. Hinrich Thieme, Frankfurt am Main). Certified copies of the power of attorney and of the sub- power of attorney are attached to this Amendment No. 2 as **Exhibit C**. Furthermore the person appearing at (1) presented a copy of the the notarised power of attorney dated

15 December 2014 (roll of deeds number 1110/2014 B of notary Frank Brüggemann in Frankfurt am Main) which is attached as **Exhibit C**.

(2) Mr. Dr. David Elshorst, born 7 July 1968
personally known to the Notary,
with business address at Mainzer Landstraße 46, 60325 Frankfurt am Main
The person appearing at (2) declares that in the following he is not acting in his own name, but
(i) in relation to 2.1 – 2.20 based on the notarised and apostilled powers of attorney dated 15 December 2014 of Notary Carlo Wersandt in, Luxembourg – excluding any personal liability towards the Parties – (certified copies of the powers of attorney are attached to this Amendment No. 2 as **Exhibit D**);
(ii) in relation to 2.21 + 2.22 based on the notarised and apostilled powers of attorney dated 17 December 2014 of deputy notary Sandra Christina Sousa Gomes dos Reis in Lisbon – excluding any personal liability towards the Parties – (certified copies of the powers of attorney are attached to this Amendment No. 2 as **Exhibit D**);
(iii) in relation to 2.23 to 2.38 based on the powers of attorney dated 26 March 2015 – excluding any personal liability towards the Parties – (copies of the powers of attorney are attached to this Amendment No. 2 as **Exhibit D**);
in the name and on behalf of:

(2.1) **Trias Holdco C – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.534), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 1**" -

(2.2) **Trias GER Immermannstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.539), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 2**" -

(2.3) **Trias GER Munsterstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.544), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 3**" -

(2.4) **Trias GER Rather Strasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under

registration number B 192.630), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 4**" -

(2.5) **Trias GER Ludwigstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.548), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 5**" -

(2.6) **Trias GER Kaygasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.561), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 6**" -

(2.7) **Trias GER Bottrop – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.563), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 7**" -

(2.8) **Trias GER Holzwickede – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.569), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 8**" -

(2.9) **Trias GER Munster – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.568), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 9**" -

(2.10) **Trias GER Werl – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.577), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 10**" -

(2.11) **Trias GER Cuxhaven – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg

(registered in the Luxembourg Trade and Companies' register under registration number B 192.578), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 11**" -

(2.12) **Trias GER Kirchheide – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.579), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 12**" -

(2.13) **Trias GER Uhlandstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.581), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 13**" -

(2.14) **Trias GER Stuttgart – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.583), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 14**" -

(2.15) **Trias GER Bunte Kuh – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.584), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 15**" -

(2.16) **Trias GER Pferdemarkt – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.585), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 16**" -

(2.17) **Trias GER Munich Airport – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.586), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 17**" -

(2.18) **Trias GER Ibis Berlin – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.597), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 18**" -

(2.19) **Trias GER IC Berlin – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.631), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 19**" -

(2.20) **Trias GER Parexel – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.593), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 20**" -

(2.21) **Trias PRT Office 123- T, LDA,** a private limited company incorporated under the laws of Portugal (registered in the Portuguese Commercial Register under registration number 513.330.470), with a share capital of EUR 12,500, having its registered office at Rua Ivens no. 42, 1st floor, 1200- 023 Lisbon,

- "**Purchaser 21**" -

(2.22) **Trias PRT Albufeira- T, LDA,** a private limited company incorporated under the laws of Portugal (registered in the Portuguese Commercial Register under registration number 513.330.453), with a share capital of EUR 12,500, having its registered office at Rua Ivens no. 42, 1st floor, 1200- 023 Lisbon,

- "**Purchaser 22**" -

(2.23) **SCI Trias FRA Marly – T,** a société civile immobilière (private limited company for property purposes) incorporated under the laws of the Republic of France (registered in the Paris register of commerce and companies under registration number 809 608 912 R.C.S. Paris), with a share capital of EUR 10,000, having its registered office at 4 Place de la Défense, La Défense 4, 92974 Paris La Défense CEDEX,

- "**Purchaser 23**" -

(2.24) **Trias OPCI,** a société de placement à prépondérence immobilière à capital variable sous la forme SAS incorporated under the laws of the Republic of France (registered in the Paris register of commerce and companies – registration number remaining to be ascribed), with a minimum share capital of EUR 14,663,100, having its registered office at c/o Swiss Life Reim, 13 avenue de l'Opéra, 75001 Paris,

- "**Purchaser 24**" -

(2.25) **Trias Pool III – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194829), with a share capital of EUR 12,500, having its registered office at 6A route de Trèves, L- 2633 Senningerberg

- "**Purchaser 25**" -

(2.26) **Trias UK Gemini – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194339), with a share capital of GBP 15,000, having its registered office at L- 2633 Senningerberg, 6A route de Trèves,

- "**Purchaser 26**" -

(2.27) **Trias UK Sherard – T, S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194345), with a share capital of GBP 15,000, having its registered office at L- 2633 Senningerberg, 6A route de Trèves,

- "**Purchaser 27**" -

(2.28) **Trias UK Centrium 1 – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194350), with a share capital of GBP 15,000, having its registered office at L- 2633 Senningerberg, 6A route de Trèves,

- "**Purchaser 28**" -

(2.29) **Trias UK The Building – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194373), with a share capital of GBP 15,000, having its registered office at L- 2633 Senningerberg, 6A route de Trèves,

- "**Purchaser 29**" -

(2.30) **Trias UK Delta – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194335), with a share capital of GBP 15,000, having its registered office at L- 2633 Senningerberg, 6A route de Trèves,

- "**Purchaser 30**" -

(2.31) **Trias UK Edinburgh – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194364), with a share capital of GBP 15,000, having its registered office at L- 2633 Senningerberg, 6A route de Trèves,

- "**Purchaser 31**" -

(2.32) **Trias BEL Leopold 1 – T S.p.r.l.,** a société privée à responsabilité limitée (private limited liability company) incorporated under the laws of the Kingdom of Belgium (registered in the Commercial Register of Brussels register under registration number 0597.987.281), with a share capital of EUR 18,550, having its registered office at Rue Montoyer 10, 1000 Brussels,

- "**Purchaser 32**" -

(2.33) **Trias BEL Souverain – T S.p.r.l.,** a société privée à responsabilité limitée (private limited liability company) incorporated under the laws of the Kingdom of Belgium (registered in the Commercial Register of Brussels register under registration number 0597.987.776), with a share capital of EUR 18,550, having its registered office at Rue Montoyer 10, 1000 Brussels,

- "**Purchaser 33**" -

(2.34) **Trias Pool VII – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194.837), with a share capital of EUR 12,500, having its registered office at L- 2633 Senningerberg, 6A route de Trèves,

- "**Purchaser 34**" -

(2.35) **Trias NLD Rijswijk – T B.V.,** a Besloten Vennootschap (private limited liability company) incorporated under the laws of the Kingdom of the Netherlands (registered in the Netherlands Chamber of Commerce Commercial Register under registration number 62583247), with a share capital of EUR 10,000, having its registered office at Zuidplein 156, 1077XV Amsterdam,

- "**Purchaser 35**" -

(2.36) **Trias NLD De Meern – T B.V.,** a Besloten Vennootschap (private limited liability company) incorporated under the laws of the Kingdom of the Netherlands (registered in the Netherlands Chamber of Commerce Commercial Register under registration number 62583514), with a share capital of EUR 10,000, having its registered office at Zuidplein 156, 1077XV Amsterdam,

- "**Purchaser 36**" -

(2.37) **Trias ITA Edificio J – T S.r.l.,** a società a responsabilità limitata (private limited liability company) incorporated under the laws of the Republic of Italy (registered in the Italian Business Register under registration number MI- 2062572), with a share capital of EUR 10,000, having its registered office at Via Tortona 25, CAP 20144, Milan,

- "**Purchaser 37**" -

(2.38) **Trias ESP Leonor – T S.L.,** a sociedad limitada (limited partnership) incorporated under the laws of the Kingdom of Spain (registered with the Commercial Registry of Madrid, at Volume 33,123, Page M- 596119), with a share capital of EUR 3,000, having its registered office at Calle Monte Esquinza 30, bajo izquierda (28010) Madrid,

- "**Purchaser 38**" -

I. DESIGNATION OF PARTIES

The IVG Seller 1, the IVG Seller 2, the IVG Seller 3, the INTERNOS Seller and the Deka Seller are collectively referred to as the "**Sellers**" and each individually as a "**Seller**"

The Purchaser 1 to the Purchaser 38 are collectively referred to as the "**Purchasers**" and each individually as a "**Purchaser**".

The Sellers and the Purchasers are collectively also referred to as the "**Parties**" or each individually as a "**Party**".

A master agreement (the **Master Agreement**) was concluded between the Sellers and the Purchasers on 18 December 2014 (roll of deed no. 234/2014 of notary Dr. Hinrich Thieme, Frankfurt am Main) regarding the acquisition of the Purchase Objects together with the notarial deed dated 18 December 2014, roll of deeds number 232/2014 of the Notary Dr. Hinrich Thieme in Frankfurt am Main (the "**Reference Deed INT 1**"), the notarial deed dated 15, 16, 17 December 2014, roll of deeds number 150/2014 P of the notary Dr. Gero Pfeiffer in Frankfurt am Main (the "**Reference Deed INT 2**") and the notarial deed dated 13, 14, 15, 16 December 2014, roll of deeds number 1184/2014 S of the notary Dr. Bernhard Schütz (the "**Reference Deed INT 3**" and Reference Deed INT 1, Reference Deed INT 2 and Reference Deed INT 3 together the "**Reference Deeds INT**") and the notarial deed dated 18 December 2014, roll of deeds number 233/2014 of the Notary Dr. Hinrich Thieme in Frankfurt am Main (the "**Reference Deed GER**" and together with Reference Deeds INT the "**Reference Deeds**") and the Amendment No. 1 to the Master Agreement on 12 February 2015, roll of deeds number 21/2015 of the Notary Dr. Hinrich Thieme in Frankfurt am Main (the **Amendment No. 1**) were created.

Reference is hereby made to the Master Agreement, the Amendment No. 1 and the Reference Deeds. They were available as an original or certified copies respectively at today's notarisation. The persons appearing state they are familiar with the contents of the Master Agreement, the Amendment No. 1 and the Reference Deeds and they waive them being read out loud and them being attached to this Amendment No. 2. The Notary has informed the persons appearing of the importance of the reference under section 13a of the German Notarisation Act (Beurkundungsgesetz).

II. RECORDING IN THE ENGLISH LANGUAGE

The persons appearing requested that this Amendment No. 2 to the Master Agreement be recorded in the English language and stated that they had sufficient command of the English language. The Notary, who himself has sufficient command of the English language; verified that the persons appearing did, in fact, have such sufficient command of the English language. Advised by the Notary of their rights to obtain the assistance of a sworn interpreter and to have a certified translation attached to this Amendment No. 2 to the Master Agreement, the persons appearing waived such rights.

III. NO PRIOR INVOLVEMENT

Upon the Notary's instruction on the contents of prior involvement (Vorbefassung) within the meaning of Section 3 (1) no. 7 of the German Notarisation Act (Beurkundungsgesetz), the persons appearing and the Notary confirmed that there was no such prior involvement.

The persons appearing requested notarisation of the following:

Project Trias
Amendment No. 2 to the
Master Agreement dated 19 December 2014 and
Amendment No. 1 dated 12 February 2015

1 RECITALS

(A) A master agreement was concluded between the Sellers and the Purchasers 1 to 22 on 19 December 2014 (roll of deeds no. 234/2014 of notary Dr. Hinrich Thieme, Frankfurt am Main) ("**Original Agreement**") and an amendment no. 1 to such master agreement was concluded on 12 February 2015 (roll of deeds no. 21/2015 of notary Dr. Hinrich Thieme, Frankfurt am Main) regarding the acquisition of the Purchase Objects (collectively hereinafter the "**Master Agreement**").

(B) The Purchaser envisages transferring the contractual relationship under the Master Agreement and the relevant IPA in relation to certain Purchase Objects to Internal Designees as provided in clause 17.3.1 of the Original Agreement.

(C) In relation to the German APA, the Parties agree that the circle of potential land charge beneficiaries in Clause 11 of the German APA shall be extended.

(D) At the Purchasers' request the Parties intend to further defer the closing of the transaction. To this end they intend to defer the New March Maturity Date and compensate certain disadvantages the Sellers would otherwise suffer as a consequence of such deferral.

NOW, therefore, the Parties agree as follows:

2 DEFINITIONS

The definitions used in this Amendment No. 2 shall have the same meaning as the definitions listed in the Master Agreement unless otherwise stated herein.

3 Transfer of Benefit of IPAs to PropCos

3.1 The Parties hereby agree, making reference to Clause 17.3 last paragraph of the Original Agreement, to fully transfer the contractual relationships under the Master Agreement and the relevant IPA in relation to the indicated Purchase Objects in accordance with Clause 17.3.1 of the Original Agreement from the Purchaser to Internal Designees as shown in the following table with effect as of 27 March 2015 (24.00 hours CET) ("**Effective Date**") ("**Transfers**"):

Asset Purchases

Property / Entity	Legal Designation	Country	Original Purchaser	Internal Designees (new purchasers)
6 rue Eugène Pottier 95670 Marly- La- Ville	Title: freehold Property registered with the cadastral register as follows: ZD8, ZD9, ZD10, ZD11, ZD12, ZD13, ZD14, ZD150, ZD41, ZD55, ZD152, ZD77, ZD93, ZD95, ZD96, ZD97, ZD98, ZD100, ZD102 and ZD104	France	Purchaser 1	Purchaser 23 (SCI Trias FRA Marly – T)
(Gemini Building) 920 Aztec West, Almondsbury Bristol BS32 4SR	Title No.: GR316564 Title: Freehold (Title Absolute) Land Registry: South Gloucestershire	England	Purchaser 1	Purchaser 26 (Trias UK Gemini – T Sarl)
(Sherard Building) The Sherard Building, Oxford Science Park, Grenoble Road, Sandford on Thames, Oxford	Title No.: ON253512 Title: Leasehold (Title Absolute) Land Registry: Oxfordshire: Oxford		Purchaser 1	Purchaser 27 (Trias UK Sherard – T Sarl)
(Centrium 1) 1 Centrium Business Park, Griffiths Way, St Albans AL1 2RD	Title No.: HD473089 Title: Freehold (Title Absolute) Land Registry: Hertfordshire: St Albans		Purchaser 1	Purchaser 28 (Trias UK Centrium 1 – T Sarl)
(The Building) 578/586 Chiswick High Road, Chiswick W4 5RP	Title No.: NGL47571 Title: Freehold (Title Absolute) Land Registry: Hounslow		Purchaser 1	Purchaser 29 (Trias UK The Building – T Sarl)

Property / Entity	Legal Designation	Country	Original Purchaser	Internal Designees (new purchasers)
Delta House 46- 54 West Nile Street Glasgow G1 2NP	Title: Freehold ALL and WHOLE the subject at 46- 54 West Nile Street, Glasgow G1 2NP registered in the Land Register of Scotland under Title Number GLA161027	Scotland	Purchaser 1	Purchaser 30 (Trias UK Delta – T Sarl)
3 Lochside View Edinburgh EH1 9DH	Title: Freehold ALL and WHOLE the subject at 3 Lochside View, Edinburgh EH12 9DH registered in the Land Register of Scotland under Title Number MID15927		Purchaser 1	Purchaser 31 (Trias UK Edinburgh – T Sarl)
Rue Montoyer 10 1000 Brussels	Property registered with the land registry according to title and to a recent extract from the land registry as Brussels, 5th division, section E, number 371/P, with a surface of 856 m².	Belgium	Purchaser 1	Purchaser 32 (Trias BEL Leopold 1 – T Sarl)
Boulevard du Souverain 278, 280/286 1160 Brussels	Property registered with the land registry according to title and to a recent extract from the land registry as Auderghem, 2nd division, section B, numbers 0319/A/2 and 0316/Z, with a surface of 3,477 m², comprising a six- floor main building at n° 280 and a two- floor annex at n° 278		Purchaser 1	Purchaser 33 (Trias BEL Souverain – T Sarl)
Laan van Hoornwijck 55 and 65 2289 DG Rijswijk	Title: freehold Land register: Rijswijk Section: E Number: 2258	Netherlands	Purchaser 1	Purchaser 35 (Trias NLD Rijswijk – T, BV)
Rijnzathe 14 3454 PV De Meern,	Title: freehold Land register: Oudenrijin Section: A Number: 3778		Purchaser 1	Purchaser 36 (Trias NLD De Meern – T BV)

Property / Entity	Legal Designation	Country	Original Purchaser	Internal Designees (new purchasers)
Via Giovanni Bensi 1/1 20152 Milan	Title: Freehold (indirect) Property registered with the cadastral register under sheet 505, parcel 79 sub- parcels 1- 75 and 701- 717; parcel 69, sub-parcels 1- 2	Italy	Purchaser 1	Purchaser 37 (Trias ITA Edificio J – T Srl)
Calle Santa Leonor 39 Madrid	Title: Freehold Property registered with the land registry office of Madrid, Number 17, plot 10,238, cadastral reference number 6666213VK466F00001QG	Spain	Purchaser 1	Purchaser 38 (Trias ESP Leonor – SL)

Share Purchases

Property / Entity	Legal Designation	Country	Original Purchaser	Internal Designees (new purchasers)
58 Avenue Marceau	a société par actions simplifiée à capital variable incorporated and existing under the laws of France with a share capital currently amounting to EUR 5,100,000, having its registered office located at in Paris (75008), 32 rue des Mathurins, registered under the Paris Trade and Companies Register under number 484 237 573	France	Purchaser 1	Purchaser 25 (Trias Pool III – T Sarl)

Property / Entity	Legal Designation	Country	Original Purchaser	Internal Designees (new purchasers)
20 Rue Joubert	a société par actions simplifiée à capital variable incorporated and existing under the laws of France with a share capital currently amounting to EUR 1,035,300, having its registered office located at in Paris (75008), 32 rue des Mathurins, registered under the Paris Trade and Companies Register under number 444 549 794		Purchaser 1	Purchaser 24 (Trias OPCI)
121 Rue d'Alésia	a société par actions simplifiée à capital variable incorporated and existing under the laws of France with a share capital currently amounting to EUR 4,100,000, having its registered office located at in Paris (75008), 32 rue des Mathurins, registered under the Paris Trade and Companies Register under number 478 124 720	France	Purchaser 1	Purchaser 25 (Trias Pool III – T Sarl)
The Science Propco (Immo Science 41 BV BVBA)	Company having its registered office at rue Montoyer 10, 1000 Brussels, registered with the Crossroad Bank of Enterprises under registration number 0863.981.770	Belgium	Purchaser 1	Purchaser 34 (BvBa and Trias Pool VII – T Sarl)

3.2 The Parties confirm that the Transfers lead to a complete exchange of the contractual position on the Purchaser's side, i.e. that as of the Effective Date (i) only the respective Internal Designee is entitled and obliged under the Master Agreement and the relevant IPA, (ii) all benefits and burdens are with the respective Internal Designee and (iii) Purchaser 1 shall be absolved from any liability in connection with the Purchase Objects which are subject to the Transfers.

3.3 Details of the Transfers will, to the extent necessary, be regulated in an amendment to the relevant IPA.

4 Deferral of Closing

4.1 Secure Portfolio Maturity Date:

The Parties hereby agree that the New March Maturity Date will be deferred. The Parties further agree that (i) all further conditions precedent for the validity according to clause 4.4.1 of the Master Agreement have been fulfilled for all IPAs and (ii) the Purchase Price Maturity CPs according to clause 4.4.2 of the Master Agreement have been fulfilled for all Purchase Objects with the one exception of the Purchase Object Cuxhaven (the "**Secure Portfolio**"). The Parties finally agree that the Maturity Date for the entire Secure Portfolio will be **8 April 2015** (the "**Secure Portfolio Maturity Date**").

Accordingly,

4.1.1 there will be no Maturity Date and no closing on 27 March 2015; and

4.1.2 the Maturity Date for the Purchase Object Cuxhaven is suspended indefinitely. Such suspension period shall continue until either of the following events: (i) the Parties agree on revised terms of purchase and a binding Maturity Date for the Purchase Object Cuxhaven, (ii) the Parties jointly resolve to definitely remove the Purchase Object Cuxhaven from the transaction or (iii) either Party, following 30 June 2015 and according to clause 13.2 of the Master Agreement, rescinds the Master Agreement and the German APA in relation to the Purchase Object Cuxhaven. In case of a rescission or removal of the Purchase Object Cuxhaven the Parties will share the costs for the registration and deletion of the priority notice.

4.2 Increased Down Payment:

4.2.1 The Notary has confirmed receipt of a further amount of **EUR 26,750,000** (in words: twenty six million seven hundred fifty thousand Euros) on behalf of the Purchasers on the escrow account established by the Notary (the "**Escrow Account**") so that a total amount of **EUR 50,000,000** (the "**Increased Down Payment**") stands to the credit of the Escrow Account. Each Purchase Price minus the corresponding Increased Down Payment is defined as the "Remaining Purchase Price". The Notary is instructed to invest the Increased Down Payments at standard banking conditions.

4.2.2 The Increased Down Payment in its entirety shall be allocated to all Purchase Objects of the Secure Portfolio, pro rated according to their respective share of the aggregate Purchase Prices of the Secure Portfolio as set out in **Schedule 4.2.2**. Accordingly, no part of the Increased Down Payment shall be allocated to the Purchase Object Cuxhaven.

4.2.3 The Increased Down Payment is subject to the same provisions as the initial Down Payment was subject to the following provision: At the Secure Portfolio Maturity Date the Notary shall release the Increased Down Payments allocated to the Purchase Objects for which the Purchase Price fall due pursuant to **Schedule 4.2.2** to the respective Seller`s account as set out in **Exhibit H- NEW** unless a Seller has instructed the Notary in writing (pdf scan per email is sufficient) until 7 April 2015 11.00 am CET at the latest to transfer the respective Increased Down Payment to another account designated by such Seller save for the account with respect to the Purchase Object Schwaig- Oberding which can not be changed by unilateral instruction of the respective Seller; the Increased Down Payment for the Purchase Object Schwaig- Oberding has to be released by the Notary to the following account: Deutsche Postbank AG, IBAN: DE94380107006193999000; BIC: PBNKDEFF.

4.3 Financing Confirmation:
The Purchasers have provided to the Sellers the financing confirmation from the lender for the proposed debt portion of the Purchase Prices as set out in **Schedule 4.3** and the Sellers accept this.
4.4 Cost Compensation:
The Purchasers will pay to the Sellers within five Business Days following receipt of one or more proper invoice(s) issued by the Sellers a lump sum of EUR 250,000 as compensation for additional costs incurred by the Sellers due to the deferral of the Maturity Date.
4.5 Scottish Transfer Tax:
The Scottish APA in its clause 28.2 contains an obligation of the Sellers to indemnify the Purchasers against any increased transfer tax burden in certain circumstances due to a change of the Scottish tax regime coming into effect on 1 April 2015. The Purchasers hereby waive the right to make any claim under such indemnity and/or otherwise under such clause 28.2.
4.6 Material Adverse Change:
For the purposes of determining whether a Lease MAC according to clause 9.7 of the Master Agreement has occurred, the Transfer Date for the Secure Portfolio shall be deemed to be 27 March 2015. Consequently any event that occurs post 27 March 2015 and would otherwise have constituted a Lease MAC will not be regarded as such.
All other provisions on material adverse changes, in particular on Normal Wear and Tear (clause 9.1 of the Master Agreement), a Relevant Deterioration (clause 9.2 of the Master Agreement) and a Material Deterioration (clause 9.3 of the Master Agreement) remain applicable unchanged.
4.7 Purchase Price Reductions:
No Purchase Price reductions according to clause 4.13 of the Master Agreement shall be effected in relation to the Secure Portfolio.
4.8 April Rental Income:
Without undue delay following the Transfer Date, the Sellers shall initially transfer to the Purchasers the pro rata gross rental income for the time from and including the Transfer Date until the end of the relevant month (e.g. if closing takes place on 8 April 2015 as envisioned 23/30 of the April gross rent are to be transferred to the Purchasers).
In a second step either Party is allowed to reclaim from the respective counter- Party overpayments actually made by them in Settlement of Ancillary Costs according to clause 6.8.3 of the Master Agreement. This shall be reflected accordingly in the Settlement Account drawn up under clause 6.8 of the Master Agreement.

5 POA TO ENCUMBER THE GERMAN PROPERTIES

5.1 Clause 11 of the German APA stipulates that the Purchasers 2 to 20 are entitled to encumber the German Properties with land charges in favour of credit institutions (Kreditinstitute) to secure their financing. The Parties agree that Clause 11 of the German APA shall be extended insofar as the Purchasers 2 to 20 shall be entitled to encumber the German Properties with certified land charges (Einzel- oder Gesamtgrundpfandrechte mit Brief) in favour of CBRE Loan Servicing GmbH ("**CBRE**").

5.2 If and insofar as land charges are created in favour of CBRE, the Purchasers 2 to 20 shall use best efforts to procure that deletion consents (Löschungsbewilligungen) from CBRE for the respective land charges are delivered to the Notary. The Notary is hereby irrevocably instructed by the Parties as follows:

(a) The application to the land register for registration of the land charges may only be issued accompanied by a clear instruction to the land register to send land charge certificates (Grundschuldbriefe) exclusively to the Notary. The Notary advised the Parties that despite such instruction the land register still may not comply with such an instruction and send the land charge certificates to a different recipient, e.g. the land charge creditor.

(b) The Notary may not hand over to the Purchasers, the financing bank or CBRE any enforceable copies of the land charge (vollstreckbare Ausfertigung der Grundschuldbestellungsurkunde) or any land charge certificate he receives prior to his receipt of the corresponding release declarations or prior to the confirmation of the Purchase Price payment pursuant to Clause 9.2 of the German APA.

(c) The Notary will keep such release declarations in escrow until

(i) either the payment of the Purchase Price has been confirmed pursuant to Clause 9.2 of the German APA ("**Closing**") in which case he will without undue delay release the deletion consents to CBRE;

(ii) the Sellers have notified the Notary that Closing has failed in which case the Notary shall follow the procedure set out in clause 12.2 of the German APA accordingly. If the conditions set out in clause 12.2 of the German APA are fulfilled the Notary shall without undue delay file the deletion consents to the competent land registers once the Sellers have proven or CBRE has confirmed return of any monies owed to CBRE according to clause 11.5.5 of the German APA (Zug um Zug).

5.3 For the avoidance of doubt clause 11.1 of the German APA is amended as follows:

"Der jeweilige Käufer verpflichtet den jeweiligen Verkäufer, an der Finanzierung der Kaufpreise zu Lasten des jeweiligen Kaufgegenstandes mitzuwirken. Zum Zwecke der Kaufpreisfinanzierung bevollmächtigen die jeweiligen Verkäufer die jeweiligen Käufer hinsichtlich des jeweiligen Kaufgegenstandes unwiderruflich unter Befreiung von den Beschränkungen des § 181 BGB und mit dem Recht zur Erteilung von Untervollmacht, den Kaufgegenstand durch Erklärung vor dem amtierenden Notar, seinem amtlich bestellten Vertreter oder Amtsnachfolger bis zur Höhe der aggregierten Kaufpreise der Kaufgegenstände desselben Verkäufers mit Einzel- oder Gesamtgrundpfandrechten mit oder ohne Brief (die „Finanzierungsgrundschuld") zuzüglich bis zu achtzehn Prozent Zinsen jährlich ab Bewilligung und zuzüglich bis zu fünfzehn Prozent einmaliger Nebenleistung zu Gunsten deutscher, europäischer, US- amerikanischer oder in der Europäischen Union ansässiger Kreditinstitute oder beschränkt auf Briefgrundschulden zu Gunsten CBRE Loan Servicing GmbH zu belasten und den jeweiligen Eigentümer des Kaufgegenstandes gemäß § 800 ZPO der sofortigen Zwangsvollstreckung in den belasteten Kaufgegenstand zu unterwerfen sowie Rangänderungen zu bewilligen und zu beantragen, Zweckerklärungen und alle sonstigen für die Belastung des Kaufgegenstandes erforderlichen Erklärungen abzugeben und entgegenzunehmen. Im Außenverhältnis gilt diese Vollmacht unbeschränkt.

Im Außenverhältnis gilt diese Vollmacht unbeschränkt"

For the rest, Clause 11 of the German APA shall remain unaffected.

5.4 For the avoidance of doubt any reference to credit institutions in the Master Agreement and the German APA shall also include CBRE Loan Servicing GmbH.

6 FINAL PROVISIONS

6.1 The Parties confirm that each Party shall fulfil its obligations, in particular its co- operation obligations, under this Amendment No. 2 to the Master Agreement, the Master Agreement and the respective IPAs in a proper and timely fashion, especially where the co-operation of one Party is required to allow the other Party to liaise with third parties to further the completion of the transaction.

6.2 The Parties agree that the respective IPAs may, where necessary, be amended in accordance with this Amendment No. 2 to the Master Agreement.

6.3 Each Party shall bear the costs of its own advisers. The Purchasers shall bear the notarisation costs connected with this Amendment No. 2 to the Master Agreement.

6.4 Unless expressly changed above, the Master Agreement remains unchanged and in full force and effect.

6.5 This Amendment No. 2 to the Master Agreement is subject to and governed by the laws of the Federal Republic of Germany and, unless imperatively subject to different laws, shall be construed and interpreted accordingly.

6.6 Insofar as there is no exclusive statutory jurisdiction, all disputes arising under or in connection with this Amendment No. 2 to the Master Agreement shall exclusively be determined by the civil courts of Frankfurt am Main, Germany.

The notary instructed the persons appearing

- that the notary has not counselled the parties as to tax questions;
- that the notary does not advise on non- German laws. In particular, the Notary advised the persons appearing that he is not familiar with the regulations of the laws of France, United Kingdom, Belgium, Netherlands, Italy and Spain and that he does not advise the parties regarding the laws of these jurisdictions;
- that the personal data of the persons appearing will be stored at the Notary's office by means of electronic data processing and will possibly be notified to third parties in connection with obligations of the Notary to inform third parties; the persons appearing agreed therewith;
- that the Parties are jointly and severally liable for any real estate transfer tax, and for the costs of notarisation of this Agreement;
- that all contractual provisions must be fully and correctly included in this Deed; un- notarised agreements could be null and void and may render this Deed invalid. In this context, the Parties confirm once more that the information notarised herein is complete and correct.

This Amendment No. 2 to the Master Agreement (including Schedule 4.2.2 and Schedule 4.3) was read aloud to the persons appearing, approved by them and then signed as follows by the persons appearing and the Notary.

/s/ Ms. Dr. Kim Laura Frank

/s/ Mr. Dr. David Elshorst

/s/ Dr. Hinrich Thieme, Notary

Project Trias
Amendment No. 3 to the
Master Agreement dated 19 December 2014,
Amendment No. 1 dated 12 February 2015 and
Amendment No. 2 dated 27 March 2015

between

(1) As sellers

(1.1) **IVG Institutional Funds GmbH** with business address at THE SQUAIRE 18, Am Flughafen, 60549 Frankfurt am Main and its seat in Frankfurt am Main, registered in the commercial register of the local court of Frankfurt am Main under number HR B 91062, acting for the special AIF- fund (Spezial- AIF- Sondervermögen) "EuroWest"

- "**IVG Seller 1**" -

(1.2) **PMG - Property Management GmbH** with business address at THE SQUAIRE 18, Am Flughafen, 60549 Frankfurt am Main and its seat in Frankfurt, registered in the commercial register of the local court Frankfurt am Main under number HRB 96246

- "**IVG Seller 2**" –

(1.3) **Via Bensi 1/1 S.r.l.** a limited liability company incorporated under the laws of Italy with registered office at via Olmetto 17, Milan Italy

- "**IVG Seller 3**" -

(1.4) **INTERNOS Spezialfondsgesellschaft mbH**, with business address at Goetheplatz 4, 60311 Frankfurt am Main and its seat in Frankfurt am Main, registered in the commercial register of Frankfurt am Main under number HR B 98593, acting for the special AIF- fund (Spezial- AIF- Sondervermögen) "ProCommerz"

- "**INTERNOS Seller**" -

(1.5) **WestInvest Gesellschaft für Investmentfonds mbH** with business address at Hans- Böckler- Straße 33, 40476 Düsseldorf and its seat in Düsseldorf, registered in the commercial register of Düsseldorf under number HR B 24304, acting for the special AIF- fund (Spezial- AIF- Sondervermögen) "WestInvest Spezial 1"

- "**Deka Seller**" –

The IVG Seller 1, the IVG Seller 2, the IVG Seller 3, the INTERNOS Seller and the Deka Seller are collectively referred to as the "**Sellers**" and each individually as a "**Seller**".

and

(2) As purchasers

(2.1) **Trias Holdco C – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.534), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 1**" -

(2.2) **Trias GER Immermannstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.539), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 2**" -

(2.3) **Trias GER Munsterstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.544), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 3**" -

(2.4) **Trias GER Rather Strasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.630), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 4**" -

(2.5) **Trias GER Ludwigstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.548), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 5**" -

(2.6) **Trias GER Kaygasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.561), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 6**" -

(2.7) **Trias GER Bottrop – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.563), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 7**" -

(2.8) **Trias GER Holzwickede – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.569), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 8**" -

(2.9) **Trias GER Munster – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.568), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 9**" -

(2.10) **Trias GER Werl – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.577), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 10**" -

(2.11) **Trias GER Cuxhaven – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.578), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 11**" -

(2.12) **Trias GER Kirchheide – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.579), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 12**" -

(2.13) **Trias GER Uhlandstrasse – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.581), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 13**" -

(2.14) **Trias GER Stuttgart – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.583), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 14**" -

(2.15) **Trias GER Bunte Kuh – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.584), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 15**" -

(2.16) **Trias GER Pferdemarkt – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.585), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 16**" -

(2.17) **Trias GER Munich Airport – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.586), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "Purchaser 17" -

(2.18) **Trias GER Ibis Berlin – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.597), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "Purchaser 18" -

(2.19) **Trias GER IC Berlin – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.631), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 19**" -

(2.20) **Trias GER Parexel – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.593), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 20**" -

(2.21) **Trias PRT Office 123- T, LDA,** a private limited company incorporated under the laws of Portugal (registered in the Portuguese Commercial Register under registration number 513.330.470), with a share capital of EUR 12,500, having its registered office at Rua Ivens no. 42, 1st floor, 1200- 023 Lisbon,

- "**Purchaser 21**" -

(2.22) **Trias PRT Albufeira- T, LDA,** a private limited company incorporated under the laws of Portugal (registered in the Portuguese Commercial Register under registration number 513.330.453), with a share capital of EUR 12,500, having its registered office at Rua Ivens no. 42, 1st floor, 1200- 023 Lisbon,

- "**Purchaser 22**" -

(2.23) **SCI Trias FRA Marly – T,** a société civile immobilière (private limited company for property purposes) incorporated under the laws of the Republic of France (registered in the Paris register of commerce and companies under registration number 809 608 912 R.C.S. Paris), with a share capital of EUR 10,000, having its registered office at 4 Place de la Défense, La Défense 4, 92974 Paris La Défense CEDEX,

- "**Purchaser 23**" -

(2.24) **Trias OPCI,** a société de placement à prépondérence immobilière à capital variable sous la forme SAS incorporated under the laws of the Republic of France (registered in the Paris register of commerce and companies – registration number remaining to be ascribed), with a minimum share capital of EUR 14,663,100, having its registered office at c/o Swiss Life Reim, 13 avenue de l'Opéra, 75001 Paris,

- "**Purchaser 24**" -

(2.25) **Trias Pool III – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194829), with a share capital of EUR 12,500, having its registered office at 6A route de Trèves, L- 2633 Senningerberg,

- "Purchaser 25" -

(2.26) **Trias UK Gemini – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194339), with a share capital of GBP 15,000, having its registered office at L- 2633 Senningerberg, 6A route de Trèves,

- "**Purchaser 26**" -

(2.27) **Trias UK Sherard – T, S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194345), with a share capital of GBP 15,000, having its registered office at L- 2633 Senningerberg, 6A route de Trèves,

- "**Purchaser 27**" -

(2.28) **Trias UK Centrium 1 – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194350), with a share capital of GBP 15,000, having its registered office at L- 2633 Senningerberg, 6A route de Trèves,

- "**Purchaser 28**" -

(2.29) **Trias UK The Building – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194373), with a share capital of GBP 15,000, having its registered office at L- 2633 Senningerberg, 6A route de Trèves,

- "**Purchaser 29**" -

(2.30) **Trias UK Delta – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194335), with a share capital of GBP 15,000, having its registered office at L- 2633 Senningerberg, 6A route de Trèves,

- "**Purchaser 30**" -

(2.31) **Trias UK Edinburgh – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194364), with a share capital of GBP 15,000, having its registered office at L- 2633 Senningerberg, 6A route de Trèves,

- "**Purchaser 31**" -

(2.32) **Trias BEL Leopold 1 – T S.p.r.l.,** a société privée à responsabilité limitée (private limited liability company) incorporated under the laws of the Kingdom of Belgium (registered in the Commercial Register of Brussels register under registration number 0597.987.281), with a share capital of EUR 18,550, having its registered office at Rue Montoyer 10, 1000 Brussels,

- "**Purchaser 32**" -

(2.33) **Trias BEL Souverain – T S.p.r.l.,** a société privée à responsabilité limitée (private limited liability company) incorporated under the laws of the Kingdom of Belgium (registered in the Commercial Register of Brussels register under registration number 0597.987.776), with a share capital of EUR 18,550, having its registered office at Rue Montoyer 10, 1000 Brussels,

- "**Purchaser 33**" -

(2.34) **Trias Pool VII – T S.à r.l.,** a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 194.837), with a share capital of EUR 12,500, having its registered office at L- 2633 Senningerberg, 6A route de Trèves,

- "**Purchaser 34**" -

(2.35) **Trias NLD Rijswijk – T B.V.,** a Besloten Vennootschap (private limited liability company) incorporated under the laws of the Kingdom of the Netherlands (registered in the Netherlands Chamber of Commerce Commercial Register under registration number 62583247), with a share capital of EUR 10,000, having its registered office at Zuidplein 156, 1077XV Amsterdam,

- "**Purchaser 35**" -

(2.36) **Trias NLD De Meern – T B.V.,** a Besloten Vennootschap (private limited liability company) incorporated under the laws of the Kingdom of the Netherlands (registered in the Netherlands Chamber of Commerce Commercial Register under registration number 62583514), with a share capital of EUR 10,000, having its registered office at Zuidplein 156, 1077XV Amsterdam,

- "**Purchaser 36**" -

(2.37) **Trias ITA Edificio J – T S.r.l.,** a società a responsabilità limitata (private limited liability company) incorporated under the laws of the Republic of Italy (registered in the Italian Business Register under registration number MI- 2062572), with a share capital of EUR 10,000, having its registered office at Via Tortona 25, CAP 20144, Milan,

- "**Purchaser 37**" -

(2.38) **Trias ESP Leonor – T S.L.,** a sociedad limitada (limited partnership) incorporated under the laws of the Kingdom of Spain (registered with the Commercial Registry of Madrid, at Volume 33,123, Page M- 596119), with a share capital of EUR 3,000, having its registered office at Calle Monte Esquinza 30, bajo izquierda (28010) Madrid,

- "**Purchaser 38**" -

(2.39) **Trias Pool III – TLP S.C.A.**, a corporate partnership limited by shares incorporated and existing under the laws of Luxembourg, having its registered office at L- 2633, Senningerberg, 6A route de Trèves and in the process of being registered with the Luxembourg Register of Trade and Companies,

- "**Purchaser 39**" -

The Purchaser 1 to the Purchaser 39 are collectively referred to as the "**Purchasers**" and each individually as a "**Purchaser**".
The Sellers and the Purchasers are collectively also referred to as the "**Parties**" or each individually as a "**Party**".

1 RECITALS

(A) A master agreement was concluded between the Sellers and the Purchasers 1 to 22 on 19 December 2014 (roll of deeds no. 234/2014 of notary Dr. Hinrich Thieme, Frankfurt am Main) ("**Original Agreement**"), an amendment no. 1 to such master agreement was concluded between the Sellers and the Purchasers 1 to 22 on 12 February 2015 (roll of deeds no. 21/2015 of notary Dr. Hinrich Thieme, Frankfurt am Main) and an amendment no. 2 to such master agreement was concluded between the Sellers and the Purchasers 1 to 38 on 27 March 2015 (roll of deeds no. 44/2015 of notary Dr. Hinrich Thieme, Frankfurt am Main) regarding the acquisition of the Purchase Objects (collectively hereinafter the "**Master Agreement**").

(B) The Purchaser envisages transferring the contractual relationship under the Master Agreement and the relevant IPA in relation to certain French Purchase Objects to Internal Designees as provided in clause 17.3.1 of the Original Agreement.

NOW, therefore, the Parties agree as follows:

2 DEFINITIONS

The definitions used in this amendment no. 3 to the Original Agreement (hereinafter the "**Amendment No. 3**") shall have the same meaning as the definitions listed in the Master Agreement unless otherwise stated herein.

3 Transfer of Benefit of IPAs to PropCos

3.1 The Parties hereby agree to fully transfer the contractual relationships under the Master Agreement and the relevant IPA in relation to the indicated two French Purchase Objects (both Share Purchases) in accordance with Clause 17.3.1 of the Original Agreement from the Former Purchasers ("**Former Purchasers**") to Internal Designees as shown in the following table with effect as of 8 April 2015 ("**Effective Date**") ("**Transfers**"):

Property / Entity	Legal Designation	Former Purchasers	Internal Designees (new purchasers)
121, Rue d'Alésia, 75014 Paris	a société par actions simplifiée à capital variable incorporated and existing under the laws of France with a share capital currently amounting to EUR 4,100,000, having its registered office located at in Paris (75008), 32 rue des Mathurins, registered under the Paris Trade and Companies Register under number 478 124 720	Originally: Purchaser 1 (Trias Holdco C – T S.à r.l.) According to Amendment No. 2: Purchaser 25 (Trias Pool III – T S.a r.l.)	Purchaser 39 (Trias Pool III – TLP S.C.A.)
58 Avenue Marceau, 75008 Paris	a société par actions simplifiée à capital variable incorporated and existing under the laws of France with a share capital currently amounting to EUR 5,100,000, having its registered office located at in Paris (75008), 32 rue des Mathurins, registered under the Paris Trade and Companies Register under number 484 237 573	Originally: Purchaser 1 (Trias Holdco C – T S.à r.l.) According to Amendment No. 2: Purchaser 25 (Trias Pool III – T S.a r.l.)	Purchaser 39 (Trias Pool III – TLP S.C.A.)

3.2 The Parties confirm that the Transfers lead to a complete exchange of the contractual position on the Purchaser's side, i.e. that as of the Effective Date (i) only the respective Internal Designee is entitled and obliged under the Master Agreement and the relevant IPA, (ii) all benefits and burdens are with the respective Internal Designee and (iii) Former Purchasers shall be absolved from any liability in connection with the Purchase Objects which are subject to the Transfers.

3.3 The transfer of the contractual relationship under the relevant IPAs has been made further to the substitution notice sent by Purchaser 25 to the IVG Seller 1 on 2 April 2015.

4 FINAL PROVISIONS

4.1 The Parties confirm that each Party shall fulfil its obligations, in particular its co- operation obligations, under this Amendment No. 3, the Master Agreement and the respective IPAs in a proper and timely fashion, especially where the co- operation of one Party is required to allow the other Party to liaise with third parties to further the completion of the transaction.

4.2 The Parties agree that the respective IPAs may, where necessary, be amended in accordance with this Amendment No. 3.

4.3 Each Party shall bear the costs of its own advisers.

4.4 Unless expressly changed above, the Master Agreement remains unchanged and in full force and effect.

4.5 This Amendment No. 3 is subject to and governed by the laws of the Federal Republic of Germany and, unless imperatively subject to different laws, shall be construed and interpreted accordingly.

4.6 Insofar as there is no exclusive statutory jurisdiction, all disputes arising under or in connection with this Amendment No. 3 shall exclusively be determined by the civil courts of Frankfurt am Main, Germany.

Frankfurt, 17 April 2015 Place, date /s/ Mr. Wolfram H. Krüger	Frankfurt, 17 April 2015 Place, date /s/ Mr. Wolfram H. Krüger
Mr. Wolfram H. Krüger for and on behalf of IVG Seller 1, IVG Seller 2 and IVG Seller 3	Mr. Wolfram H. Krüger for and on behalf of INTERNOS Seller
Frankfurt, 17 April 2015 Place, date /s/ Mr. Wolfram H. Krüger	Luxembourg, April 9th 2015 Place, date /s/ David Fallick
Mr. Wolfram H. Krüger for and on behalf of Deka Seller	David Fallick for and on behalf of the Purchasers

Roll of deeds no. 98/2015

NEGOTIATED

On 1 June 2015

Before me, the undersigning notary
Dr. Hinrich Thieme
in the district of the Higher Regional Court of Frankfurt am Main, Germany
with official seat in Frankfurt am Main, Untermainanlage 1, 60329 Frankfurt am Main

appeared today:
(1) Ms. Dr. Kim Laura Frank, born 3 August 1981
with business address at Mainzer Landstraße 16, 60325 Frankfurt a.M.,
personally known to the Notary,
The person appearing at (1) declares that in the following she is not acting in her own name, but – excluding any personal liability towards the Parties – in the name and on behalf of:
WestInvest Gesellschaft für Investmentfonds mbH with business address at Hans- Böckler- Straße 33, 40476 Düsseldorf and its seat in Düsseldorf, registered in the commercial register of Düsseldorf under number HR B 24304, acting for the special AIF- fund (Spezial- AIF- Sondervermögen) "WestInvest Spezial 1"

- "**Deka Seller**" -

The person appearing at (1) presented the notarised original of the powers of attorney dated 18 December 2014 and dated 27 March 2015 (roll of deeds number 1133/2014 B respectively

number 289/2015 B of notary Frank Brüggemann in Frankfurt am Main) and the notarised original of the sub- power of attorney dated 26 March 2015 (roll of deeds number 43/2015 of notary Dr. Hinrich Thieme, Frankfurt am Main). Certified copies of the powers of attorney and of the sub- power of attorney are attached to this Amendment No. 4 as **Exhibit A**.

(2) Mr. Markus Böhn, born 30 July 1977
with business address at Mainzer Landstraße 46, 60325 Frankfurt am Main,
personally known to the Notary,

The person appearing at (2) declares that in the following he is not acting in his own name, but – excluding any personal liability towards the Parties – in the name and on behalf of:

Trias GER Cuxhaven – T S.à r.l., a société à responsabilité limitée (private limited liability company) incorporated under the laws of the Grand Duchy of Luxembourg (registered in the Luxembourg Trade and Companies' register under registration number B 192.578), with a share capital of EUR 12,500, having its registered office at L- 2633, Senningerberg, 6A route de Trèves,

- "**Purchaser 11**" -

based on the notarised and apostilled power of attorney dated 15 December 2014 of Notary Carlo Wersandt in Luxembourg (certified copy of the power of attorney is attached to this Amendment No. 4 as **Exhibit B**).

I. RECORDING IN THE ENGLISH LANGUAGE

The persons appearing requested that this Amendment No. 4 to the Master Agreement be recorded in the English language and stated that they had sufficient command of the English language. The Notary, who himself has sufficient command of the English language; verified that the persons appearing did, in fact, have such sufficient command of the English language. Advised by the Notary of their rights to obtain the assistance of a sworn interpreter and to have a certified translation attached to this Amendment No. 4 to the Master Agreement, the persons appearing waived such rights.

II. NO PRIOR INVOLVEMENT

Upon the Notary's instruction on the contents of prior involvement (Vorbefassung) within the meaning of Section 3 (1) no. 7 of the German Notarisation Act (Beurkundungsgesetz), the persons appearing and the Notary confirmed that there was no such prior involvement.

The persons appearing requested notarisation of the following:

Project Trias
Amendment No. 4 to the
Master Agreement dated 19 December 2014,
Amendment No. 1 dated 12 February 2015,
Amendment No. 2 dated 27 March 2015, and
Amendment No. 3 dated 17 April 2015

1 RECITALS

(A) A master agreement was concluded between inter alia the Deka Seller and the Purchaser 11 on 19 December 2014 (roll of deeds no. 234/2014 of notary Dr. Hinrich Thieme, Frankfurt am Main) together with certain reference deeds inter alia the notarial reference deed dated 18 December 2014 (roll of deeds number 233/2014 of the Notary Dr. Hinrich Thieme in Frankfurt am Main) ("**Original Agreement**"), an amendment no. 1 to such master agreement was concluded between inter alia the Deka Seller and the Purchaser 11 on 12 February 2015 (roll of deeds no. 21/2015 of notary Dr. Hinrich Thieme, Frankfurt am Main), an amendment no. 2 to such master agreement was concluded between inter alia the Deka Seller and the Purchaser 11 on 27 March 2015 (roll of deeds no. 44/2015 of notary Dr. Hinrich Thieme, Frankfurt am Main) and an amendment no. 3 to such master agreement was concluded between inter alia the Deka Seller and the Purchaser 11 on 17 April 2015 regarding the acquisition of the Purchase Objects (collectively hereinafter the "**Master Agreement**").

Reference is hereby made to the Original Agreement, the amendment no. 1 and the amendment no. 2 ("**Reference Deeds**"). They were available as an original at today's notarisation. The persons appearing state they are familiar with the contents of the Reference Deeds and they waive them being read out loud and them being attached to this Amendment No. 4. The Notary has informed the persons appearing of the importance of the reference under section 13a of the German Notarisation Act (Beurkundungsgesetz).

(B) According to clause 13.2 of the Master Agreement each Party is entitled to rescind the relevant IPA in relation to any Purchase Object if the Notary has not issued a Maturity Notice by 31 May 2015 (the "**Individual Long Stop Date**") and the Parties cannot agree on a continuation of the transaction contemplated by the relevant IPA in relation to the affected Purchase Object by 30 June 2015.

(C) All Purchase Objects other than the property in Cuxhaven, which has been sold by Deka to Purchaser 11 under the Master Agreement in connection with section 1.3.2 of the German APA (the "**Cuxhaven Property**"), have been transferred from the Sellers to the Purchasers in accordance with clause 5.1 of the Master Agreement.

(D) In relation to the Cuxhaven Property, the Notary has applied for a priority notice of conveyance in the relevant land register In accordance with clause 10.1 of the German APA and such priority notice has been registered in the land register on 2 April 2015. However, the confirmation by Deka Seller and Purchaser 11 according to clause 4.4.3 of the Master Agreement as well as the corresponding Maturity Notice by the Notary has not been issued, yet.

(E) To allow an early rescission, Deka Seller and Purchaser 11 agree that (i) they shall not be obliged to discuss the continuation of the transaction contemplated by the relevant IPA in relation to the Cuxhaven Property in accordance with clause 13.2 of the Master Agreement and (ii) the Individual Long Stop Date shall be preponed to 1 June 2015.

NOW, therefore, the Parties agree as follows:

2 DEFINITIONS

The definitions used in this amendment no. 4 to the Original Agreement (hereinafter the "**Amendment No. 4**") shall have the same meaning as the definitions listed in the Master Agreement unless otherwise stated herein.

3 New Individual Long Stop Date

Clause 13.2 of the Master Agreement shall be deleted and replaced by the following provision:

13.2 If in relation to any Purchase Object, the Notary has not issued a Maturity Notice according to clause 4.5 by 1 June 2015 (the "**New Individual Long Stop Date**"), each Party is entitled to rescind the relevant IPA in relation to the affected Purchase Object(s).

4 Notary instructions

In the event, Deka Seller and the Purchaser 11 declare vis- à- vis the Notary that they rescind the Master Agreement and the German APA in relation to the Cuxhaven Property, the following shall apply:

4.1 In accordance with clause 13.7.2 of the Master Agreement and clauses 10.3 2nd subparagraph and 12.2 of the German APA, Deka Seller and Purchaser 11 hereby instruct the Notary to delete the priority notice registered in relation to the Cuxhaven Property. Deka Seller and Purchaser 11 explicitly state that the Notary shall make use of the PoA granted under clause 12.1 of the German APA and that the prerequisites listed under clause 12.2 of the German APA shall be waived in relation to the deletion of the priority notice for the Cuxhaven Property. Therefore, the Notary shall apply for the deletion of the priority notice in favour of Purchaser 11 in relation to the Cuxhaven Property without undue delay.

For the avoidance of doubt the Parties set forth the following in relation to the German APA:

"Käufer 10 und Deka Verkäufer erklären hiermit, dass der Notar von der in Ziffer 12.1 des Grundstückskaufvertrages eingeräumten Vollmacht Gebrauch machen darf und weisen ihn gemeinschaftlich an, gemäß Ziffer 12.2 des Grundstückskaufvertrages die Löschung der zu Gunsten des Käufers 10 für den Kaufgegenstand Cuxhaven eingetragenen Vormerkung zu beantragen und zu bewilligen. Sie erklären hiermit ausdrücklich, dass die in Ziffer 12.2.1 – Ziffer 12.2.3 des Grundstückskaufvertrages niedergelegten Voraussetzungen nicht Voraussetzung für den Gebrauch der Vollmacht durch den Notar sind, sondern im Hinblick auf die Löschung der zugunsten des Käufers 10 am Kaufgegenstand Cuxhaven eingetragenen Vormerkung abbedungen werden. Die Löschung der für den Käufer 10 am Kaufgegenstand Cuxhaven eingetragenen Vormerkung soll daher unverzüglich beantragt und bewilligt werden."

4.2 Furthermore, in accordance with clause 13.7.4 of the Master Agreement Purchaser 11 hereby reassigns to Deka Seller all claims assigned to Purchaser 11 under the Master Agreement and the German APA in relation to the Cuxhaven Property.

5 FINAL PROVISIONS

5.1 Deka Seller and Purchaser 11 shall each bear the costs of its own advisers connected with this Amendment No. 4 to the Master Agreement. Purchaser 11 shall bear the costs and fees for the notarisation.

5.2 Unless expressly changed above, the Master Agreement remains unchanged and in full force and effect.

5.3 This Amendment No. 4 is subject to and governed by the laws of the Federal Republic of Germany and, unless imperatively subject to different laws, shall be construed and interpreted accordingly.

5.4 Insofar as there is no exclusive statutory jurisdiction, all disputes arising under or in connection with this Amendment No. 4 shall exclusively be determined by the civil courts of Frankfurt am Main, Germany.

This Amendment No. 4 to the Master Agreement was read aloud to the persons appearing, approved by them and then signed as follows by the persons appearing and the Notary:

/s/ Ms. Dr. Kim Laura Frank

/s/ Mr. Markus Böhn

/s/ Dr. Hinrich Thieme, Notary

Exhibit 10.10

DATED **1 July 2015**

(1) PRIME HOLDCO C- T, S.À R.L.
as Company

(2) THE COMPANIES LISTED IN PART 1 OF SCHEDULE 1
as Borrowers

(3) THE COMPANIES LISTED IN PART 2 OF SCHEDULE 1
as Guarantors

(4) AAREAL BANK AG
as Arranger

(5) AAREAL BANK AG
as Original Lender

(6) AAREAL BANK AG
as Agent

(7) AAREAL BANK AG
as Security Agent

(8) CAPITA TRUST COMPANY LIMITED
as English Security Agent

(9) THE COMPANIES IDENTIFIED IN THE SIGNATURE PAGES
as Italian Facility Guarantors

and

(10) AAREAL BANK AG
as IFA Security Agent

AMENDMENT AND RESTATEMENT AGREEMENT

relating to
a Facility Agreement dated 1 April 2015
(and incorporating certain security confirmations in connection with the Italian Facility Agreement as defined therein)

CONTENTS

THIS AMENDMENT AGREEMENT is made on 1 July 2015

BETWEEN:

(1) **PRIME HOLDCO C- T, S.À R.L.** a private limited liability company (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 6A route de Trèves, 6th Floor, L- 2633 Senningerberg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register under number B 192946 (the **"Company"**);

(2) **THE COMPANIES** listed in part 1 of schedule 1 (The Obligors) as borrowers (the **"Borrowers"**);

(3) **THE COMPANIES** listed in part 2 of schedule 1 (The Obligors) as guarantors (the **"Guarantors"**);

(4) **AAREAL BANK AG** as mandated lead arranger (the **"Arranger"**);

(5) **AAREAL BANK AG** as lender (the **"Original Lender"**);

(6) **AAREAL BANK AG** as agent of the other Finance Parties (the **"Agent"**);

(7) **AAREAL BANK AG** as security trustee or security agent for the Secured Parties (the **"Security Agent"**);

(8) **CAPITA TRUST COMPANY LIMITED** as security trustee or security agent for the Secured Parties (the **"English Security Agent"**);

(9) **THE COMPANIES** identified in the signature pages to this agreement as "Italian Facility Guarantors" (the **"Italian Facility Guarantors"**); and

(10) **AAREAL BANK AG** as security trustee or security agent for the Secured Parties under and as defined in the Italian Facility Agreement (the **"IFA Security Agent"**).

BACKGROUND:

A This Amendment Agreement is supplemental to the €478,572,083 term loans facility agreement dated 1 April 2015 and made between, amongst others, (1) Prime Holdco C- T S à r.l. as Company, (2) the companies listed in part 1 of schedule 1 to it as Original Borrowers, (3) the companies listed in part 2 of schedule 1 to it as Original Guarantors, (4) Aareal Bank AG as Arranger, (5) Aareal Bank AG as Original Lender, (6) Aareal Bank AG as Agent, (7) Aareal Bank AG as the Security Agent and (8) Capita Trust Company Limited as English Security Agent (the **"Original Facility Agreement"**).

B The Finance Parties have agreed, subject to the terms of this Amendment Agreement, to make certain amendments to the Original Facility Agreement to accommodate an increase to the Total Commitments in an amount equal to the Increased Facility Amount (as defined below).

C The Italian Facility Guarantors enter into this Agreement for the purpose of providing certain confirmations to the IFA Security Agent and the IFA Security Agent is a party to this Agreement solely for the purpose of acknowledging those confirmations.

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Amendment Agreement:

"Amended French Property Owner Loans Agreement" means the amended and restated French Property Owner Loans Agreement dated on or around the Effective Date between, amongst others, the PPD Lender (as lender), each French Property Owner (as borrower) and Prime OPCI (as guarantor);

"Amendment Documents" means:

(a) this Amendment Agreement;
(b) each Belgian Confirmation Deed;
(c) each English Security Document;
(d) each French Amendment Document;
(e) each German Security Document;
(f) each Italian Confirmation Deed;
(g) the Swedish Confirmation Deed; and
(h) any other document designated as such by the Agent and the Company;

"Belgian Confirmation Deed" means the Belgian law confirmation deed dated on or around the Effective Date and provided by the Belgian Obligor and Prime Pool V- T S.à r.l. in connection with the Security granted by them as described in paragraph (a) of Part 2 of Schedule 14 (Security Documents) of the Original Facility Agreement;

"Effective Date" means the date on which the Agent gives written notice to the Company that it has received each of the documents and other evidence listed in schedule 2 (Conditions precedent) in form and substance satisfactory to the Agent;

"English Security Document" means:

(a) a legal mortgage entered into by the relevant Luxembourg Borrowers in respect of the English Properties and granted in favour of the English Security Agent; and
(b) a fixed and floating charge over all of its assets entered into or to be entered into by the relevant Luxembourg Borrowers and made in favour of the Security Agent in an agreed form;

"French Amendment Document" means:

(a) the "Amended French Property Owner Loans Agreement" providing for
(i) a French law mortgage (hypothèque conventionnelle) over each French Property for an aggregate principal amount of EUR 20,300,000 to be increased with accessories of 10% to be and granted by each French Property Owner as security

for its payment obligations under the French Intra- Group Loan granted to it pursuant to the Amended French Property Owner Loans Agreement entered into by the French Property Owners, such as these mortgages are provided in the Amended French Property Owner Loans Agreement entered into by those French Property Owners as follows:

- as regards Issy Property: EUR 13,700,000; and
- as regards MacDonald Property : EUR 6,600,000;

(ii) a French law governed second ranking pledge with respect to any balance receivables (solde) of each French Property Owner with respect to any bank account open in France in the name of a French Property Owner, granted by each French Property Owner as security for its payment obligations under the French Property Owner Loans Agreement entered into by the French Property Owners;

(iii) a French law governed second ranking pledge with respect to present and future receivables of each French Property Owner under the Lease Documents, local Insurances and the relevant Sale and Purchase Agreement, granted by each French Property Owner as security for its payment obligations under the French Property Owner Loans Agreement entered into by the French Property Owners;

(iv) a French law governed second ranking pledge with respect to the share in the other French Property Owner owned by the relevant French Property Owner and granted by such relevant French Property Owner as security for its payment obligations under French Property Owner Loans Agreement entered into by the French Property Owners; and

(v) security entered into by Prime OPCI

(A) a French law governed second ranking pledge with respect to the shares in each French Property Owner owned by Prime OPCI and granted by Prime OPCI as security for the payment obligations of each French Property Owner;

(B) a French law governed second ranking pledge with respect to the intragroup receivables vis- à- vis each French Property Owner owned by Prime OPCI and granted by Prime OPCI as security for the payment obligations of each French Property Owner;

(C) a French law governed second ranking pledge with respect to any balance receivables (solde) of Prime OPCI with respect to any bank account open in France in the name of Prime OPCI, granted by Prime OPCI as security for its guarantee obligations under the French Property Owner Loans Agreement;

(b) an English law security assignment of the benefit of any Hedge Documents and the Insurances to the extent governed by English law;

(c) a German law confirmation agreement for the German law security assignment agreement in respect of all rights and claims of each French Property Owner under the Sale and Purchase Agreement and in respect of their claims under the Asset Management Agreement;

(d) second ranking securities account pledge agreement with respect to the securities account of the PPD Lender where all shares of Prime OPCI are registered;
(e) an amended Dailly master security assignment agreement in accordance with sections L. 313- 23 et seq. of the French Code monétaire et financier with respect to present and future receivables under the French Intra- Group Debt Documents and the French Intra- Group Loans made by the PPD Lender to the French Property Owners and any other present and future receivables against Prime OPCI and any French Property Owner;
(f) all and any of the Dailly law assignment forms delivered by the PPD Lender pursuant to the master security assignment agreement referred to in paragraph (e) above; and
(g) any other document evidencing or creating Security over any asset to secure the French Property Owner Loans Agreement designated as such by the Agent, the PPD Lender and the Company;

"Further Utilisation Date" means the first date of Utilisation of all of the Increased Facility Amount being a date no earlier than two days after the Effective Date;

"German Security Documents" means:

(a) the amendment and confirmation agreement regarding the global assignment agreement, the security purpose agreement and the account pledge agreement between the German Borrowers and the Security Agent;
(b) the amendment and confirmation agreement regarding the security assignment agreement regarding SPA and management receivables between various Borrowers and the Security Agent;
(c) notifications and acknowledgements regarding duty of care agreements (if applicable);

"Increased Facility Amount" means the lower of:

(a) €100,000,000; and
(b) the maximum amount which, when aggregated with the Portfolio Loans already made, does not exceed 60% of the sum of the market values of the Portfolio Properties as set out in the Initial Valuation;

"Italian Confirmation Deeds" means the Italian law confirmation and extension deeds dated on or around the Effective Date and entered into by Prime ITA Milan- T S.r.l. as Italian Obligor or Prime Pool III C- T S à r.l. (as the case may be) and Aareal Bank AG in connection with the Security granted by the Italian Obligor or Prime Pool III C- T S à r.l. (in case of the pledge (pegno) over the quota representing the entire corporate capital of Prime ITA Milan- T S.r.l.) as described in paragraph (g) of Part 2 of Schedule 14 (Security Documents) of the Original Facility Agreement;

"Italian Facility Guarantee" means the English law guarantee and indemnity dated 1 April 2015 and provided by the Italian Facility Guarantors in favour of the IFA Security Agent;

"Portfolio Loan" means the aggregate amount of the Loans and the Loans under and as defined in the Italian Facility Agreement;

"Portfolio Property" means a Charged Property or a Charged Property under and as defined in the Italian Facility Agreement or a French Property;

"Swedish Confirmation Deed" means the Swedish law confirmation of Security dated on or around the Effective Date and provided by the Swedish Obligor and Prime Pool IV B - T, S.à r.l. in connection with the Security granted by it as described in paragraph (f) of Part 2 of Schedule 14 (Security Documents) of the Original Facility Agreement.

1.2 Incorporation of defined terms and construction

(a) Unless a contrary indication appears, terms defined in, or construed for the purposes of, the Original Facility Agreement have the same meanings when used in this Amendment Agreement (unless the same are otherwise defined in this Amendment Agreement).

(b) The principles of construction as set out in clause 1.2 (Interpretation) of the Original Facility Agreement shall have effect as though they were set out in full in this Amendment Agreement.

1.3 Continuing obligations

Subject to the provisions of this Amendment Agreement:

(a) the Original Facility Agreement and all the other Finance Documents shall remain in full force and effect;

(b) the Original Facility Agreement shall be read and construed as one document with this Amendment Agreement; and

(c) nothing in this Amendment Agreement shall constitute a waiver or release of any right or remedy of the Finance Parties under the Finance Documents, nor otherwise prejudice any right or remedy of a Finance Party under the Original Facility Agreement or any other Finance Document.

2. RESTATEMENT

With effect from the Effective Date, the Original Facility Agreement shall be amended and restated so that it shall be read and be construed for all purposes as set out in schedule 3 (Amended Facility Agreement).

3. REPRESENTATIONS

(a) Each Obligor and each Italian Facility Guarantor represents and warrants that:

(i) the board resolutions approving the execution of the documents referred to in paragraph 1(b) of schedule 2 (Conditions precedent) (the **"Documents"**) were duly and properly passed after compliance with all appropriate formalities and remain in full force and effect;

(ii) the Company, each other Obligor and each Italian Facility Guarantor is authorised to execute the Documents to which it is a party; and

(iii) the Company, each other Obligor and each Italian Facility Guarantor is authorised to make the representations and warranties as provided in clauses 3(a)(i) and 3(a)(ii).

(b) Each Obligor makes the Repeating Representations and the representations set out in clause 3(a) in relation to it on the Effective Date (whether or not the Effective Date shall have occurred by such date) and on the Effective Date, by reference to the facts and circumstances existing at such dates.

(c) Each Italian Facility Guarantor repeats the representations contained in clause 9 (Representations of the Guarantor) of the Italian Facility Guarantee and makes the representations set out in clause 3(a) in relation to it on the Effective Date (whether or not the Effective Date shall have occurred by such date) and on the Effective Date, by reference to the facts and circumstances existing at such dates.

4. ACKNOWLEDGEMENT, FURTHER ASSURANCE, RATIFICATION AND CONFIRMATION OF SECURITY

4.1 Reliance

(a) Each Obligor acknowledges that the Finance Parties have entered into this Amendment Agreement in full reliance on the representations and warranties made by it in the terms stated in clause 3 (Representations).

(b) Each Italian Facility Guarantor acknowledges that the IFA Security Agent has entered into this Amendment Agreement in full reliance on the representations and warranties made by it in the terms stated in clause 3 (Representations).

4.2 Further assurance

Each of the Obligors shall, at the request of the Agent and at its own expense, do all such acts and things necessary or desirable to give effect to the amendments effected or to be effected pursuant to this Amendment Agreement.

4.3 Guarantee and indemnity

Each Guarantor ratifies and reaffirms the guarantee and indemnity contained in clause 18 (Guarantee and indemnity) of the Original Facility Agreement), which guarantee and indemnity shall continue in full force and effect, notwithstanding any term or provision in this Amendment Agreement and subject always to schedule 10 (Guarantee Limitations) of the Original Facility Agreement.

4.4 Confirmation of Security subject to Netherlands law

(a) Original Facility Agreement

For the avoidance of doubt, each Dutch Obligor confirms for the benefit of the Finance Parties that the Security Documents of the Original Facility Agreement to which it is a party shall (a) remain in full force and effect notwithstanding the amendments as set out in schedule 3 (Amended

Facility Agreement) and (b) continue to secure its Secured Obligations (as defined in the relevant Security Document) under the Finance Documents as amended (including, but not limited to, under the Original Facility Agreement as amended and restated by this Amendment Agreement).

(b) Italian Facility Agreement

For the avoidance of doubt, each Italian Facility Guarantor organised and existing under the laws of The Netherlands confirms for the benefit of the IFA Security Agent that the Security Documents under and as defined in the Italian Facility Agreement and to which it is a party shall (a) remain in full force and effect notwithstanding any amendments to the Italian Facility Agreement and (b) continue to secure its Secured Obligations (under and as defined in the relevant Security Document) under the Finance Documents (under and as defined in the Italian Facility Agreement) as amended (including, but not limited to, under the Italian Facility Agreement as amended and restated by an amendment and restatement agreement dated on or around the date hereof).

4.5 Confirmation of Security subject to Luxembourg law

(a) Original Facility Agreement

For the avoidance of doubt, each Luxembourg Obligor confirms for the benefit of the Finance Parties that the Security Documents to which it is a party shall (a) remain in full force and effect notwithstanding the amendments as set out in schedule 3 (Amended Facility Agreement) and (b) continue to secure its Secured Obligations (as defined in the relevant Security Document) under the Finance Documents as amended (including, but not limited to, under the Original Facility Agreement as amended and restated by this Amendment Agreement).

(b) Italian Facility Agreement

For the avoidance of doubt, each Italian Facility Guarantor organised and existing under the laws of the Grand Duchy of Luxembourg confirms that the Security Documents under and as defined in the Italian Facility Agreement and to which it is a party shall (a) remain in full force and effect notwithstanding any amendments to the Italian Facility Agreement and (b) continue to secure its Secured Obligations (under and as defined in the relevant Security Document) under the Finance Documents (under and as defined in the Italian Facility Agreement) as amended (including, but not limited to, under the Italian Facility Agreement as amended and restated by an amendment and restatement agreement dated on or around the date hereof).

4.6 Confirmation in respect of the Italian Facility Guarantee

Each Italian Facility Guarantor confirms and agrees that with effect from (and including) the Effective Date, the guarantees and indemnities set out in the Italian Facility Guarantee shall continue to apply and extend to the Guaranteed Obligations (as defined in the Italian Facility Guarantee) subject to the guarantee limitations set out in Schedule 4 (Guarantee Limitations) of the Italian Facility Guarantee.

5. FEES, COSTS AND EXPENSES

5.1 Amendment fee

The Company must pay to the Agent an amendment fee of 0.75% of the Increased Facility Amount on the earlier of the Further Utilisation Date or the expiry of the Availability Period.

5.2 Costs and expenses

The Company shall within 3 Business Days of demand pay the Finance Parties the amount of all costs and expenses (including legal fees) reasonably incurred by any of them in connection with the negotiation, preparation, printing and execution of this Amendment Agreement and any other documents referred to in this Amendment Agreement.

6. MISCELLANEOUS

6.1 Incorporation of terms

The provisions of clauses 33 (Notices) and 37 (Amendments and waivers) of the Original Facility Agreement shall apply to this Amendment Agreement as if set out in full in this Amendment Agreement and as if references in those clauses to **"this Amendment Agreement"** or **"the Finance Documents"** are references to this Amendment Agreement.

6.2 Counterparts

This Amendment Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Amendment Agreement.

6.3 Finance Document

The Agent and the Company designate this Amendment Agreement as a "Finance Document".

6.4 Third party rights

(a) Unless expressly provided to the contrary in a Finance Document a person who is not a party to this Amendment Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Amendment Agreement.

(b) Notwithstanding any term of any Finance Document, the consent of any person who is not a party to this Amendment Agreement is not required to rescind or vary this Amendment Agreement at any time.

6.5 Instruction to the English Security Agent

The Lenders and the Agent hereby instruct the English Security Agent to enter into this Agreement and any other documents or agreements referred to in this Agreement, or otherwise to be entered into in connection with it and to which the English Security Agent is a party.

7. LAPSE

(a) If the Effective Date does not occur on or before 13 July 2015 (unless extended by agreement between the Agent and the Obligors' Agent), this Amendment Agreement shall terminate and, subject to clause 7(b), cease to be of any effect.

(b) Clause 5 (Fees, costs and expenses) shall continue in full force and effect notwithstanding the termination of this Amendment Agreement pursuant to clause 7(a).

8. GOVERNING LAW AND ENFORCEMENT

8.1 Governing law

(a) Subject to (b) and (c) below, this Amendment Agreement and any non- contractual obligations arising out of or in connection with it shall be governed by English law.

(b) Clause 4.4 (Confirmation of Security subject to Netherlands law) shall be governed by, and shall be construed in accordance with, the law of the Netherlands.

(c) Clause 4.5 (Confirmation of Security subject to Luxembourg law) shall be governed by, and shall be construed in accordance with Luxembourg law.

8.2 Jurisdiction of English courts

(a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Amendment Agreement (including a dispute relating to the existence, validity or termination of this Amendment Agreement or any non- contractual obligation arising out of or in connection with this Amendment Agreement) (a **"Dispute"**).

(b) The parties to this Amendment Agreement agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no such party will argue to the contrary.

(c) This clause 8.2 is for the benefit of the Finance Parties and Secured Parties only. As a result, no Finance Party or Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties and Secured Parties may take concurrent proceedings in any number of jurisdictions.

8.3 Service of process

Any service of process under this Amendment Agreement shall be made in accordance with clause 43.2 (Service of process) of the Original Facility Agreement.

This Amendment Agreement has been entered into on the date stated at the beginning of this Amendment Agreement.

SCHEDULE 1: THE OBLIGORS

Part 1: The Borrowers

Name of Borrower	Jurisdiction of incorporation and registration number (or equivalent, if any)
Prime UK Portman - T S.à r.l.	Luxembourg (R.C.S. Luxembourg B 193076)
Prime UK Condor - T S.à r.l.	Luxembourg (R.C.S. Luxembourg B 193151)
Prime GER Drehbahn - T S.à r.l.	Luxembourg (R.C.S. Luxembourg B 192950)
Prime GER Valentinskamp - T S.à r.l.	Luxembourg (R.C.S. Luxembourg B 192951)
Prime GER Dammtorwall T S.à r.l.	Luxembourg (R.C.S. Luxembourg B 193493)
Prime Pool II - T S.à r.l.	Luxembourg (R.C.S. Luxembourg B 194792)
Prime NLD Rotterdam- T B.V.	Netherlands
Prime NLD Amsterdam- T B.V.	Netherlands
Prime BEL Rue de la Loi - T SPRL (formerly known as Chrysalis Invest NV)	Belgium RPM 0463.603.184
Prime SWE Gothenburg – T AB	Sweden Swedish registration number 556589- 8920

Part 2: The Guarantors

Name of Guarantor	Jurisdiction of incorporation and registration number (or equivalent, if any)
Prime UK Portman - T S.à r.l.	Luxembourg (R.C.S. Luxembourg B 193076)

Prime UK Condor - T S.à r.l.	Luxembourg (R.C.S. Luxembourg B 193151)
Prime GER Drehbahn - T S.à r.l.	Luxembourg (R.C.S. Luxembourg B 192950)
Prime GER Valentinskamp - T S.à r.l.	Luxembourg (R.C.S. Luxembourg B 192951)
Prime GER Dammtorwall T S.à r.l.	Luxembourg (R.C.S. Luxembourg B 193493)
Prime Pool II - T S.à r.l.	Luxembourg (R.C.S. Luxembourg B 194792)
Prime NLD Rotterdam- T B.V.	Netherlands
Prime NLD Amsterdam- T B.V.	Netherlands
Prime Pool VII - T S.à r.l.	Luxembourg (R.C.S. Luxembourg B 194803)
Prime Pool I - T S.à r.l.	Luxembourg (R.C.S. Luxembourg B 193480)
Prime Pool III A - T, S.à r.l.	Luxembourg (R.C.S. Luxembourg B 194805)
Prime Pool III B - T, S.à r.l.	Luxembourg (R.C.S. Luxembourg B 194815)
Prime Pool III C - T, S.à r.l.	Luxembourg (R.C.S. Luxembourg B 194832)
Prime ITA Milan- T S.R.L.	Italy (Companies' register of Milan no. 09013470969)
Prime Pool V - T, S.à r.l.	Luxembourg (R.C.S. Luxembourg B 194797)
Prime Pool VI - T, S.à r.l.	Luxembourg (R.C.S. Luxembourg B 194802)

Prime Pool IV A - T, S.à r.l.	Luxembourg (R.C.S. Luxembourg B 194806)
Prime Pool IV B - T, S.à r.l.	Luxembourg (R.C.S. Luxembourg B 194812)
Prime BEL Rue de la Loi - T SPRL (formerly known as Chrysalis Invest NV)	Belgium RPM 0463.603.184
Prime SWE Gothenburg – T AB	Sweden Swedish registration number 556589- 8920

SCHEDULE 2: CONDITIONS PRECEDENT

1. Transaction Obligors

(a) In relation to the Transaction Obligor registered in Belgium:

(i) a copy of the constitutional documents of that Transaction Obligor or a certificate of a person authorised on behalf of that Transaction Obligor certifying that the constitutional documents previously provided to the Agent remain unamended and in full force and effect;

(ii) a copy of a resolution of the board of managers of that Transaction Obligor:

(A) approving the terms of, and the transactions contemplated by, the Amendment Documents to which it is a party and resolving that it execute, deliver and perform the Amendment Documents to which it is a party;

(B) determining and motivating the reasons of that determination, that it has a corporate benefit justifying the assumption of any obligations it has pursuant to clause 18 (Guarantee and indemnity);

(C) authorising a specified person or persons to execute the Amendment Documents to which it is a party on its behalf; and

(D) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including, if relevant, the Further Utilisation Request) to be signed and/or despatched by it under or in connection with the Amendment Documents to which it is a party;

(iii) to the extent any change has been made from the specimen signatures previously provided to the Agent, a specimen of the signature of each person authorised on behalf of that Transaction Obligor to enter into any Finance Document or to sign or send any document or notice in connection with any Finance Document;

(iv) a certificate of that Transaction Obligor (signed by a manager) confirming that borrowing or guaranteeing or securing, as appropriate, the Total Commitments

(as defined in the Amended Facility Agreement) would not cause any borrowing, guarantee, security or similar limit binding on it to be exceeded;

(v) a certificate dated no more than five (5) Business Days prior to the Effective Date and issued by the competent Clerk of the Commercial Court stating that at the date of the certificate that Transaction Obligor has been registered with the Crossroads Bank of Enterprises and has neither been declared bankrupt nor filed any request for judicial composition or judicial reorganisation;

(vi) an excerpt dated no more than five (5) Business Days prior to the Effective Date and issued by the Crossroads Databank for Enterprises in respect of that Transaction Obligor;

(vii) a certificate of an authorised signatory of that Transaction Obligor certifying that each copy document relating to it specified in this schedule 2 is correct, complete and in full force and effect as at a date no earlier than the Effective Date.

(b) In relation to each Transaction Obligor registered in France:

(i) a copy of the constitutional documents of that Transaction Obligor (ie copy of its up- to- date by- laws (statuts)) or a certificate of a person authorised on behalf of that Transaction Obligor certifying that the constitutional documents previously provided to the Agent remain unamended and in full force and effect;

(ii) a copy of a resolution of the shareholders (or any other relevant corporate body) of that Transaction Obligor:

(A) approving, when applicable, the terms of, and the transactions contemplated by, the Amendment Documents to which it is a party and resolving that it execute, deliver and perform the Amendment Documents to which it is a party;

(B) approving, when applicable, the Secured Parties as well as any potential assignee of the pledged shares as future shareholder of that Transaction Obligor in contemplation of the possible enforcement of the pledge granted on the shares in that Transaction Obligor;

(C) authorising a specified person or persons to execute the Amendment Documents to which it is a party on its behalf; and

(D) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including, if relevant, any utilisation request under the French Property Owner Loans Agreement) to be signed and/or despatched by it under or in connection with the Amendment Documents to which it is a party;

(iii) to the extent any change has been made from the specimen signatures previously provided to the Agent, a specimen of the signature of each person authorised by the resolution referred to in paragraph (ii);

(iv) a certificate of that Transaction Obligor (signed by an authorised signatory of that Transaction Obligor) certifying that each copy document relating to it specified in schedule 2 is correct, complete and in full force and effect as at a date no earlier than the Effective Date) and confirming that borrowing or guaranteeing or securing, as appropriate, the relevant French Intra- Group Loan(s) (as defined in the Amended Facility Agreement) would not cause any borrowing, guarantee, security or similar limit binding on it to be exceeded;

(v) the original of an incorporation certificate (extrait K- bis) dated no more than 10 Business Days before the Effective Date;

(vi) the original of a solvency certificate (certificat de recherche negative de procedure collective) dated no more than 10 Business Days before the Effective Date;

(vii) the original of a statement of liens and registered charges (état des privileges et nantissements) dated no more than 10 Business Days before the Effective Date;

(viii) a certificate of an authorised signatory of that Transaction Obligor certifying that each copy document relating to it specified in this schedule 2 is correct, complete and in full force and effect as at a date no earlier than the Effective Date.

(c) In relation to each Transaction Obligor incorporated in Italy:

(i) a copy of the constitutional documents (atto costitutivo and statuto) of that Transaction Obligor or a certificate of a person authorised on behalf of that Transaction Obligor certifying that the constitutional documents previously provided to the Agent remain unamended and in full force and effect;

(ii) to the extent required under the constitutional documents, a copy of a resolution of the board of directors or a written decision of the directors (and, to the extent required under the constitutional documents, of the shareholders' meeting) of that Transaction Obligor:

(A) approving the terms of, and the transactions contemplated by, the Amendment Documents to which it is a party and resolving that it execute, deliver and perform the Amendment Documents to which it is a party;

(B) authorising a specified person or persons to execute the Amendment Documents to which it is a party on its behalf; and

(C) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including, if relevant, any

Utilisation Request) to be signed and/or despatched by it under or in connection with the Amendment Documents to which it is a party;

(iii) to the extent any change has been made from the specimen signatures previously provided to the Agent, a specimen of the signature of each person authorised by the resolution referred to in paragraph (ii);

(iv) a certificate of that Transaction Obligor (signed by a director) confirming that borrowing or guaranteeing or securing, as appropriate, the Total Commitments (as defined in the Amended Facility Agreement) would not cause any borrowing, guarantee, security or similar limit binding on that Transaction Obligor to be exceeded;

(v) a certificate of an authorised signatory of that relevant Transaction Obligor certifying that each copy document relating to it specified in this schedule 2 is correct, complete and in full force and effect as at a date no earlier than the Effective Date;

(vi) a registration and solvency certificate issued by the competent Italian Companies Registry (certificato di iscrizione nella sezione ordinaria della competente Camera di Commercio con dicitura di non fallimento).

(d) In relation to each Transaction Obligor registered in the Grand Duchy of Luxembourg:

(i) a copy of the constitutional documents of that Transaction Obligor (i.e a copy of its deed of incorporation (acte de constitution) or, if available, a copy of the consolidated articles of association or a certificate of a person authorised on behalf of that Transaction Obligor certifying that such documents previously provided to the Agent remain unamended and in full force and effect;

(ii) a copy of a resolution of the board of managers or, as the case may be, the sole manager of that Transaction Obligor:

(A) approving the terms of, and the transactions contemplated by, the Amendment Documents to which it is a party and resolving that it execute, deliver and perform the Amendment Documents to which it is a party;

(B) authorising a specified person or persons to execute the Amendment Documents to which it is a party on its behalf; and

(C) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including, if relevant, any Utilisation Request) to be signed and/or despatched by it under or in connection with the Amendment Documents to which it is a party;

(iii) to the extent any change has been made from the specimen signatures previously provided to the Agent, a specimen of the signature of each person authorised by the resolution referred to in paragraph (ii);

(iv) a certificate of an authorised signatory of the Transaction Obligor confirming that borrowing or guaranteeing or securing, as appropriate, the Total Commitments (as defined in the Amended Facility Agreement) would not cause any borrowing, guarantee, security or similar limit binding on it to be exceeded;

(v) a certificate of an authorised signatory of the Transaction Obligor confirming that it is not subject to bankruptcy (faillite), insolvency, voluntary or judicial liquidation (liquidation volontaire ou judiciaire), composition with creditors (concordat préventif de faillite), reprieve from payment (sursis de paiement), controlled management (gestion contrôlée), or similar proceedings; and no application, petition, order or resolution has been made by it or, to the best of its knowledge, by any other person for the appointment of a commissaire, curateur, liquidateur or similar officer for its administration, winding- up or similar proceedings;

(vi) an excerpt, dated no earlier than one (1) Business Day prior to the Effective Date, issued by the Luxembourg Trade and Companies Register in respect of such Luxembourg Transaction Obligor;

(vii) a certificate of non- inscription of a judicial decision, dated no earlier than one (1) Business Day prior to the Effective Date, issued by the Luxembourg Trade and Companies Register in relation to such Luxembourg Transaction Obligor; and

(viii) a certificate of an authorised signatory of that Transaction Obligor certifying that each copy document relating to it specified in this schedule 2 is correct, complete and in full force and effect as at a date no earlier than the Effective Date.

(e) In relation to each Transaction Obligor registered in the Netherlands:

(i) a copy of the constitutional documents (including a recent extract from the Dutch trade register (handelsregister) relating to that Transaction Obligor) of that Transaction Obligor or a certificate of a person authorised on behalf of that Transaction Obligor certifying that the constitutional documents previously provided to the Agent remain unamended and in full force and effect;

(ii) a copy of a resolution of the board of directors of that Transaction Obligor:

(A) approving the terms of, and the transactions contemplated by, the Amendment Documents to which it is a party and resolving that it execute, deliver and perform the Amendment Documents to which it is a party;

(B) authorising a specified person or persons to execute the Amendment Documents to which it is a party on its behalf; and

(C) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including, if relevant, any

Utilisation Request) to be signed and/or despatched by it under or in connection with the Amendment Documents to which it is a party.

(iii) to the extent any change has been made from the specimen signatures previously provided to the Agent, a specimen of the signature of each person authorised by the resolution referred to in paragraph (ii);

(iv) if applicable, a copy of a resolution of its board of supervisory directors (if any) of that Transaction Obligor approving its execution and the terms of, and the transactions contemplated by, the Amendment Documents to which it is a party;

(v) if applicable, a copy of a resolution signed by all the holders of the issued shares in that Transaction Obligor approving the terms of, and the transactions contemplated by, the Amendment Documents to which that Transaction Obligor is a party;

(vi) if it is required by law or any arrangement binding on it to obtain works council advice in respect of that Transaction Obligor's or any other person's entry into the Amendment Documents, a copy of a positive advice from its (central) works council (and, if such advice is not unconditional, confirmation from the Parent that (i) the conditions set by the works council are and will be complied with and (ii) such compliance does and will not have a Material Adverse Effect);

(vii) a certificate of that Transaction Obligor (signed by a director) confirming that borrowing or guaranteeing or securing, as appropriate, the Total Commitments (as defined in the Amended Facility Agreement) would not cause any borrowing, guarantee, security or similar limit binding on it to be exceeded;

(viii) a certificate of an authorised signatory of that Transaction Obligor certifying that each copy document relating to it specified in this schedule 2 is correct, complete and in full force and effect as at a date no earlier than the Effective Date.

(f) In relation to each Transaction Obligor registered in Sweden:

(i) a copy of the constitutional documents of that Transaction Obligor.

(ii) a copy of a resolution of the board of directors of that Transaction Obligor:

(A) approving the terms of, and the transactions contemplated by, the Amendment Documents to which it is a party and resolving that it execute, deliver and perform the Amendment Documents to which it is a party;

(B) authorising a specified person or persons to execute the Amendment Documents to which it is a party on its behalf; and

(C) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including, if relevant, any

Utilisation Request) to be signed and/or despatched by it under or in connection with the Amendment Documents to which it is a party.

(iii) to the extent any change has been made from the specimen signatures previously provided to the Agent, a specimen of the signature of each person authorised by the resolution referred to in paragraph (ii);

(iv) a certificate of that Transaction Obligor (signed by a director) confirming that borrowing or guaranteeing or securing, as appropriate, the Total Commitments (as defined in the Amended Facility Agreement) would not cause any borrowing, guarantee, security or similar limit binding on that Transaction Obligor to be exceeded;

(v) a certificate of an authorised signatory of that Transaction Obligor certifying that each copy document relating to it specified in this schedule 2 is correct, complete and in full force and effect as at a date no earlier than the Effective Date;

(g) An updated structure chart setting out the ultimate ownership of each Transaction Obligor and each Property (or confirmation in a form satisfactory to the Agent that the structure has not changed since 1 April 2015) or a certificate of a person authorised on behalf of each Transaction Obligor certifying that the constitutional documents previously provided to the Agent remain unchanged and in full force and effect.

2. AMENDMENT AND OTHER DOCUMENTS

(a) The following, duly executed by the relevant Parties thereto:

(i) each Amendment Document;

(ii) the Fee Letter;

(iii) the Margin Letter;

(iv) the supplemental agreement to the English Security Deed.

(b) A copy of the duly executed amendment and restatement agreement in respect of the Italian Facility Agreement.

(c) A copy of the duly executed amendment and restatement agreement in respect of the French Property Owners Loan Agreement.

3. LEGAL OPINIONS

Each of the following legal opinions in form and substance satisfactory to the Agent:

(i) a legal opinion of DLA Piper UK LLP as to matters of Belgian law;

(ii) a capacity legal opinion of Clifford Chance LLP as to matters of Belgian law;

(iii) a legal capacity and enforceability opinion of DLA Piper Nederland N.V. as to matters of Dutch law;
(iv) a legal opinion of DLA Piper UK LLP as to matters of English law;
(v) a legal opinion of De Pardieu Brocas Maffei as to matters of French law;
(vi) a capacity legal opinion of Clifford Chance LLP as to matters of French law (which, for the avoidance of doubt, will not cover any agreements governed by French law and entered into in the form of a notarial deed);
(vii) a legal opinion of DLA Piper UK LLP as to matters of German law;
(viii) an enforceability legal opinion of Bonelli Erede Pappalardo as to matters of Italian law;
(ix) a capacity legal opinion of Clifford Chance LLP as to matters of Italian law;
(x) legal capacity and enforceability opinions of Elvinger Hoss & Prussen as to matters of Luxembourg law in respect of the Loans to be made in each jurisdiction;
(xi) a legal capacity and enforceability opinion of Lindahl as to matters of Swedish law.

4. OTHER DOCUMENTS AND EVIDENCE

(a) Assignment agreement in respect of all local law insurances (where required) duly signed.
(b) Evidence that any process agent in Germany under each German Security Document has accepted its appointment.
(c) Evidence satisfactory to the Agent that the merger between Prime BEL Brussels- T SPRL and Prime BEL Rue de la Loi - T SPRL (formerly known as Chrysalis Invest NV) as surviving entity has occurred.
(d) A copy of the Further Utilisation Request.
(e) A copy of any other authorisation or other document, opinion or assurance which the Agent considers to be necessary or desirable in connection with the entry into and performance of the transaction contemplated by this Amendment Agreement or for the validity and enforceability of this Amendment Agreement and the Original Facility Agreement when amended as contemplated by this Amendment Agreement.

5. FEES AND EXPENSES

Payment of all fees, costs and expenses due to the Finance Parties.

SCHEDULE 3: AMENDED FACILITY AGREEMENT

DATED 1 APRIL 2015 AND AMENDED AND RESTATED ON 1 JULY 2015

(1) PRIME HOLDCO C- T, S.À R.L.
as Company

(2) THE COMPANIES LISTED IN PART 1 OF SCHEDULE 1
as Original Borrowers

(3) THE COMPANIES LISTED IN PART 2 OF SCHEDULE 1
as Original Guarantors

(4) AAREAL BANK AG
as Arranger

(5) AAREAL BANK AG
as Original Lender

(6) AAREAL BANK AG
as Agent

(7) AAREAL BANK AG
as Security Agent

and

(8) CAPITA TRUST COMPANY LIMITED
as English Security Agent

AMENDED AND RESTATED TERM LOANS FACILITY AGREEMENT FOR UP TO €578,572,083

This facility agreement is the "Principal Facility Agreement" as defined in a facility agreement dated the same day as this Agreement and also made between Prime Holdco C- T S. à r. l. Prime ITA Milan- T S.R.L. and Aareal Bank AG, amongst others.

CONTENTS

This Agreement is made on 1 April 2015 and is amended and restated on 01 July 2015

BETWEEN:

(1) Prime Holdco C- T, S.à r.l. a private limited liability company (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 6A route de Trèves, 6th Floor, L- 2633 Senningerberg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register under number B 192946 (the **"Company"**);

(2) the COMPANIES listed in part 1 of schedule 1 (The Original Parties and Properties) as original borrowers (the **"Original Borrowers"**);

(3) the COMPANIES listed in part 2 of schedule 1 (The Original Parties and Properties) as guarantors (the **"Original Guarantors"**);

(4) AAREAL BANK AG as mandated lead arranger (the **"Arranger"**);

(5) AAREAL BANK AG as lender (the **"Original Lender"**);

(6) AAREAL BANK AG as agent of the other Finance Parties (the **"Agent"**);

(7) AAREAL BANK AG as security trustee or security agent for the Secured Parties (the **"Security Agent"**); and

(8) CAPITA TRUST COMPANY LIMITED as security trustee or security agent for the Secured Parties (the **"English Security Agent"**)

IT IS AGREED:

SECTION 1
INTERPRETATION

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"Acceptable Insurance Company" means:

(a) a company or underwriters which has a rating for its long- term unsecured and non credit- enhanced debt obligations of one of the following: A (or better) by Standard & Poor's Rating Services or A (or better) by Fitch Ratings Ltd or A2 (or better) by Moody's Investors Service Limited or a comparable rating (or better) from an internationally recognised credit rating agency; or

(b) any other company or underwriters approved by the Agent;

"Accession Deed" means a document substantially in the form set out in schedule 11 (Form of Accession Deed);

"Account" means:
(a) each Collection Account;
(b) each General Account;
(c) each Rent Account;
(d) each Rent Deposit Account;
(e) each Share Account;
(f) each Service Charge Account;
(g) the Prime OPCI Shareholding Account;
(h) the Cash Sweep Account;
(i) the Capex Account; or
(j) the Deposit Account;
"Account Bank" means each of (as appropriate):
(a) Aareal Bank AG;
(b) Bank of America N.A.;
(c) Sociéte Générale;
(d) Banque Internationale à Luxembourg;
(e) SEB Bank Schweden; and
(f) such other bank as may be agreed in accordance with clause 17.2 (Account Bank);
"Acquisition Costs" means the aggregate of the net purchase price of the Properties and/or the shares in an Obligor as set out in the relevant Sale and Purchase Agreement, but excluding any retentions or deferred consideration in connection with any such acquisition;
"Additional Borrower" means a company which becomes an Additional Borrower in accordance with clause 26.2 (Additional Borrower);
"Additional Guarantor" means a company which becomes an Additional Guarantor in accordance with clause 26.3 (Additional Guarantors);
"Additional Obligor" means an Additional Borrower or an Additional Guarantor;
"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company;
"Agent's Spot Rate of Exchange" means the Agent's spot rate of exchange for the purchase of the relevant currency with the Base Currency in the Frankfurt foreign exchange market at or about 11.00am on a particular day;

"Agreement for Lease" means an agreement to grant an Occupational Lease for all or part of a Property;
"Allocated Loan Amount" means with respect to a Property, the amount set opposite that Property in part 4 of schedule 1 (The Original Parties and Properties) and set out in the column entitled "Allocated Loan Amount";
"Allocated Repayment Amount" means, in respect of a Property and the disposal of that Property or the disposal of the shares in the Obligor owning that Property, the amount for such Property listed in part 4 of schedule 1 (The Original Parties and Properties) and set out in the column entitled "Allocated Repayment Amount";
"Amendment and Restatement Agreement" means the agreement dated July 2015 and made between the original Parties to this Agreement, the Belgian Borrower and the Swedish Borrower;
"Amendment Date" means the occurrence of the "Effective Date" under and as defined in the Amendment and Restatement Agreement;
"Amsterdam Property" means the real estate in the Netherlands listed as number 9 in part 4 of schedule 1 (The Original Parties and Properties);
"Annual Budget" means the annual budget for the Properties produced by the Company and including, in respect of each Property, a business plan, capex plan, budget and projections for its operation;
"Asset Management Agreement" means the German law governed agreement dated 16 February 2015 between, amongst others, the Company and the Asset Manager or such other asset management agreement as may be agreed between the Company and the Agent (acting reasonably);
"Asset Manager" means any of the following:
(a) SEB Investment GmbH (registered with the commercial register of the local court of Frankfurt am Main under HRB 19859);
(b) North Star Asset Management Group Inc. or its Affiliate;
(c) Cordea Savills;
(d) Savills;
(e) SEB;
(f) Corpus Sireo;
(g) Internos Global Investors;
(h) Rockspring;
(i) Aerium;
(j) Pamera;

(k) Cornerstone; or

(l) such other asset manager as may be appointed in accordance with clause 23.9 (Managing Agents, Asset Manager and Cash Manager) of this Agreement;

"Assignment Agreement" means an agreement substantially in the form set out in schedule 5 (Form of Assignment Agreement) or any other form agreed between the relevant assignor and assignee (and which is to be used where a Transfer Certificate would not be appropriate in a particular jurisdiction);

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

"Availability Period" means the period from and including the date of this Agreement to and including 13 July 2015;

"**Bank Levy**" means the Netherlands bank levy as set out in the bank levy act (Wet bankenbelasting) or any levy or tax of a similar nature announced or in force as at the date of this agreement in the Netherlands;

"Base Currency" means euro;

"Base Currency Amount" means, in relation to a Loan denominated in the Base Currency the amount of that Loan or, if the amount of the Loan is not denominated in the Base Currency, the amount of that Loan converted into the Base Currency at the Agent's Spot Rate of Exchange;

"Belgian Borrower" means any entity that is organised and existing in Belgium to whom a Loan is made or is to be made and shall be (i) prior to the Belgian Reorganisation, Belgian Propco and Belgian Targetco (following its accession) and (ii) thereafter, Belgian Targetco;

"Belgian Guarantor" means any Guarantor, including after the merger contemplated under the Belgian Reorganisation, organised and existing under the laws of Belgium and **"Belgian Guarantor"** means any one of them;

"Belgian Obligor" means an Obligor organised and existing under the laws of Belgium;

"Belgian Propco" means Prime BEL Brussels- T BVBA;

"Belgian Property" means any or each of the Brussels Building Property and the Brussels Freehold Property;

"Belgian Reorganisation" means the merger which is intended to occur between Belgian Propco and Belgian Targetco within 90 days of the date of this Agreement and pursuant to which Belgian Targetco will be the surviving entity;

"Belgian Targetco" means Prime BEL Rue de la Loi SPRL - T (formerly Chrysalis Invest NV);

"Borrower" means an Original Borrower or an Additional Borrower unless it has ceased to be a Borrower in accordance with clause 26.4 (Resignation of a Borrower);

"Break Costs" means the amount (if any) by which:

(a) the interest (excluding the Margin) which a Lender should have received for the period from the date of receipt of all or any part of the Loan or Unpaid Sum until the end of

the relevant Interest Period, had the principal amount or Unpaid Sum received been paid on that day,
exceeds

(b) the amount which that Lender would be able to obtain by placing an amount equal to the principal amount or Unpaid Sum received by it on deposit with a leading bank in the Relevant Market for a period starting on the Business Day following receipt or recovery and ending on the last day of the relevant Interest Period,

plus:

(c) where the relevant deposit rate is less than zero, the amount paid by that Lender for placing an amount equal to the principal amount or Unpaid Sum received by it on deposit with a leading bank in the Relevant Market for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period;

"Brussels Building Property" means the real estate in Belgium listed as number 7 in part 4 of schedule 1 (The Original Parties and Properties);

"Brussels Freehold Property" means the real estate in Belgium listed as number 7 in part 4 of schedule 1 (The Original Parties and Properties);

"Budget" means the Annual Budget or the Initial Budget, as appropriate;

"Business Day" means:

(a) in respect of a payment in euro, a day (other than a Saturday or a Sunday) on which banks and financial markets are open in Luxembourg, London and Frankfurt for the transaction of business and which is also a day on which TARGET2 (Trans- European Automated Real- time Gross Settlement Express Transfer- System) is open for the transfer of payments; and

(b) in respect of a payment in sterling, a day (other than a Saturday or a Sunday) on which banks and financial markets are open in Luxembourg, Frankfurt and London; and

(c) in respect of a payment in kronor, a day (other than a Saturday or a Sunday) on which banks and financial markets are open in Luxembourg, London, Frankfurt and Stockholm; and

(d) in respect of the fixing of EURIBOR, a day on which TARGET2 (Trans- European Automated Real- time Gross Settlement Express Transfer- System) is open for the transfer of payments;

(e) in respect of the fixing of LIBOR, a day (other than a Saturday or a Sunday) on which banks and financial markets are open in London for the transaction of business;

(f) in respect of the fixing of STIBOR a day (other than a Saturday or a Sunday) on which banks and financial markets are open in Stockholm for the transaction of business;

(g) for any other purpose, a day (other than a Saturday or a Sunday) on which banks and financial markets are open in Luxembourg, London and Frankfurt for the transaction of business and which is also a day on which TARGET2 (Trans- European Automated Real- time Gross Settlement Express Transfer- System) is open for the transfer of payments;

"Cap Rate" means, as at the relevant Test Date, the rate of interest payable under the Hedge Document entered into pursuant to clause 8.3 (Hedging) of this Agreement (or any replacement Hedge Document entered into with the consent of the Agent);

"Capex Account" means the account designated as such under clause 17.1 (Designation of Accounts) and includes any replacement of that Account and any sub- account in any currency connected with that account;

"Cash Management Agreement" means the agreement dated on or around the date of this Agreement between, amongst others, BDO LLP (as Cash Manager), the Company and the Asset Manager or such other cash management agreement as may be agreed between the Company and the Agent (acting reasonably);

"Cash Manager" means BDO LLP or such other cash manager appointed in accordance with clause 23.9 (Managing Agents, Asset Manager and Cash Manager);

"Cash Sweep Account" means the account designated as such under clause 17.1 (Designation of Accounts) and includes any replacement of that account and any sub- account in any currency connected with that account;

"Cash Sweep Event" means:

(a) the Interest Cover is equal to or less than 250 per cent; and/or

(b the Loan to Value is equal to or greater than 65 per cent; and/or

(c) any Individual Loan to Value is equal to or greater than 75 per cent; and/or

(d) the Net Yield on Debt is equal to or lower than 7.5 per cent;

"Cash Sweep Shortfall Amount" means when any Individual Loan to Value is equal to or greater than 75 per cent ("**Individual LTV Breach**"), the amount by (i) which funds standing to the credit of the Rent Account of the relevant Property Owner are insufficient to prepay the relevant Loan or (ii) for a French Property Owner, the amount by which funds standing to the credit of the relevant French Property Owner Rent Account are insufficient to prepay the relevant French Intra- Group Loan, on the Test Date on which such Individual LTV Breach has occurred and is continuing, in an amount equal to no less than 3% (calculated on an annual basis) of the relevant Allocated Loan Amount;

"Charged Account Control Deed" means any deed made between an Obligor, the Security Agent and Bank of America N.A. in respect of the operation and blocking of that Obligor's Accounts, in form and substance satisfactory to the Agent;

"Charged Property" means any Property (other than a French Property) which:

(a) is, or is expressed to be, from time to time the subject of Transaction Security (other than a French Property); or

(b) (in the case of a proposed Utilisation) is required to be the subject of Transaction Security immediately following the Utilisation,

and, where the context so requires, includes the buildings on that Charged Property;

"Clean- up Period" means a period of 45 days commencing on the date of this Agreement;

"Code" means the US Internal Revenue Code of 1986;

"Collection Account" means each account designated as such under clause 17.1 (Designation of Accounts) and includes any replacement of that Account and any sub- account in any currency connected with that account;

"Commitment" means:

(a) in relation to the Original Lender, the Total Commitments and the amount of any other Commitment transferred to it under this Agreement; and

(b) in relation to any other Lender, the amount of any Commitment transferred to it under this Agreement,

to the extent:

(i) not cancelled, reduced or transferred by it under this Agreement; andnot deemed to be zero pursuant to clause 25.11 (Disenfranchisement on Debt Purchase

(ii) Transactions entered into by Sponsor Affiliates);

"Common Conditions Precedent" means the conditions precedent contained in the following paragraphs (or sub-paragraphs as the case may be) of schedule 2 (Conditions Precedent):

(a) 1 (Transaction Obligors) (excluding any relevant to the Swedish Targetco and the Belgian Targetco);

(b) 2 (Financial Information);

(c) 3 (Valuation and Survey);

(d) 4 (Insurance);

(e) sub- paragraphs (a) and (b) of paragraph 5 (Property);

(f) sub- paragraphs (a) to (d), (i), (f) and (k) (insofar as those relate to the General Security Documents) of paragraph 6 (Security and other Finance Documents);

(g) sub- paragraph (a) of paragraph 7 (Sale and Purchase Agreement);

(h) paragraph 8 (Asset Manager);

(i) sub- paragraphs (a) and (b) of paragraph 9 (Tax);

(j) paragraph 10 (Other due diligence reports);

(k) sub- paragraphs (ii), (iii), (iv), (vi), (vii), (ix) and (x) of paragraph 11 (Legal opinions);

(l) 12 (Other documents and evidence);

"Compensation Prepayment Proceeds" means the proceeds of all compensation and damages for the compulsory purchase of, or any blight or disturbance affecting, any Property;

"Compliance Certificate" means a certificate substantially in the form set out in schedule 7 (Form of Compliance Certificate);

"Condor Property" means the real estate in England listed as number 2 in part 4 of schedule 1 (The Original Parties and Properties);

"Confidential Information" means all information relating to any Obligor, the Group, the Finance Documents or the Facility of which a Finance Party becomes aware in its capacity as, or for the purpose of becoming, a Finance Party or which is received by a Finance Party in relation to, or for the purpose of becoming a Finance Party under, the Finance Documents or the Facility from either:

(a) any member of the Group or any of its advisers; or

(b) another Finance Party, if the information was obtained by that Finance Party directly or indirectly from any member of the Group or any of its advisers,

in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes:

(i) information that:

(A) is or becomes public information other than as a direct or indirect result of any breach by that Finance Party of clause 38 (Confidential Information); or

(B) is identified in writing at the time of delivery as non- confidential by any member of the Group or any of its advisers; or

(C) is known by that Finance Party before the date the information is disclosed to it in accordance with paragraphs (a) or (b) or is lawfully obtained by that Finance Party after that date, from a source which is, as far as that Finance Party is aware, unconnected with the Group and which, in either case, as far as that Finance Party is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality; and

(ii) any Funding Rate or Reference Bank Quotation;

"Confidentiality Undertaking" means a confidentiality undertaking substantially in a recommended form of the LMA as set out in schedule 8 (LMA Form of Confidentiality Undertaking) or in any other form agreed between the Company and the Agent;

"Counterparty" means such bank or financial institution (not being a bank or financial institution the subject of the Dodd- Frank Wall Street Reform and Consumer Protection Act) acceptable to the Agent as counterparty to a Hedge Document or any replacement appointed pursuant to clause 25.12 (New Counterparties);

"CRR" means the Council Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012;

"CTA" means the English Corporation Tax Act 2009 or any analogous legislation in any Relevant Jurisdiction;

"Dammtorwall Property" means the real estate in Germany listed as number 5 in part 4 of schedule 1 (The Original Parties and Properties);

"Debt Purchase Transaction" means, in relation to a person, a transaction where such person:

(a) purchases by way of assignment or transfer;

(b) enters into any sub- participation in respect of; or

(c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of,

any Commitment or amount outstanding under this Agreement;

"Default" means an Event of Default or any event or circumstance specified in clause 24 (Events of Default) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default;

"Defaulting Lender" means any Lender (other than a Lender which is a Sponsor Affiiate):

(a) which has failed to make a Loan available or has notified the Agent that it will not make any Loan available by the Utilisation Date in accordance with clause 5.4 (Lenders' participation); or

(b) which has otherwise rescinded or repudiated a Finance Document;

unless, in the case of paragraph (a):

(i) its failure to pay is caused by:

(A) administrative or technical error; or

(B) a Disruption Event; and

payment is made within 10 Business Days of its due date; or

(ii) the Lender is disputing in good faith whether it is contractually obliged to make the payment in question;

"Delegate" means any delegate, agent, attorney or co- trustee appointed by the Security Agent and/or the English Security Agent (as appropriate);

"Deposit Account" means the account designated as such under clause 17.1 (Designation of Accounts) and includes any replacement of that account and any sub- account in any currency connected with that account;

"Disposal Proceeds" means the net disposal proceeds derived from the disposal of a Property or the shares in an Obligor or Prime OPCI in accordance with clause 22.4(c);

"Disruption Event" means either or both of:

(a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made

in connection with the Facility (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or

(b) the occurrence of any other event which results in a disruption (of a technical or systems- related nature) to the treasury or payments operations of a Party preventing that, or any other Party:

(i) from performing its payment obligations under the Finance Documents; or

(ii) from communicating with other Parties in accordance with the terms of the Finance Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted;

"Drehbahn Property" means the real estate in Germany listed as number 3 in part 4 of schedule 1 (The Original Parties and Properties);

"Dutch Borrower" means each of Prime NLD Rotterdam- T B.V., Prime NLD Amsterdam- T B.V. and any other person that is organised and existing in The Netherlands to whom a Loan is made or is to be made;

"Dutch Obligor" means an Obligor organised and existing under the laws of The Netherlands;

"Dutch Property" means any or each of the Amsterdam Property and the Rotterdam Property;

"Duty of Care Agreement" means each duty of care agreement entered into, or to be entered into, by each of the Asset Manager, the Managing Agent, the Cash Manager and one or more Obligors and the Security Agent in an agreed form;

"Economic Beneficiary" means the name of the natural person who ultimately holds more than 25% (twenty five per cent.) of the shares in the share capital of an Obligor and any other person defined as an "Economic Beneficiary" for the purposes of the GwG the definition as at the date of this Agreement being as set out in schedule 12 (Statement regarding Economic Beneficiary);

"English Property" means any or each of the Portman Property and the Condor Property;

"English Security Deed" means the security deed to be entered into between the parties to this agreement (in respect of the appointment of the English Security Agent as security agent) and others in the agreed form, as the same may be amended, supplemented, superseded or replaced from time to time;

"Environment" means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

(a) air (including, without limitation, air within natural or man- made structures, whether above or below ground);

(b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and

(c) land (including, without limitation, land under water);

"Environmental Claim" means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law;

"Environmental Law" means any applicable law or regulation which relates to:

(a) the pollution or protection of the Environment;

(b) the conditions of the workplace; or

(c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste;

"Environmental Permits" means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of any Obligor conducted on or from the properties owned or used by any Obligor;

"EURIBOR" means, in relation to any Loan denominated in euro:

(a) the applicable Screen Rate as of the Specified Time for euro and for a period equal in length to the Interest Period of that Loan; or

(b) as otherwise determined pursuant to clause 10.1 (Unavailability of Screen Rate),

and if, in either case, that rate is less than zero, EURIBOR shall be deemed to be zero;

"Event of Default" means any event or circumstance specified as such in clause 24 (Events of Default);

"Excluded Recovery Proceeds" means any proceeds of a Recovery Claim which the Company notifies the Agent are, or are to be, applied:

(a) to satisfy (or reimburse an Obligor which has discharged) any liability, charge or claim upon an Obligor by a person which is not an Obligor or an Affiliate of an Obligor; or

(b) in the replacement, reinstatement and/or repair of assets of an Obligor which have been lost, destroyed or damaged,

in each case as a result of the events or circumstances giving rise to that Recovery Claim, if those proceeds are so applied as soon as possible (but in any event within six months, or such longer period as the Agent may agree) after receipt;

"Facility" means the term loans facility made available under this Agreement as described in clause 2 (The Facility);

"Facility Office" means the office or offices notified by a Lender to the Agent in writing on or before the date it becomes a Lender (or, following that date, by not less than 5 Business Days' written notice) as the office or offices through which it will perform its obligations under this Agreement;

"**FATCA**" means:

(a) sections 1471 to 1474 of the Code or any associated regulations;

(b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a); or

(c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction;

"FATCA Application Date" means:

(a) in relation to a "withholdable payment" described in section 1473(1)(A)(i) of the Code (which relates to payments of interest and certain other payments from sources within the US), 1 July 2014;

(b) in relation to a "withholdable payment" described in section 1473(1)(A)(ii) of the Code (which relates to "gross proceeds" from the disposition of property of a type that can produce interest from sources within the US), 1 January 2017; or

(c) in relation to a "passthru payment" described in section 1471(d)(7) of the Code not falling within paragraphs (a) or (b), 1 January 2017,

or, in each case, such other date from which such payment may become subject to a deduction or withholding required by FATCA as a result of any change in FATCA after the date of this Agreement;

"FATCA Deduction" means a deduction or withholding from a payment under a Finance Document required by FATCA;

"FATCA Exempt Party" means a Party that is entitled to receive payments free from any FATCA Deduction;

"Fee Letter" means any letter or letters dated on or about the date of this Agreement between any of the Arranger, the Agent or the Security Agent and the Company setting out any of the fees referred to in clause 11 (Fees) as may be superseded and/or amended on or around the Amendment Date;

"Finance Document" means this Agreement, any Security Document, the English Security Deed, the Amendment and Restatement Agreement, any Subordination Agreement, any Duty of Care Agreement, any Fee Letter, any Margin Letter, the Security Deed, any Resignation Letter, any Accession Deed and any other deed of accession in connection with the foregoing or any other document designated as such by the Agent and the Company;

"Finance Party" means the Agent, the Security Agent, the English Security Agent, the Arranger or a Lender;

"Financial Indebtedness" means any indebtedness for or in respect of:

(a) moneys borrowed;

(b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with Relevant GAAP, be treated as a finance or capital lease;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non- recourse basis);

(f) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;

(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close- out of that derivative transaction, that amount) shall be taken into account);

(h) any counter- indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

(i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h);

"Financial Quarter Day" means 31 March, 30 June, 30 September and 31 December;

"Financial Statements" means, in relation to an Obligor, its unaudited balance sheet and income statement (prior to any audit requirement becoming effective) for its financial year or half year and (thereafter) its audited financial statements for its financial year;

"French Intra- Group Debt Documents" means

(a) the French Property Owner Loans Agreement (which shall include a guarantee by Prime OPCI of the liabilities of the French Property Owners);

(b) the following security granted for the benefit of the PPD Lender under the French Property Owner Loans Agreement:

(i) security entered into by each French Property Owner:

(A) a French law governed privileges of money lender (privilèges de prêteur de deniers) over each French Property for an aggregate principal amount of EUR 105,650,000 increased with accessories of 10% regularized on the date of the first Utilisation and granted by each French Property Owner as security for its payment obligations under the French Intra- Group Loan granted to it pursuant to the French Property Owner Loans Agreement entered into by the French Property Owners, such as these privileges of money lender are provided in the French Property Owner Loans Agreement and in the relevant Sale and Purchase Agreement entered into by those French Property Owners as follows:

- as regards Issy Property: EUR 66,550,000
- as regards MacDonald Property: EUR 39,100,000;

(B) a French law governed first ranking pledge with respect to any balance receivables (solde) of each French Property Owner with respect to any bank account open in France in the name of a French Property Owner, granted by each French Property Owner as security for its payment obligations under the French Property Owner Loans Agreement entered into by the French Property Owners;

(C) a French law governed first ranking pledge with respect to present and future receivables of each French Property Owner under the Lease Documents, local Insurances and the relevant Sale and Purchase Agreement, granted by each French Property Owner as security for its payment obligations under the French Property Owner Loans Agreement entered into by the French Property Owners; and

(D) a French law governed first ranking pledge with respect to the share in the other French Property Owner owned by the relevant French Property Owner and granted by such relevant French Property Owner as security for its payment obligations under French Property Owner Loans Agreement entered into by the French Property Owners;

(E) an English law security assignment of the benefit of any Hedge Documents and the Insurances to the extent governed by English law;

(F) a German law security assignment agreement in respect of all rights and claims of each French Property Owner under the Sale and Purchase Agreement and in respect of their claims under the Asset Management Agreement;

(ii) security entered into by Prime OPCI:

(A) a French law governed first ranking pledge with respect to the shares in each French Property Owner owned by Prime OPCI and granted by Prime OPCI as security for the payment obligations of each French Property Owner;

(B) a French law governed first ranking pledge with respect to the intragroup receivables vis- à- vis each French Property Owner owned by Prime OPCI and granted by Prime OPCI as security for the payment obligations of each French Property Owner;

(C) a French law governed first ranking pledge with respect to any balance receivables (solde) of Prime OPCI with respect to any bank account open in France in the name of Prime OPCI, granted by Prime OPCI as security for its guarantee obligations under the French Property Owner Loans Agreement; and

(iii) any other document evidencing or creating Security over any asset to secure the French Property Owner Loans Agreement designated as such by the Agent, the PPD Lender and the Company;

(c) the amended and restated Property Owner Loans Agreement (the "**Amended French Property Owner Loans Agreement**"); and

(d) the following security granted for the benefit of the PPD Lender under the Amended French Property Owner Loans Agreement:

(i) security entered into by each French Property Owner:

(A) a French law first priority mortgage (hypothèque conventionnelle) over each French Property for an aggregate principal amount of EUR 20,300,000 to be increased with accessories of 10% to be and granted by each French Property Owner as security for its payment obligations under the French Intra- Group Loan granted to it pursuant to the Amended French Property Owner Loans Agreement entered into by the French Property Owners, such as these mortgages are provided in the Amended French Property Owner Loans Agreement entered into by those French Property Owners as follows:

- as regards Issy Property: EUR 13,700,000;
- as regards MacDonald Property: EUR 6,600,000 ;

(B) a French law governed second ranking pledge with respect to any balance receivables (solde) of each French Property Owner with respect to any bank account open in France in the name of a French Property Owner, granted by each French Property Owner as security for its payment obligations under the Amended French Property Owner Loans Agreement entered into by the French Property Owners;

(C) a French law governed second ranking pledge with respect to present and future receivables of each French Property Owner under the Lease Documents, local Insurances and the relevant Sale and Purchase Agreement, granted by each French Property Owner as security for its payment obligations under the Amended French Property Owner Loans Agreement entered into by the French Property Owners; and

(D) a French law governed second ranking pledge with respect to the share in the other French Property Owner owned by the relevant French Property Owner and granted by such relevant French Property Owner as security for its payment obligations under the Amended French Property Owner Loans Agreement entered into by the French Property Owners;

(E) an English law security assignment of the benefit of any Hedge Documents and the Insurances to the extent governed by English law;

(F) a German law confirmation agreement in respect of the security assignment referred to in (b)(i)(F) above;

(ii) security entered into by Prime OPCI:

(A) a French law governed second ranking pledge with respect to the shares in each French Property Owner owned by Prime OPCI and granted by Prime OPCI as security for the payment obligations of each French Property Owner;

(B) a French law governed second ranking pledge with respect to the intragroup receivables vis- à- vis each French Property Owner owned by Prime OPCI and granted by Prime OPCI as security for the payment obligations of each French Property Owner;

(C) a French law governed second ranking pledge with respect to any balance receivables (solde) of Prime OPCI with respect to any bank account open in France in the name of Prime OPCI, granted by Prime OPCI as security for its guarantee obligations under the Amended French Property Owner Loans Agreement; and

(iii) any other document evidencing or creating Security over any asset to secure the Amended French Property Owner Loans Agreement, designated as such by the Agent, the PPD Lender and the Company;

"French Intra- Group Loan" means each of the loans made available to a French Property Owner by the PPD Lender under the French Property Owner Loans Agreement and/or Amended French Property Owner Loans Agreement;

"French Intra- Group Loan Proceeds" means:

(a) "Insurance Prepayment Proceeds",

(b) "Compensation Prepayment Proceeds"

(c) "Recovery Prepayment Proceeds";

(d) amounts paid pursuant to clause 17.3 (Covenant repair) of the Amended French Property Owner Loans Agreement; and

(e) amounts paid following a "Cash Sweep Event",

and each payable by a French Property Owner to the "Lender Proceeds Account" pursuant to clause 12.5 of the Amended French Property Owner Loans Agreement (with each italicised term as defined under the Amended French Property Owner Loans Agreement);

"French Intra- Group Loan Proceeds Account" means the account designated as such under clause 17.1 (Designation of Accounts) and includes any replacement of that Account and any sub- account in any currency connected with that account;

"French Obligor" means each of Prime OPCI, each French Property Owner and any other person that is organised and existing in France;

"French Property" means any or each of the Issy Property and the MacDonald Property;

"French Property Owner" means each and any of SCI Prime FRA Issy- T and SCI Prime FRA MacDonald- T;

"French Property Owner Loans Agreement" means the French law governed loans agreement entered into between, amongst others, the PPD Lender (as lender), each French Property Owner (as borrower) and Prime OPCI (as guarantor) pursuant to which the Allocated Loan Amount relating to each Property to be acquired by each French Property Owner shall be lent by the PPD Lender in the form of one or several intra- group loan(s) (as applicable) granted to each French Property Owner, to be regularized by the notary office "Allez & Associés, Notaires";

"French Property Owner Rent Account" means the "Rent Account" of each French Property Owner under and as defined in the Amended French Property Owner Loans Agreement;
"Funding Rate" means any individual rate notified by a Lender to the Agent pursuant to clause 10.4(a)(ii);
"General Account" means the account designated as such under clause 17.1 (Designation of Accounts) and includes any replacement of that Account and any sub- account in any currency connected with that account;
"General Security Documents" means those Security Documents listed in part 1 of schedule 14 (Security Documents);
"German Insurance Lenders" has the meaning ascribed in clause 25.1(b);
"German Property" means any or each of the Drehbahn Property, the Valentinskamp Property and the Dammtorwall Property;
"Germany" means the Federal Republic of Germany and, where applicable, includes its constituent states and territories;
"Group" means the Company and its Subsidiaries for the time being;
"Guarantor" means an Original Guarantor or an Additional Guarantor unless it has ceased to be a Guarantor in accordance with clause 26.5 (Resignation of a Guarantor);
"Headlease" means a lease under which an Obligor holds title to any part of a Property;
"**Hedge Document**" means each of the documents entered into by a Borrower and a Counterparty as the case may be evidencing or relating to any interest, cap, transaction or any other treasury transaction or any combination of the same or any other transaction entered into in connection with the protection against or benefit from fluctuation in interest rates in respect of a Loan;
"Historic Screen Rate" means, in relation to any Loan, the most recent applicable Screen Rate for sterling, euro or kronor (as applicable) and for a period equal in length to the Interest Period of that Loan and which is as of a day which is no more than 2 Business Days before the Quotation Day;
"Holding Company" means, in relation to a person, any other person in respect of which it is a Subsidiary;
"Impaired Agent" means the Agent at any time when:
(a) it has failed to make (or has notified a Party that it will not make) a payment required to be made by it under the Finance Documents by the due date for payment;
(b) the Agent otherwise rescinds or repudiates a Finance Document;
(c) (if the Agent is also a Lender) it is a Defaulting Lender under paragraph (a) or (b) of the definition of "Defaulting Lender"
unless, in the case of paragraph (a):
(i) its failure to pay is caused by:

(A) administrative or technical error; or
(B) a Disruption Event; and
payment is made within 10 Business Days of its due date; or
(ii) the Agent is disputing in good faith whether it is contractually obliged to make the payment in question;
"Individual Loan to Value" means, at any time, the Allocated Loan Amount for a Property (less any prepayments made or any cash on deposit in the Deposit Account in respect of that Property and (any French Intra- Group Loan Proceeds credited to the French Intra- Group Loan Proceeds Account and which are to be applied in prepayment) as a percentage of the aggregate market value of that Property (determined in accordance with the most recent Valuation of such Property at that time), with all calculations made by reference to the Base Currency Amount;
"Initial Budget" means the budget for the Properties produced by the Company and in form and substance satisfactory to the Agent, and provided as a condition precedent to Utilisation under schedule 2 (Conditions Precedent);
"Initial Valuation" means the Valuation of the Properties supplied to the Agent as a condition precedent under this Agreement on or before the first Utilisation Date;
"Insurance Prepayment Proceeds" means any proceeds of Insurances required to be paid into the Deposit Account in accordance with clause 23.10(i);
"Insurances" means any contract of insurance required under clause 23.10 (Insurances);
"**Insurance Undertaking Default**" means an Event of Default for so long as it is continuing under clauses 23.10(a) to 23.10(d) and 23.10(g)(ii)(Insurances);
"Interest Cover" means, as at any Test Date, passing rental as a percentage of finance costs at that date. For the purposes of this definition:
(a) **"calculation period"** means a period of 12 months;
(b) **"finance costs"** means the aggregate amount of interest and periodic fees payable to:
(i) the Finance Parties under this Agreement; and
(ii) the Finance Parties under (and as defined) in the Italian Facility Agreement,
during any calculation period in respect of which passing rental has been calculated (and where the calculation period extends beyond the Termination Date, finance costs shall be calculated by reference to deemed loan terms of 12 months commencing on the relevant Test Date) and **provided further that** it shall also be assumed that any Hedge Documents remain in place in respect of the remainder of that period;
(c) **"passing rental"** means, as at any Test Date, passing net rental income (excluding, for the avoidance of doubt, Tenant Contributions) (not including any amount which represents VAT) that will be received on a regular periodical basis by the Portfolio Borrowers under the Portfolio Lease Documents during the calculation period commencing on that Test Date;

(d) in calculating finance costs:

(i) any increase in the Margin as a result of a breach of any Individual Loan to Value test will be ignored;

(ii) interest in respect of any Loan in sterling and euro shall be calculated by reference to the lower of:

(A) LIBOR and EURIBOR as at the relevant Test Date (which rate is deemed to apply for the whole calculation period commencing on that Test Date) plus Margin; and

(B) the relevant Cap Rate plus Margin;

(iii) interest in respect of any Loan in kronor shall be calculated by reference to STIBOR as at the relevant Test Date (which rate is deemed to apply for the whole calculation period commencing on that Test Date) plus Margin;

(e) in calculating passing rental:

(i) a break clause under any Portfolio Lease Document will be deemed to be exercised at the earliest date available to the relevant tenant unless

(A) a new unconditional (in respect of rental payment obligations) and binding Portfolio Lease Document has been entered into to take effect immediately on that break on equivalent or better terms to that existing Portfolio Lease Document; or

(B) the time period during which such break clause may be exercised has expired in accordance with the terms of the relevant Lease Document;

(ii) net rental income will be ignored:

(A) if payable by a tenant that is a Portfolio Obligor or related to a Portfolio Obligor;

(B) if not payable under a binding Portfolio Lease Document which is unconditional in respect of its rental payment obligations;

(C) in respect of any Portfolio Lease Documents whose remaining term is 3 Months or less (unless the conditions in (e)(i)(A) apply);

(D) where the aggregate amount of accumulated arrears is more than the rental payments payable in any period of three months;

(iii) potential net rental income increases as a result of rent reviews will be ignored until unconditionally ascertained;

(iv) net rental income payable by a tenant that is more than three Months in arrears on any of its rental payments will be ignored;

(v) net rental income payable by a tenant that is subject to insolvency proceedings will be ignored;

(vi) net rental income will be reduced by the amount of any deduction or withholding for or on account of Tax from that net rental income; and

(vii) net rental income will be reduced by the amount of Operating Expenses;

(f) the Company shall, at the request of the Agent, calculate Interest Cover but if the Company does not provide a calculation when requested by the Agent or the Agent disagrees with the calculation provided then the Agent may calculate Interest Cover and that calculation of the Agent shall prevail over any calculation of the Company; and

(g) all calculations required shall be made by reference to the Base Currency Amount;

"Interest Payment Date" means 20 January, 20 April, 20 July and 20 October in each year and the Termination Date, with the first Interest Payment Date being 20 July 2015. If, however, any such day is not a Business Day, the Interest Payment Date will instead be the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not);

"Interest Period" means, in relation to a Loan, each period determined in accordance with clause 9 (Interest Periods) and, in relation to an Unpaid Sum, each period determined in accordance with clause 8.4 (Default interest);

"Interpolated Historic Screen Rate" means, in relation to LIBOR, EURIBOR or STIBOR for any Loan, the rate (rounded to the same number of decimal places as the two relevant Screen Rates) which results from interpolating on a linear basis between:

(a) the most recent applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of that Loan; and

(b) the most recent applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan,

each as of the Specified Time for the currency of that Loan and each of which is as of a day which is no more than 2 Business Days before the Quotation Day;

"Interpolated Screen Rate" means, in relation to LIBOR, EURIBOR or STIBOR for any Loan, the rate (rounded to the same number of decimal places as the two relevant Screen Rates) which results from interpolating on a linear basis between:

(a) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of that Loan; and

(b) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan,

each as of the Specified Time for the currency of that Loan;

"Issy Property" means the real estate in France listed as number 6(a) in part 4 of schedule 1 (The Original Parties and Properties);

"ITA" means the United Kingdom Income Tax Act 2007;

"Italian Facility Agreement" means the agreement dated on or about the date of this Agreement between (1) the Company, (2) Prime ITA Milan- T S.R.L. as Borrower, (3) the companies listed in part 1 of schedule 1 (The Original Guarantors) to it as Guarantors, (4) Aareal Bank AG as

Arranger, (5) Aareal Bank AG as Lender, (6) Aareal Bank AG as Agent and (7) Aareal Bank AG as Security Agent in the agreed form and as amended and restated on or about the Amendment Date;

"Italian Facility Obligor" means "Obligor" under and as defined in the Italian Facility Agreement;

"**Italian Obligor"** means an Obligor organised and existing under the laws of Italy;

"Lease Document" means:

(a) an Agreement for Lease;

(b) an Occupational Lease; or

(c) any other document designated as such by the Agent and the Company;

"Legal Due Diligence Report" prepared by Clifford Chance LLP and addressed to the Finance Parties (or otherwise capable of being relied upon by the Finance Parties);

"Legal Reservations" means:

(a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;

(b) the time barring of claims under the Limitation Acts, the possibility that an undertaking to assume liability for or indemnify a person against non- payment of UK stamp duty may be void and defences of set- off or counterclaim;

(c) the limitation of the enforcement of the terms of leases of real property by laws of general application to those leases;

(d) in relation to a Charged Property located in Germany, the limitation arising from section 1136 BGB and from notarial form requirements;

(e) similar principles, rights and remedies under the laws of any Relevant Jurisdiction; and

(f) any other matters which are set out as qualifications or reservations as to matters of law of general application in any legal opinions supplied to the Agent as a condition precedent under this Agreement on or before the relevant Utilisation Date;

"Lender" means:

(a) any Original Lender; and

(b) any other person which has become a Lender in accordance with clause 25 (Changes to the Lenders),

which in each case has not ceased to be a Party in accordance with the terms of this Agreement;

"LIBOR" means, in relation to any Loan denominated in sterling:

(a) the applicable Screen Rate as of the Specified Time for sterling and for a period equal in length to the Interest Period of that Loan; or

(b) as otherwise determined pursuant to clause 10.1 (Unavailability of Screen Rate),

and if, in either case, that rate is less than zero, LIBOR shall be deemed to be zero;

"Limitation Acts" means the English Limitation Act 1980 or any analogous legislation in any Relevant Jurisdiction;

"LMA" means the Loan Market Association;

"Loan" means each or any of the loans made or to be made to the Borrowers in accordance with this Agreement and as more fully set out in part 3 of schedule 1 (The Original Parties and Properties) or the principal amount outstanding for the time being of any such loan;

"Loan to Value" means, at any time, the outstanding Portfolio Loan as a percentage of the aggregate market value of the Portfolio Properties (determined in accordance with the most recent Valuation of the Portfolio Properties at that time and each calculated by reference to the Base Currency Amount) (and taking into account in such calculation amounts standing to the credit of the Deposit Account or which are held on account in accordance with clause 21.4 or are to be applied in prepayment together with French Intra- Group Loan Proceeds credited to the French Intra- Group Loan Proceeds Account and which are to be applied in prepayment of the Loan to the PPD Lender);

"Loan Specific Security Documents" means those Security Documents listed in part 2 of schedule 14 (Security Documents);

"Luxembourg Borrower" means each entity that is organised and existing in the Grand Duchy of Luxembourg to whom a Loan is made or is to be made;

"Luxembourg Guarantor" means any Guarantor organised and existing under the laws of the Grand Duchy of Luxembourg;

"Luxembourg Obligor" means an Obligor organised and existing under the laws of the Grand Duchy of Luxembourg;

"MacDonald Property" means the real estate in France listed as number 6(b) in part 4 of schedule 1 (The Original Parties and Properties);

"Majority Lenders" means a Lender or Lenders whose Commitments aggregate more than $66^2/_3\%$ of the Total Commitments or, if the Total Commitments have been reduced to zero, aggregated more than $66^2/_3\%$ of the Total Commitments immediately prior to the reduction;

"Managing Agent" means any managing agent appointed by an Obligor in respect of a Property in accordance with clause 23.9 (Managing Agents, Asset Manager and Cash Manager);

"Margin" means the percentage rate per annum set out in the Margin Letter unless a Cash Sweep Event (as set out in limb (c) of that definition) has occurred and is continuing in which case the Margin applicable to each affected Loan shall be increased by 0.20% per annum for any period during which such Cash Sweep Event is continuing, with such increase (or decrease where a Cash Sweep Event is no longer continuing) taking effect from the first Interest Payment

Date following receipt by the Agent of the Compliance Certificate for the relevant calculation period;

"Margin Letter" means the letter dated on or about the date of this Agreement between the Agent and the Company setting out the margin for determining the interest rate applicable to the Loans and as amended and/or superseded on or about the Amendment Date;

"Material Adverse Effect" means a material adverse effect on:

(a) the financial condition of the Obligors and French Obligors (taken as a whole) or any other provider of Security; or

(b) the ability of an Obligor and French Obligors (taken as a whole) to perform its financial and other material obligations under the Finance Documents (or the French Intra- Group Debt Documents); or

(c) subject to the Legal Reservations, the validity or enforceability of, or the effectiveness or ranking of any Security granted or purported to be granted pursuant to any of, the Finance Documents (or the French Intra-Group Debt Documents) or the rights or remedies of any Finance Party under any of the Finance Documents (or the French Intra- Group Debt Documents);

"Month" means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

(a) (subject to paragraph (c)) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;

(b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and

(c) if an Interest Period begins on the last Business Day of a calendar month, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end.

The above rules will only apply to the last Month of any period;

"Net Yield on Debt" means, as at any Test Date, the net rental income (as such term is described in the definition of limb (c) of the definition of "Interest Cover") as a percentage of the Portfolio Loans outstanding on such Test Date;

"New Lender" has the meaning given to that term in clause 25 (Changes to the Lenders);

"Notifiable Debt Purchase Transaction" has the meaning given to that term in clause 25.12;

"Obligor" means the Company, a Borrower or a Guarantor;

"Obligors' Agent" means the Company;

"Occupational Lease" means any lease or licence or other right of occupation or right to receive rent to which a Property may at any time be subject and includes any guarantee of a tenant's obligations under the same;

"Operating Expenses" means the operating and property- related expenses necessary for the operation and the management of any Property (including VAT, where applicable), to the extent that such amount is not recoverable or funded by a tenant, by way of Tenant Contributions or otherwise, under the Lease Documents in respect of:

(a) of ground rent, rates and insurance premia;

(b) in respect of costs and expenses incurred in complying with applicable laws and regulations relating to any Portfolio Property;

(c) in respect of management, maintenance, repair or similar fees, costs and expenses in relation to any Portfolio Property; and

(d) in respect of the provision of services relating to any Portfolio Property,

as set out in the most recent Compliance Certificate but excluding capital expenditure, corporate overheads and Taxes (other than VAT on the above expenses);

"Original Financial Statements" means:

(a) in relation to each Obligor, its pro forma balance sheet statement; and

(b) in relation to the Swedish Targetco and Belgian Targetco, its latest (unconsolidated) unaudited balance sheet and income statement,

in each case as at the date of this Agreement;

"Original Jurisdiction" means, in relation to any Obligor, the jurisdiction under whose laws that Obligor is incorporated as at the date of this Agreement or the date it became an Additional Obligor as applicable;

"Parent" means Prime Holdco B- T S. à r.l. a private limited liability company (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 6A route de Trèves, 6th Floor, L- 2633 Senningerberg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register under number B 192943;

"Participating Member State" means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union;

"Party" means a party to this Agreement;

"Permitted Payment" means:

(a) the payment of a dividend, distribution of share premium reserve, return of capital, repayment of capital, contribution or other distribution, redemption, repurchase, defeasement, retirement, reduction, or payment in respect of share capital or payments in respect of Subordinated Debt to any person other than an Obligor made by the Company from its General Account in accordance with this Agreement in circumstances where no Cash Sweep Event has occurred and is continuing and no Default is continuing or is reasonably likely to result from such payment;

(b) any payment made by an Obligor to another Obligor, or by an Obligor to a French Obligor or to an Italian Facility Obligor, or a French Obligor to another French Obligor or an Italian Facility Obligor to another Italian Facility Obligor consistent with the terms of this Agreement, the Italian Facility Agreement or the Amended French Property Owner Loans Agreement in circumstances where no Event of Default is continuing or, where an Event of Default is continuing, the Agent notifies the Obligors' Agent that certain or all payments may be made while that Event of Default is continuing, until further notice is provided (provided that where such payments are permitted it shall be without prejudice to the Finance Parties' rights and remedies under this Agreement); and

(c) the payment of intercompany debt envisaged under clause 3.1(a) (Purpose) and the consequential repayment of intercompany debt between the relevant Obligors;

"Portfolio Borrower" means a Borrower or a Borrower under and as defined in the Italian Facility Agreement or a French Property Owner;

"Portfolio Lease Document" means a Lease Document or a Lease Document under and as defined in the Italian Facility Agreement;

"Portfolio Loan" means the aggregate amount of the Loans and the Loans under and as defined in the Italian Facility Agreement;

"Portfolio Obligor" means an Obligor or an Obligor under and as defined in the Italian Facility Agreement or French Obligor;

"Portfolio Property" means a Charged Property or a Charged Property under and as defined in the Italian Facility Agreement or a French Property;

"Portman Property" means the real estate in England listed as number 1 in part 4 of schedule 1 (The Original Parties and Properties);

"PPD Lender" means Prime Pool II - T, S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 6A route de Trèves, 6th Floor, L- 2633 Senningerberg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register under number B 194792;

"Prime OPCI" means the share capital private limited liability company (société de placement à preponderance immobilière à capital variable) incorporated under the laws of France, having its registered office at c/o Swiss Life REIM (France), 13 Avenue de l'Opéra, 75001 Paris and registered with the trade and companies register under number 810 294 181 RCS Paris;

"Prime OPCI Shareholding Account" means the account designated as such under clause 17.1 (Designation of Accounts) and includes any replacement of that Account;

"Property" means a property listed in part 4 of schedule 1 (The Original Parties and Properties) as described in a Security Document or the French Intra- Group Debt Documents and, where the context so requires, includes the buildings on that Property;

"Property Owner" means each Obligor which is the owner of a Charged Property;

"Property Report" means, in respect of any Property, any certificate of or report on title supplied to the Agent as a condition precedent under this Agreement on or before the first Utilisation Date;

"Qualifying Lender" has the meaning given to it in clause 12 (Tax gross up and indemnities);
"Quotation Day" means, in relation to any period for which an interest rate is to be determined:
(a) (if the currency is Sterling) the first day of that period;
(b) (if the currency is Euro) two TARGET days before the first day of that period; or
(c) (for any other currency) two Business Days before the first day of that period,
unless market practice differs in the Relevant Market, in which case the Quotation Day will be determined by the Agent in accordance with market practice in the Relevant Market (and if quotations would normally be given by leading banks in the Relevant Market on more than one day, the Quotation Day will be the last of those days);
"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets;
"Recovery Prepayment Proceeds" means the proceeds of a claim (a **"Recovery Claim"**) against:
(a) the vendor of the shares in any Obligor or any Property or any of its Affiliates (or any employee, officer or adviser); or
(b) the provider of any Property Report or the provider of any other due diligence report (in its capacity as provider of the same) in connection with the acquisition, development, financing or refinancing of the shares in any Obligor or any Property,
except for Excluded Recovery Proceeds, and after deducting:
(i) any reasonable expenses incurred by an Obligor to a person who is not an Obligor or Affiliate of an Obligor;
(ii) any Tax incurred and required to be paid by an Obligor (as reasonably determined by that Obligor on the basis of existing rates and taking into account any available credit, deduction or allowance),
in each case in relation to that Recovery Claim;
"Reference Bank Quotation" means any quotation supplied to the Agent by a Reference Bank;
"Reference Bank Rate" means the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Agent at its request by the Reference Banks:
(a) (other than where paragraph (b) applies) as the rate at which the relevant Reference Bank could borrow funds in the Relevant Market in sterling, euro or kronor (as applicable) for the relevant period were it to do so by asking for and then accepting interbank offers for deposits in reasonable market size in that currency and for that period; or
(b) if different, as the rate (if any and applied to the relevant Reference Bank and the relevant currency and period) which contributors to the Screen Rate are asked to submit to the relevant administrator;

(c) (other than where paragraph (b) applies) as the rate at which the relevant Reference Bank believes one prime bank is quoting to another prime bank for interbank term deposits in euro within the Participating Member States for the relevant period; or

(d) if different, as the rate (if any and applied to the relevant Reference Bank and the relevant period) which contributors to the Screen Rate are asked to submit to the relevant administrator.

"Reference Banks" means such banks as may be appointed by the Agent in consultation with the Company;

"Related Fund" in relation to a fund (the **"first fund"**), means a fund which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund;

"Relevant GAAP" means generally accepted accounting principles in the Relevant Jurisdiction of an Obligor or the USA;

"Relevant Jurisdiction" means, in relation to an Obligor:

(a) its Original Jurisdiction;

(b) any jurisdiction where any asset subject to or intended to be subject to the Transaction Security to be created by it is situated;

(c) any jurisdiction where it conducts its business; and

(d) the jurisdiction whose laws govern the perfection of any of the Security Documents entered into by it;

"Relevant Market" means:

(a) in relation to Loans made in euro, the European interbank market;

(b) in relation to Loans made in sterling, the London interbank market; and

(c) in relation to Loans made in kronor, the Stockholm interbank market;

"Rent Account" means each account designated as such under clause 17.1 (Designation of Accounts) and includes any replacement of that Account;

"Rent Deposit Account" means each account designated as such under clause 17.1 (Designation of Accounts) and includes any replacement of that Account;

"Rental Income" means the aggregate of all amounts paid or payable to or for the account of any Obligor in connection with the letting, licence or grant of other rights of use or occupation of any part of a Property, including each of the following amounts:

(a) rent, licence fees and equivalent amounts paid or payable;

(b) any sum received or receivable from any deposit held as security for performance of a tenant's obligations;

(c) a sum equal to any apportionment of rent allowed in favour of any Obligor;

(d) any other moneys paid or payable in respect of occupation and/or usage of that Property and any fixture and fitting on that Property including any fixture or fitting on that Property for display or advertisement, on licence or otherwise;

(e) any sum paid or payable under any policy of insurance in respect of loss of rent or interest on rent;

(f) any sum paid or payable, or the value of any consideration given, for the grant, surrender, amendment, supplement, waiver, extension or release of any Lease Document;

(g) any sum paid or payable in respect of a breach of covenant or dilapidations under any Lease Document;

(h) any sum paid or payable by or distribution received or receivable from any guarantor of any occupational tenant under any Lease Document;

(i) any Tenant Contributions; and

(j) any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above less any related fees and expenses incurred (which have not been reimbursed by another person) by any Obligor;

"Repeating Representations" means each of the representations set out in clause 19.1 (Status) to clause 19.6 (Governing law and enforcement), clause 19.9 (VAT) to clause 19.18 (No other business) and clause 19.20 (Centre of main interests and establishments) to 19.22 (Ownership);

"Representative" means any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian;

"Resignation Letter" means a letter substantially in the form set out in schedule 6 (Form of Resignation Letter);

"Rotterdam Property" means the real estate in the Netherlands listed as number 8 in part 4 of schedule 1 (The Original Parties and Properties);

"Sale and Purchase Agreement" means each of:

(a) the umbrella sale and purchase agreement dated 16 February 2015 made between, amongst other, the Sellers (as defined therein) and the Company; and

(b) each Individual Transfer (as defined in the umbrella sale agreement referred to in paragraph (a) above);

"Screen Rate" means:

(a) in relation to any Loan denominated in sterling, the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for sterling for the relevant period, displayed (before any correction, recalculation or republication by the administrator) on page LIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters and if the

relevant agreed page is replaced or service ceases to be available the Agent may specify another page or service displaying the relevant appropriate rate after consultation with the Lenders and the Obligors' Agent;

(b) in relation to any Loan denominated in euro, the euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period, displayed (before any correction, recalculation or republication by the administrator) on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters and if the relevant agreed page is replaced or service ceases to be available the Agent may specify another page or service displaying the relevant appropriate rate after consultation with the Lenders and the Obligors' Agent; and

(c) in relation to any Loan denominated in kronor, the interbank offered rate administered and calculated by Nasdaq Stockholm (or any other person which takes over the administration and calculation of that rate) under supervision by a committee appointed by the board of directors of the Swedish Bankers' Association for SEK for the relevant period, displayed (before any correction, recalculation or republication by the administrator) on the appropriate page of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters and if the relevant agreed page is replaced or service ceases to be available the Agent may specify another page or service displaying the relevant appropriate rate after consultation with the Lenders and the Obligors' Agent;

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Transaction Obligor to any Secured Party under each Finance Document;

"Secured Party" means a Finance Party, a Receiver or any Delegate;

"Security" means a mortgage, land charge, charge, pledge, security assignment, security transfer, retention of title arrangement, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

"Security Asset" means all of the assets of the Transaction Obligors which from time to time are, or are expressed to be, the subject of the Transaction Security;

"Security Deed" means the security deed to be entered into between the parties to this agreement (in respect of the appointment of the Security Agent as security agent) and others in the agreed form;

"Security Document" means each of the documents listed in schedule 14 (Security Documents) any other document designated as such by the Agent and the Company;

"Security Property" means:

(a) the Transaction Security expressed to be granted in favour of the Security Agent (or, as the case may be, the English Security Agent) as trustee for the Secured Parties and all proceeds of that Transaction Security;

(b) all obligations expressed to be undertaken by a Transaction Obligor to pay amounts in respect of the Secured Liabilities to the Security Agent (or, as the case may be, the English Security Agent) as trustee for the Secured Parties and secured by the Transaction Security together with all representations and warranties expressed to be given by a Transaction Obligor or any other person in favour of the Security Agent (or, as the case may be, the English Security Agent) as trustee for the Secured Parties; and

(c) any other amounts or property, whether rights, entitlements, choses in action or otherwise, actual or contingent, which the Security Agent (or, as the case may be, the English Security Agent) is required by the terms of the Finance Documents to hold as trustee on trust for the Secured Parties;

"Service Charge Account" means each account designated as such under clause 17.1 (Designation of Accounts) and includes any replacement of that Account;

"Share Account" means such account as is required mandatorily to be opened by an Obligor in the Relevant Jurisdiction, designated as such and operated under clause 17.1 (Designation of Accounts) and includes any replacement of that Account;

"Shareholder" means:

(a) in relation to the Company, the Parent;

(b) in relation to Prime UK Portman T- S.à r.l. and Prime UK Condor - T S.à r.l., Prime Pool VII - T S.à r.l.;

(c) in relation to Prime GER Drehbahn - T S.à r.l., Prime GER Valentinskamp - T S.à r.l. and Prime GER Dammtorwall A- T S.à r.l., Prime Pool I - T S.à r.l.;

(d) in relation to Prime OPCI, Prime Pool II - T, S.à r.l.;

(e) in relation to Prime BEL Brussels- T BVBA and Prime BEL Rue de la Loi SPRL - T (formerly Chrysalis Invest NV) (from the date of its acquisition), Prime Pool V - T, S.à r.l.;

(f) in relation to the Dutch Borrower, Prime Pool VI - T, S.à r.l.;

(g) in relation to Swedish Targetco, Prime Pool IV B - T, S.à r.l.;

(h) in relation to Prime Pool IV B - T, S.à r.l., Prime Pool IV A - T, S.à r.l.; and

(i) in relation to each other Luxembourg Obligor, the Company;

(j) in relation to Prime ITA Milan- T S.r.l., Prime Pool III C - T, S.à r.l.;

(k) in relation to Prime Pool III C - T S.à r.l., Prime Pool III B - T S.à r.l.; and

(l) in relation to Prime Pool III B - T S.à r.l., Prime Pool III A - T S.à r.l.;

"Specified Time" means a day or time determined in accordance with schedule 9 (Timetables);

"Sponsor" means North Star Realty Finance Corp. or North Star Realty Europe Corp.;

"Sponsor Affiliate" means the Sponsor, each of its Affiliates, any trust of which the Sponsor or any of its Affiliates is a trustee, any partnership of which the Sponsor or any of its Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, the Sponsor or any of its Affiliates;

"STIBOR" means, in relation to any Loan denominated in kronor:

(a) the applicable Screen Rate as of the Specified Time for kronor and for a period equal in length to the Interest Period of that Loan; or

(b) as otherwise determined pursuant to clause 10.1 (Unavailability of Screen Rate),

and if, in either case, that rate is less than zero, STIBOR shall be deemed to be zero;

"Subordinated Creditor" means:

(a) an Obligor;

(b) the Parent;

(c) the French Obligors;

(d) the Italian Facility Obligors; or

(e) any other person who becomes a Subordinated Creditor in accordance with this Agreement;

"Subordinated Creditor's Security Agreement" means a Security over Subordinated Debt entered into or to be entered into by a Subordinated Creditor in favour of the Security Agent in an agreed form;

"Subordinated Debt", in relation to a Subordinated Creditor, has the meaning given to it in the Subordination Agreement entered into by that Subordinated Creditor;

"Subordination Agreement" means a subordination agreement entered into or to be entered into by a Subordinated Creditor, an Obligor and the Security Agent in an agreed form;

"Subsidiary" means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting capital or similar right of ownership and **control** for this purpose means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise;

"Surplus Cash" means, net rental income less finance costs payable to the Finance Parties pursuant to this Agreement (as such terms are described in the definition of limbs (b) and (c) of the definition of "Interest Cover") but excluding:

(a) (at the discretion of the Agent (acting reasonably)) such reasonable fees as may be payable to the Asset Manager pursuant to the Asset Management Agreement); and

(b) any applicable void costs;

"Swedish Borrower" means Swedish Targetco following its accession to this Agreement as an Additional Borrower;

"Swedish Guarantor" means any Guarantor organised and existing under the laws of Sweden;
"Swedish Obligor" means an Obligor organised and existing under the laws of Sweden;
"Swedish Property" means the real estate in Sweden listed as number 10 in part 4 of schedule 1 (The Original Parties and Properties);
"Swedish Targetco" means Prime SWE Gothenburg - T AB (formerly SEB ImmoInvest Lindholmen Science Park AB) with Swedish registration number 556589- 8920;
"TARGET2" means the Trans- European Automated Real- time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;
"TARGET Day" means any day on which TARGET2 is open for the settlement of payments in euro;
"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);
"Tax Report" means:
(a) the tax report produced by Deloitte LLP; and
(b) the tax report produced by Arendt & Medernach SA,
each in form and substance satisfactory to the Agent and capable of being relied on by the Finance Parties;
"Tenant Contributions" means any amount paid or payable to an Obligor by any tenant under a Lease Document or any other occupier of a Property, by way of:
(a) contribution to:
(i) ground rent or other sums payable under any Headlease
(ii) rates;
(iii) insurance premia;
(iv) the cost of an insurance valuation;
(v) a service or other charge in respect of a Portfolio Obligor's costs in connection with any management, repair, maintenance or similar obligation or in providing services to a tenant of, or with respect to, a Portfolio Property; or
(vi) a reserve or sinking fund; or
(b) VAT;
"Termination Date" means the date falling seven years after the date of this Agreement;
"Test Date" means each Financial Quarter Day;

"Total Commitments" means such amount, when aggregated with the Total Commitments as defined in the Italian Facility Agreement, as does not exceed €630,000,000;

"Transaction Document" means:

(a) a document appointing an Asset Manager;

(b) any Charged Account Control Deed;

(c) a Finance Document;

(d) a French Intra- Group Debt Document;

(e) a Lease Document;

(f) a Headlease;

(g) the Italian Facility Agreement;

(h) a document appointing a Managing Agent;

(i) a document appointing a Cash Manager;

(j) a Hedge Document;

(k) each Sale and Purchase Agreement; or

(l) any other document designated as such by the Agent and the Company;

"Transaction Obligor" means:

(a) the Parent;

(b) an Obligor;

(c) the French Obligors; or

(d) a Subordinated Creditor;

"Transaction Security" means the Security created or evidenced or expressed to be created or evidenced under the Security Documents;

"Transfer Certificate" means a certificate substantially in the form set out in schedule 4 (Form of Transfer Certificate) or any other form agreed between the Agent and the Company;

"Transfer Date" means, in relation to an assignment or a transfer, the later of:

(a) the proposed Transfer Date specified in the relevant Assignment Agreement or Transfer Certificate; and

(b) the date on which the Agent executes the relevant Assignment Agreement or Transfer Certificate;

"Unpaid Sum" means any sum due and payable but unpaid by an Obligor under the Finance Documents;

"US" means the United States of America;
"US Tax Obligor" means:
(a) a Borrower which is resident for tax purposes in the US; or
(b) an Obligor some or all of whose payments under the Finance Documents are from sources within the US for US federal income tax purposes;
"Utilisation" means a utilisation of the Facility;
"Utilisation Date" means the date of a Utilisation, being the date on which the relevant Loan is to be made;
"Utilisation Request" means a notice substantially in the form set out in schedule 3 (Utilisation Request);
"Valentinskamp Property" means the real estate in Germany listed as number 4 in part 4 of schedule 1 (The Original Parties and Properties);
"Valuation" means a valuation of a Property, or as the context requires, the Properties by the Valuer, supplied at the request and instruction of the Agent, addressed to the Finance Parties and prepared on the basis of (i) the market value as that term is defined in the then current Statements of Asset Valuation Practice and Guidance Notes issued by the Royal Institution of Chartered Surveyors as well as (ii) the mortgage lending value (Beleihungswert) in accordance with the mortgage lending value determination regulation (Beleihungswertermittlungsverordnung) and the mortgage lending value determination principles of the Lenders;
"Valuer" means Jones Lang LaSalle or any other unconflicted internationally recognised firm of surveyors or valuers (excluding CBRE) appointed and instructed by the Agent; and
"VAT" means:
(a) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
(b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a), or imposed elsewhere.

1.2 Construction

(a) Unless a contrary indication appears, a reference in this Agreement to:
(i) the **"Agent"**, the **"Arranger"**, the **"English Security Agent"**, any **"Finance Party"**, any **"Lender"**, any **"Obligor"**, any **"Party"**, any **"Secured Party"**, any **"Counterparty"**, the **"Security Agent"**, any **"Transaction Obligor"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents and, in the case of the Security Agent or the English Security Agent, any person for the time being appointed as Security Agent or Security Agents (or as English Security Agent or English Security Agents, as the case may be) in accordance with the Finance Documents;

(ii) a document in **"agreed form"** is a document which is previously agreed in writing by or on behalf of the Company and the Agent or, if not so agreed, is in the form specified by the Agent;

(iii) **"assets"** includes present and future properties, revenues and rights of every description;

(iv) **"date of this Agreement"** is to 1 April 2015;

(v) **"disposal"** includes (and **"dispose"** will be construed accordingly) a sale, transfer, assignment, grant, lease, licence, declaration of trust or other disposal, whether voluntary or involuntary, and includes in particular in relation to any:

(A) German Property the granting of a usufruct "Nießbrauch" in respect thereof;

(B) Belgian Property the granting or transfer of any rights, whether or not rights in rem "zakelijke rechten/droits réels" over the Belgian Property, including but not limited to ownership rights "eigendom/propriété", usufruct rights "vruchtgebruik/usufruit", long- term lease "erfpacht/bail emphytéotique", co- ownership right "medeëigendom/copropriété", easement "erfdienstbaarheid/servitude" and right to construct "opstalrecht/droit de superficie"; and

(C) Dutch Property, the granting of a right of superficies "recht van opstal", usufruct "vruchtgebruik", leasehold "erfpacht" or servitude "erfdienstbaarheid";

(vi) a **"Finance Document"** or **"Transaction Document"** or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated;

(vii) **"guarantee"** means (other than in clause 18 (Guarantee and indemnity)) any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;

(viii) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

(ix) a **"Loan"** granted or to be granted by a Lender shall also include the plural in the event that the relevant Lender has granted or shall grant more than one Loan, unless the context requires a different interpretation. The foregoing applies accordingly in respect to any reference to Commitment;

(x) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership or other entity (whether or not having separate legal personality);

(xi) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self- regulatory or other authority or organisation;

(xii) a provision of law is a reference to that provision as amended or re- enacted; and

(xiii) a time of day is a reference to Frankfurt time.

(b) The determination of the extent to which a rate is **"for a period equal in length"** to an Interest Period shall disregard any inconsistency arising from the last day of that Interest Period being determined pursuant to the terms of this Agreement.

(c) Section, clause and schedule headings are for ease of reference only.

(d) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement.

(e) This Agreement is made in the English language and, therefore, the English language version shall prevail over any translation of this Agreement. In case of doubt, however, the meaning of any Belgian, Dutch, Italian, French, German or Swedish expressions and phrases used in this Agreement shall prevail over the meaning of the English expressions and phrases to which they relate.

(f) A Default (other than an Event of Default) is **"continuing"** if it has not been remedied or waived and an Event of Default is **"continuing"** if it has not been remedied or waived.

(g) For the purposes of any calculation required under this Agreement any amount denominated in SEK or GBP shall be converted to the Base Currency at the Agent's Spot Rate of Exchange as at the relevant calculation date.

1.3 Currency symbols and definitions

(a) **"£"**, **"GBP"** and **"sterling"** denote the lawful currency of the United Kingdom

(b) **"€"**, **"EUR"** and **"euro"** denote the single currency of the Participating Member States; and

(c) **"kr", "SEK"**, **"kronor"** and **"krona"** denote the lawful currency of Sweden.

1.4 Third party rights

(a) Unless expressly provided to the contrary in a Finance Document a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the **"Third Parties Act"**) to enforce or to enjoy the benefit of any term of this Agreement.

(b) Subject to clause 37.6 (Other exceptions) but otherwise notwithstanding any term of any Finance Document the consent of any person who is not a Party is not required to rescind or vary this Agreement at any time.

(c) Any Receiver, Delegate or any person described in clause 27.12(b) (Exclusion of liability) may, subject to this clause 1.4 and the Third Parties Act, rely on any clause of this Agreement which expressly confers rights on it.

1.5 German Legislation

(a) **"BGB"** means the German Civil Code (Bürgerliches Gesetzbuch);

(b) **"GwG"** means German Money Laundering Act (Geldwäschegesetz);

(c) **"KWG"** means the German Banking Act (Kreditwesengesetz);

(d) **"PfandBG"** means the German Covered Bond Act (Pfandbriefgesetz); and

(e) **"VAG"** means the German Insurance Supervision Act (Versicherungsaufsichtsgesetz).

1.6 Luxembourg terms

In each Finance Document, where it relates to a Luxembourg person, a reference to:

(c) a **winding up**, **administration** or **dissolution** includes, without limitation, any procedure or proceeding in relation to an entity becoming bankrupt (faillite), insolvency, voluntary or judicial liquidation (liquidation volontaire ou judiciaire), composition with creditors (concordat préventit de faillite), reprieve from payment (sursis de paiement), controlled management (gestion contrôlée), fraudulent conveyance (actio pauliana), general settlement with creditors, reorganisation or any other similar proceedings affecting the rights of creditors generally under Luxembourg law, and shall be construed so as to include any equivalent or analogous liquidation or reorganisation proceedings;

(d) an agent includes, without limitation, a "mandataire";

(e) a **receiver**, **administrative receiver**, **administrator**, **trustee**, **custodian**, **sequestrator** or the like includes, without limitation, a juge délégué, commissaire, juge- commissaire, mandataire ad hoc, administrateur provisoire, liquidateur or curateur or any other person performing the same function of each of the foregoing;

(f) a **matured obligation** includes, without limitation, any exigible, certaine and liquide obligation;

(g) **Security** or a **security interest** includes, without limitation, any hypothèque, nantissement, privilège, accord de transfert de propriété à titre de garantie, gage sur fonds de commerce or sureté réelle whatsoever whether granted or arising by operation of law; and

(h) a person being **unable to pay its debts** includes, without limitation, that person being in a state of cessation of payments (cessation de paiements).

1.7 French terms

In each Finance Document, where it relates to a French person, a reference to:

(i) a **winding up**, **administration** or **dissolution** includes, without limitation, any procedure or proceeding in relation to an entity becoming bankrupt (faillite), insolvency, voluntary or judicial liquidation (liquidation volontaire ou judiciaire), composition with creditors (accord de conciliation ou de mandat ad hoc ou plan de sauvegarde ou plan de redressement), reprieve from payment (sursis de paiement ou délai de grâce), controlled management (administration provisoire ou judiciaire),

general settlement with creditors, reorganisation or any other similar proceedings affecting the rights of creditors generally under French law, and shall be construed so as to include any equivalent or analogous liquidation or reorganisation proceedings;

(j) an agent includes, without limitation, a "mandataire";

(k) a **receiver**, **administrative receiver**, **administrator**, **trustee**, **custodian**, **sequestrator** or the like includes, without limitation, an administrateur judiciaire, mandataire ad hoc, conciliateur, administrateur provisoire, fiduciaire or liquidateur or any other person performing the same function of each of the foregoing;

(l) a **matured obligation** includes, without limitation, any exigible, certaine and liquide obligation;

(m) **Security** or a **security interest** includes, without limitation, any hypothèque, nantissement, gage, privilège, transfert de propriété à titre de garantie or sureté réelle whatsoever whether granted or arising by operation of law; and

(n) a person being **unable to pay its debts** includes, without limitation, that person being in a state of cessation of payments (cessation de paiements).

1.8 Dutch terms

In each Finance Document, where it relates to a Dutch person, a reference to:

(a) an "**administrator**" includes a bewindvoerder;

(b) an "**attachment**" includes a beslag;

(c) a "**director**", in relation to a Dutch Obligor, means a managing director (bestuurder) and "**board of directors**" means its managing board (bestuur);

(d) "**gross negligence**" means grove schuld;

(e) a "**moratorium**" includes surseance van betaling and "**granted a moratorium**" includes surseance verleend;

(f) "**negligence**" means schuld;

(g) a "**security interest**" includes any mortgage (hypotheek), pledge (pandrecht), retention of title arrangement (eigendomsvoorbehoud), privilege (voorrecht), right of retention (recht van retentie), right to reclaim goods (recht van reclame), and, in general, any right in rem (beperkt recht) created for the purpose of granting security (goederenrechtelijk zekerheidsrecht);

(h) any "**step**" or procedure taken in connection with insolvency proceedings includes a Dutch entity having filed a notice under section 36(2) of the Dutch Tax Collection Act (Invorderingswet 1990);

(i) a "**liquidator**" includes a curator;

(j) a "**receiver or an administrative receiver**" does not include a curator or bewindvoerder;

(k) a "**winding- up**", "**administration**" or "**dissolution**" (and any of those terms) includes a Dutch entity being declared bankrupt (failliet verklaard) or dissolved (ontbonden).

1.9 Belgian Legislation

"**Belgian Companies Code"** means the Belgian Wetboek van Vennootschappen/Code des Sociétés dated 7 May 1999, as amended from time to time.

1.10 Belgian terms

In each Finance Document, where it relates to a Belgian person, a reference to:

(a) a **liquidator**, **receiver**, **administrative receiver**, **administrator**, **compulsory manager** or other similar officer includes any curator/curateur, vereffenaar/liquidateur, voorlopig bewindvoerder/administrateur provisoire, mandataris ad hoc/mandataire ad hoc, ondernemingsbemiddelaar/médiateur d'entreprise, as applicable, and sekwester/séquestre;

(b) a **Security** or a **security interest** includes any mortgage (hypotheek/hypothèque), pledge (pand/nantissement), any mandate to grant a mortgage, a pledge or any other real security (mandaat/mandat), privilege (voorrecht/privilège), reservation of title arrangement (eigendomsvoorbehoud/réserve de propriété), any real security (zakelijke zekerheid/sûreté réelle) and any transfer by way of security (overdracht ten titel van zekerheid/transfert à titre de garantie);

(c) a person being **unable to pay its debts** is that person being in a state of cessation of payments (staking van betaling/cessation de paiements);

(d) a **suspension of payments**, **moratorium of any indebtedness** or **reorganisation** includes any gerechtelijk akkoord/concordat judiciaire or gerechtelijke reorganisatie/réorganisation judiciaire, as applicable;

(e) a **composition**, **compromise**, **assignment** or **arrangement** includes a minnelijk akkoord met schuldeisers/accord amiable avec des créanciers, gerechtelijk akkoord/concordat judiciaire or gerechtelijke reorganisatie/réorganisation judiciaire, as applicable;

(f) **winding up**, **administration or dissolution** includes any vereffening/liquidation, ontbinding/dissolution, faillissement/faillite and sluiting van een onderneming/ fermeture d'une enterprise;

(g) an **attachment, sequestration, distress, execution or analogous process** includes any uitvoerend beslag/saisie exécutoire and bewarend beslag/saisie conservatoire;

(h) an **amalgamation**, **demerger**, **merger**, **consolidation** or **corporate reconstruction** includes a overdracht van algemeenheid/transfert d'universalité, overdracht van bedrijfstak/transfert de branche d'activité, splitsing/scission and fusie/fusion and assimilated transaction in accordance with article 676 and 677 of the Belgian Companies Code (gelijkgestelde verrichting/opération assimilée);

(i) **constitutional documents** means the oprichtingsakte/acte constitutif, statuten/statuts and uittreksel van de Kruispuntbank voor Ondernemingen/extrait de la Banque Carrefour des Entreprises;

(j) **guarantee** means, only for the purpose of the guarantee granted by a Belgian Obligor under this Agreement, an independent guarantee and not a surety (borg/cautionnement); and

(k) an Obligor being **incorporated** in Belgium or of which its **jurisdiction of incorporation** is Belgium, means that such Obligor has its principal place of business (voornaamste vestiging/établissement principal (within the meaning of the Belgian Law of 16 July 2004 on the conflicts of law code)) in Belgium.

1.11 Italian legislation

"**Italian Civil Code**" means the Italian civil code (codice civile), enacted by Royal Decree No. 262 of 16 March 1942, as subsequently amended and supplemented;

"Italian Insolvency Law" means the Royal Decree no. 267 of 16 March 1942, as amended and/or restated from time to time;

1.12 Italian terms

In each Finance Document, where it relates to an Italian person, a reference to:

(a) a **receiver**, an **administrative receiver**, an **administrator** or the like includes, without limitation, a curatore, commissario giudiziale, commissario straordinario, commissario liquidatore, or any other person performing the same function of each of the foregoing;

(b) a **winding- up**, **administration** or **dissolution** includes, without limitation, any procedure or proceeding in relation to scioglimento, liquidazione, procedura concorsuale (fallimento, concordato fallimentare, concordato preventivo, liquidazione coatta amministrativa, amministrazione straordinaria delle grandi imprese in stato d'insolvenza), cessione dei beni ai creditori and any out of court procedures set out under the Italian Insolvency Law(including any restructuring plan referred to under article 67 of the Italian Insolvency Law or any accordo di ristrutturazione under article 182- bis of the Italian Insolvency Law, as well as any other proceeding defined as "procedura di risanamento" or "procedura concorsuale" under Legislative Decree no. 170 dated May 21, 2004 , or any similar proceedings;

(c) a **lease** includes, without limitations, a contratto di locazione and an affitto d'azienda;

(d) **Security** or **security interest** includes, without limitation, any pegno, ipoteca, privilegio speciale (including the privilegio speciale created pursuant to Article 46 of the Italian Legislative Decree No. 385 of 1 September 1993, as amended from time to time), cessione del credito in garanzia, diritto reale di garanzia and any other garanzia reale or other transactions having the same effect as each of the foregoing.

(e) an **attachment** includes, without limitation, a pignoramento.

1.13 Swedish law matters

(a) If any party to this agreement that is incorporated in Sweden (the "**Obligated Party**") is required to hold an amount on trust on behalf of another party (the "**Beneficiary**"), the Obligated Party shall hold such money as agent for the Beneficiary on a separate account in accordance with the Swedish Act of 1944 in respect of assets held on account (lagen (1944:181) om redovisningsmedel) and shall promptly pay or transfer the same to the Beneficiary or as the Beneficiary may direct.

(b) For the avoidance of doubt, the Parties agree that any novation effected in accordance with clause 25 (Changes to the Lenders) shall, in relation to any Security Document governed by Swedish law, take effect as an assignment and assumption and transfer of such security interests.

1.14 Swedish terms

In each Finance Document, where it relates to a Swedish person, a reference to:

(a) a **composition**, **assignment** or **similar arrangement** with any creditor includes a företagsrekonstruktion, konkursförfarande, or ackordsuppgörelse under the Swedish Bankruptcy Act (konkurslagen) or the Swedish Reorganisation Act (lag om företagsrekonstruktion) (as the case may be);

(b) a **compulsory manager**, **receiver**, **administrator** includes a konkursförvaltare, företagsrekonstruktör or likvidator under Swedish law;

(c) **gross negligence** means grov vårdslöshet under Swedish law;

(d) a **guarantee** includes any garanti under Swedish law which is independent from the debt to which it relates and any borgen under Swedish law which is accessory to or dependant on the debt to which it relates;

(e) **merger** includes any fusion implemented in accordance with Chapter 23 of the Swedish Companies Act;

(f) a **reorganisation** includes any contribution of part of its business in consideration of shares (apport) and any demerger (delning) implemented in accordance with Chapter 24 of the Swedish Companies Act; and

(g) a **winding up**, **administration** or **dissolution** includes a frivillig likvidation, or tvångslikvidation under Chapter 25 of the Swedish Companies Act.

SECTION 2
THE FACILITY

2. THE FACILITY

2.1 The Facility

Subject to the terms of this Agreement, the Lenders make available to the Borrowers a term loans facility comprising the Loans and which is equal to the Total Commitments as more fully set out in part 3 of schedule 1.

2.2 Finance Parties' rights and obligations

(a) The obligations of each Finance Party under the Finance Documents are several. Failure by a Finance Party to perform its obligations under the Finance Documents does not affect the obligations of any other Party under the Finance Documents. No Finance Party is responsible for the obligations of any other Finance Party under the Finance Documents.

(b) The rights of each Finance Party under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to a Finance Party from an Obligor shall be a separate and independent debt.

(c) A Finance Party may, except as otherwise stated in the Finance Documents, separately enforce its rights under the Finance Documents.

2.3 Obligors' Agent

(a) Each Obligor (other than the Company) by its execution of this Agreement irrevocably appoints the Company to act on its behalf as its agent in relation to the Finance Documents and irrevocably authorises:

(i) the Company on its behalf to supply all information concerning itself contemplated by this Agreement to the Finance Parties and to give all notices and instructions (including Utilisation Requests), to make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Obligor notwithstanding that they may affect the Obligor , without further reference to or the consent of that Obligor; and

(ii) each Finance Party to give any notice, demand or other communication to that Obligor pursuant to the Finance Documents to the Company,

and in each case the Obligor shall be bound as though the Obligor itself had given the notices and instructions (including, without limitation, any Utilisation Requests) or executed or made the agreements or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication.

(b) Every act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication given or made by the Company or given to the Company under any Finance Document on behalf of an Obligor or in connection with any Finance Document (whether or not known to any Obligor) shall be binding for all purposes on that Obligor as if that Obligor had expressly made, given or concurred with it. In the event of any conflict between any notices or other communications of the Company and any Obligor, those of the Company shall prevail.

3. PURPOSE

3.1 Purpose

(a) Each Original Borrower (other than the PPD Lender) shall apply all amounts borrowed by it under the Facility in or towards financing the acquisition of its Property and for general working capital purposes and includes a prepayment in an aggregate amount not exceeding €100,000,000 of existing intercompany debt instructed by the Obligors' Agent to be paid directly to Prime Holdings - T (US), LLC.

(b) The PPD Lender shall apply all amounts borrowed by it under the Facility in or towards financing the funding of the French Intra- Group Loans.

(c) Each Additional Borrower shall apply all amounts borrowed by it under the Facility in or towards refinancing its existing indebtedness and for general working capital purposes.

3.2 Monitoring

No Finance Party is bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

4. CONDITIONS OF UTILISATION

4.1 Initial conditions precedent

[Deliberately left blank]

4.2 Further conditions precedent

The Lenders will only be obliged to comply with clause 5.4 (Lenders' participation) if:

(a) on the date of the Utilisation Request and on the proposed Utilisation Date:

(i) no Default is continuing or would result from the proposed Loan; and

(ii) the Repeating Representations to be made by each Obligor are true in all material respects; and

(b) immediately following the making of the Loan:

(i) Interest Cover will be at least 250 per cent;

(ii) the Loan to Value will not exceed 60 per cent;

(iii) the Net Yield on Debt will be no less than 7.5 per cent; and

(iv) no Individual Loan to Value will exceed 65 per cent.

(c) no event described in clause 10.3 (Market disruption) has occurred between the date of this Agreement and the first Utilisation Date.

4.3 Maximum number of Loans

A Borrower may not deliver a Utilisation Request if as a result of the proposed Utilisation three or more Loans would be outstanding to it.

4.4 Conditions subsequent

The Company shall provide the documentation and evidence listed in schedule 17 (Conditions Subsequent) at the times and in the manner prescribed therein and acknowledges and agrees that failure to do so by the time specified therein shall constitute an Event of Default.

SECTION 3
UTILISATION

5. UTILISATION

5.1 Delivery of a Utilisation Request

(a) Each Borrower and Additional Borrower confirms and ratifies the "Funding Indemnity and Utilisation Request" dated on or around 27 March 2015 given by the Obligors' Agent.

(b) A Borrower may utilise the Facility by delivery to the Agent of a duly completed Utilisation Request not later than the Specified Time.

5.2 Completion of a Utilisation Request

(a) Each Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:

(i) it specifies the purpose of the Loan;

(ii) the proposed Utilisation Date is a Business Day within the Availability Period; and

(iii) the currency and amount of the Utilisation comply with clause 5.3 (Currency and amount).

(b) Utilisation Requests for all of the Loans must be delivered on the same day specifying the same Utilisation Date.

5.3 Currency and amount

(a) The currency specified in a Utilisation Request must be euros save in respect of any Loan to be made in connection with the English Property and/or the Swedish Property in which case it must specify the currency as sterling or kronor (as applicable).

(b) The amount of the proposed Loan must be an amount which, when aggregated with (i) the amount of each Loan made prior to the Amendment Date and (ii) (on and thereafter) the amount of each other Loan made or to be made on the same day, is not more than the lower of:

(i) the Total Commitments;

(ii) 60% of the sum of the market values of the Charged Properties as set out in the Initial Valuation; and

(iii) 60% of the Acquisition Costs,

and which is a minimum of €5,000,000 or, if less, the amount available under this clause 5.3.

(c) If the amount of any proposed Loan would result in the maximum amount available pursuant to clause 5.3(b) being exceeded the amount of each Loan shall be reduced in

such proportion as agreed between the Agent and the Company so that the maximum amount is not exceeded.

5.4 Lenders' participation

If the conditions set out in this Agreement have been met, each Lender shall make its Loan available by the Utilisation Date through its Facility Office.

5.5 Cancellation of Commitment

The Commitments which, at that time, are unutilised shall be immediately cancelled at the end of the Availability Period.

SECTION 4
REPAYMENT, PREPAYMENT AND CANCELLATION

6. REPAYMENT

6.1 Repayment of Loans

The Borrowers shall repay the Loans in full and pay and discharge all Secured Liabilities on the Termination Date.

6.2 Reborrowing

No Borrower may reborrow any part of the Facility which is repaid.

6.3 Cash Sweep Shortfall Amounts

The Obligors shall pay (or shall procure the payment of) any Cash Sweep Shortfall Amount to the Cash Sweep Account in accordance with clause 17.4(d) for application (together with any required Surplus Cash) in accordance with clause 17.5(c).

7. PREPAYMENT AND CANCELLATION

7.1 Illegality

If, in any applicable jurisdiction, it becomes unlawful for any Lender to perform any of its obligations as contemplated by this Agreement or to fund or maintain any Loan or it becomes unlawful for any Affiliate of a Lender for that Lender to do so:

(a) that Lender shall promptly notify the Agent upon becoming aware of that event;

(b) upon the Agent notifying the Company, the Commitment of that Lender will be immediately cancelled; and

(c) each Borrower shall repay that Lender's Loans made to that Borrower on the Interest Payment Date for each Loan occurring after the Agent has notified the Company or, if earlier, the date specified by the Lender in the notice delivered to the Agent (being no earlier than the last day of any applicable grace period permitted by law) and that Lender's corresponding Loan shall be cancelled.

7.2 Change of control

(a) If:

(i) the Sponsor or an Affiliate of the Sponsor or a Related Entity of the Sponsor ceases to control the Parent; and/or

(ii) there is any change within the group of "affiliated customers" within the meaning of article 4 section 1 no. 39 CRR (Capital Requirements Regulation),

then

(A) the Company shall promptly notify the Agent upon becoming aware of that event;

(B) a Lender shall not be obliged to fund a Utilisation; and

(C) if a Lender so requires and notifies the Agent, the Agent shall, by not less than 10 days' notice to the Company, cancel the Commitment of that Lender and declare all outstanding Loans made by that Lender, together with accrued interest, and all other amounts accrued under the Finance Documents in respect of those Loans immediately due and payable, whereupon the Commitment of that Lender will be cancelled and all such outstanding Loans and amounts will become immediately due and payable.

(b) For the purpose of clause 7.2(a):

(i) "**control**" means (whether directly or indirectly):

(A) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

(1) cast or control the casting of more than 50 per cent. of the maximum number of votes that might be cast at a general meeting of the Parent; or

(2) appoint or remove all, or the majority, of the directors or other equivalent officers of the Parent; or

(3) give directions with respect to the operating and financial policies of the entity with which the directors or other equivalent officers of the Parent are obliged to comply; and/or

(B) the holding beneficially of more than 50 per cent. of the issued share capital of the Parent (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital); and

(ii) **"Related Entity"** means any entity which is advised or managed by North Star Asset Management Group Inc. or an Affiliate of North Star Asset Management Group Inc.

7.3 Mandatory prepayment

Each relevant Borrower and as applicable each Obligor, must apply the following amounts in prepayment of the Loans, and payment of prepayment fees and other amounts referred to in clause 7.8(b) at the time and in the order of application contemplated by clause 7.4 (Application of mandatory prepayments):

(a) the amount of Disposal Proceeds;

(b) the amount of Insurance Prepayment Proceeds;

(c) the amount of Compensation Prepayment Proceeds; and

(d) the amount of Recovery Prepayment Proceeds.

7.4 Application of mandatory prepayments

(a) An amount referred to in clause 7.3(a) shall be applied immediately as follows:

(i) **first**:

(A) in an amount equal to the Allocated Repayment Amount for the Property the subject of, or owned by the relevant Obligor the shares of which were the subject of, the relevant disposal:

(1) **first**, in or towards prepayment of the Loans made to the Property Owner that owned that Property or where applicable, its parent;

(2) **secondly**, after prepayment of those Loans, in or towards prepayment of the other Loans and (unless an Event of Default is continuing) in consultation with the Company, or, where no agreement is reached within 10 Business Days of the start of such consultation, at the Agent's discretion with any such prepayment applied as to be in compliance with applicable laws but so that, if no Event of Default is continuing, upon application of any such prepayment, any Individual Loan to Value shall not, following such prepayment, be greater than 110 per cent, or less than 90 per cent of the Loan to Value, provided that, if prior to such prepayment, any relevant Individual Loan to Value is greater than 110 per cent or less than 90 per cent of the Loan to Value, then such prepayment shall not, in respect of such Individual Loan to Value, result in an increase in the 110 per cent or a decrease in the 90 per cent of the Loan to Value; and

(B) in or towards payment of prepayment fees and any other amount that is or will become due and payable in accordance with clause 7.8(b) as a result of those prepayments; and

(ii) s**econdly**, in payment of any surplus to the relevant General Account.

(b) An amount referred to in clauses 7.3(b) to 7.3(d) shall be applied on the date provided for in accordance with clause 17.6(c) as follows:

(i) in or towards:

(A) **first**, prepayment of the Loans made to the relevant Borrower referred to in clause 7.4(c);

(B) **secondly**, after prepayment of those Loans, prepayment of the other Loans at the Agent's discretion and (unless an Event of Default is continuing) in consultation with the Company, or, where no agreement is reached within 10 Business Days of the start of such consultation, at the Agent's discretion with any such prepayment applied as to be in compliance with applicable laws but so that, if no Event of Default is continuing, upon application of any such prepayment, any Individual Loan to Value shall not, following such prepayment, be greater than 110 per cent, or less than 90 per cent of the Loan to Value, provided that, if prior to such prepayment, any relevant Individual Loan to Value is greater than 110 per cent or less than 90 per cent of the Loan to Value, then such prepayment shall not, in respect of such Individual Loan to Value, result in an increase in the 110 per cent or a decrease in the 90 per cent of the Loan to Value; and

(ii) in or towards payment of prepayment fees and any other amount that is or will become due and payable in accordance with clause 7.8(b) as a result of those prepayments,

(c) For the purposes of clause 7.4(b)(i)(A), the relevant Borrower is:

(i) insofar as the relevant amount to be applied in prepayment is derived from or relates to a Borrower or the assets of or shares in a Borrower, that Borrower; and

(ii) otherwise, such Borrower or Borrowers as the Agent may determine, and (unless an Event of Default is continuing) in consultation with the Company, or, where no agreement is reached within 10 Business Days of the start of such consultation, at the Agent's discretion with any such prepayment applied as to be in compliance with applicable laws but so that, if no Event of Default is continuing, upon application of any such prepayment, any Individual Loan to Value shall not, following such prepayment, be greater than 110 per cent, or less than 90 per cent of the Loan to Value, provided that, if prior to such prepayment, any relevant Individual Loan to Value is greater than 110 per cent or less than 90 per cent of the Loan to Value, then such prepayment shall not, in respect of such Individual Loan to Value, result in an increase in the 110 per cent or a decrease in the 90 per cent of the Loan to Value.

7.5 Voluntary cancellation

The Company may, if it gives the Agent not less than 10 Business Days' (or such shorter period as the Majority Lenders may agree) prior notice, cancel the whole or any part (being a minimum amount of €5,000,000) of the available Facility. Any cancellation under this clause 7.5 shall reduce the Commitments of the Lenders rateably.

7.6 Voluntary prepayment of Loans

(a) A Borrower to which a Loan has been made may, if it gives the Agent not less than 10 Business Days' (or such shorter period as the Majority Lenders may agree) prior notice,

prepay all or any part of the Loans made to it (but, if in part, being an amount that reduces the amount of all the Loans made to it by a minimum amount of €5,000,000 and which does not reduce the amount of the Portfolio Loan to less than €300,000,000). Any prepayment of part of a Borrower's Loans shall be applied pro rata to all of the Loans made to that Borrower.

(b) A Loan may only be prepaid after the last day of the Availability Period (or, if earlier, the day on which the available Facility is zero).

7.7 Right of repayment and cancellation in relation to a single Lender

(a) If:

(i) any sum payable to any Lender by an Obligor is required to be increased under clause 12.2(c); or

(ii) any Lender claims indemnification from the Company under clause 12.3 (Tax indemnity) or clause 13.1 (Increased costs),

the Company may, whilst the circumstance giving rise to the requirement for that increase or indemnification continues, give the Agent notice of cancellation of the Commitment of that Lender and its intention to procure the repayment of that Lender's Loans.

(b) On receipt of a notice of cancellation referred to in clause 7.7(a), the Loans of that Lender shall immediately be reduced to zero.

(c) On the last day of each Interest Payment Date which ends after the Company has given notice of cancellation under clause 7.7(a) (or, if earlier, the date specified by the Company in that notice), each Borrower to which a Loan has been made by that Lender shall repay that Lender's Loan.

(d) If a French Property Owner makes a payment under clause 5.7 (Right of repayment and cancellation in relation to a single Lender) of the Amended French Property Owner Loans Agreement, the PPD Lender will prepay its Loan by an equivalent amount but only to the extent that the PPD Lender has the same rights vis- à- vis a Lender under this Agreement pursuant to clause 7.7(a) above.

7.8 Restrictions

(a) Any notice of cancellation or prepayment given by any Party under this clause 7 shall be irrevocable and, unless a contrary indication appears in this Agreement, shall specify the date or dates upon which the relevant cancellation or prepayment is to be made and the amount of that cancellation or prepayment.

(b) Subject to clause 11.3(c), any prepayment under this Agreement shall be made together with accrued interest on the amount prepaid and subject to any Break Costs and any prepayment and cancellation fees payable under this Agreement, without premium or penalty.

(c) No Borrower may reborrow any part of the Facility which is prepaid.

(d) The Borrowers shall not repay or prepay all or any part of the Loans or cancel all or any part of the Commitments except at the times and in the manner expressly provided for in this Agreement.

(e) No amount of the Total Commitments cancelled under this Agreement may be subsequently reinstated.

(f) If the Agent receives a notice under this clause 7 it shall promptly forward a copy of that notice to either the Company or the affected Lenders as appropriate.

(g) If all or part of any Lender's Loan is repaid or prepaid, an amount of that Lender's Commitment (equal to the amount of the Loan which is repaid or prepaid) will be deemed to be cancelled on the date of repayment or prepayment.

(h) Any prepayment of the Loans (other than a prepayment to a single Lender pursuant to clause 7.1 (Illegality), clause 7.2(a)(ii) (Change of control) or clause 7.7 (Right of repayment and cancellation in relation to a single Lender)) shall be paid to the Lenders in the proportion that the Loans granted by each Lender bears to the aggregate amount of all of the Loans.

SECTION 5
COSTS OF UTILISATION

8. INTEREST

8.1 Calculation of interest

(a) The rate of interest on each Loan made in euros for each Interest Period is the percentage rate per annum which is the aggregate of the applicable:

(i) Margin; and

(ii) EURIBOR;

(b) the rate of interest on each Loan made in sterling for each Interest Period is the percentage rate per annum which is the aggregate of the applicable:

(i) Margin; and

(ii) LIBOR; and

(c) the rate of interest on each Loan made in kronor for each Interest Period is the percentage rate per annum which is the aggregate of the applicable:

(i) Margin; and

(ii) STIBOR.

8.2 Payment of interest

The Borrower to which a Loan has been made shall pay accrued interest on that Loan on each Interest Payment Date.

8.3 Hedging

(a) Each Borrower shall, or the Company on behalf of the Borrowers (other than the Swedish Borrower) and of each French Property Owner will, by no later than the date falling 20

Business Days after the first Utilisation Date (or, in respect of the Loans utilised on or after the Amendment Date, no later than the date falling two Months after the Amendment Date) enter into, and maintain, Hedge Documents by way of interest rate caps as follows:

(i) a LIBOR interest rate cap with a notional amount equal to the aggregate of Loans in sterling with a strike rate of 2.0 per cent.;

(ii) a EURIBOR interest rate cap with a notional amount equal to the aggregate of the Loans in euro with a strike rate of 0.5 per cent.,

each of which shall be stipulated as being for a period of five years (or, in respect of the Loans utilised on or after the Amendment Date, to end on the same date as the Hedge Documents entered into in respect of the Loans made available on the first Utilisation Date), commencing on the date of this Agreement (or such other date as agreed between the Agent and the Company).

(b) By no later than the date falling 6 months prior to the fifth anniversary of this Agreement, the Borrowers (other than the Swedish Borrower), commencing on the expiry of the caps referred to in clause 8.3(a)(i) and 8.3(a)(ii), shall enter into, and maintain, (and the Company shall procure that each French Property Owner enters into and maintains) Hedge Documents as follows:

(i) a LIBOR interest rate cap with a notional amount equal to the aggregate of the Loans then outstanding in sterling; and

(ii) a EURIBOR interest rate cap with a notional amount equal to the Loans then outstanding in euro,

each of which shall have a strike rate at such level as to ensure that Interest Cover will be greater than 250 per cent. and shall be stipulated as being for a period up to and including the Termination Date.

(c) Each Hedge Document referred to in 8.3(a) and 8.3 (b)shall, in addition:

(i) be based on a 1992 ISDA Master Agreement or a 2002 ISDA Master Agreement (or documented as a long form confirmation based on a 1992 ISDA Master Agreement or a 2002 ISDA Master Agreement);

(ii) allow the rights of each Borrower (and of each French Property Owner) under that Hedge Document to be charged or assigned by way of security;

(iii) be governed by English law;

(iv) not permit the Counterparty to terminate or close out any transactions in respect of any Hedge Document (in whole or in part) except:

(A) if the Agent serves notice under clause 24.18(a) or, having served notice makes a demand;

(B) where the Counterparty is a Lender, that Lender serves a notice on the Obligors' Agent pursuant to clause 24.18(b) or, having served notice makes a demand;

(C) if an Illegality (as that term is defined in the applicable ISDA Master Agreement) has occurred;

(D) if an Additional Termination Event (as that term is defined in the applicable ISDA Master Agreement) pursuant to Part 1(g) of the relevant Schedule to the ISDA Master Agreement under the heading "Clearing Requirement" has occurred;

(E) if a Misrepresentation (as that term is defined in the applicable ISDA Master Agreement) relating to an Additional Representation under Part 4(m)(ii) of the relevant Schedule to the ISDA Master Agreement under the heading "Dodd-Frank Act" has occurred;

(F) if all the Loans and other amounts outstanding under the Finance Documents have been unconditionally and irrevocably paid and discharged in full; or

(G) in the case of any other termination or closing out by a Counterparty or a Borrower, with the consent of the Agent.

(v) not permit the Counterparty to suspend making payments under a transaction in respect of a Hedge Document unless the relevant Borrower is in breach of its payment obligations under any transaction in respect of that Hedge Document;

(d) Any termination or close- out permitted under this clause 8.3 (Hedging) shall be without prejudice to the Borrowers' obligation to maintain (or the Company's obligation to procure that each French Property Owner maintains) Hedge Documents in accordance with this clause 8.3 (Hedging).

(e) Neither the Counterparty nor the Borrowers (and the Company shall procure that no French Property Owner) may amend, supplement, extend or waive the terms of any Hedging Agreement without the consent of the Agent.

(f) The Company on behalf of the Borrower and on behalf of each French Property Owner shall pay the applicable premium for each interest rate cap within 2 Business Days of each trade.

(g) The Borrowers shall (and the Company shall procure that the French Property Owners shall) use their reasonable endeavours to document the Hedge Documents as soon as possible and shall provide the Agent with a copy of each signed and dated Hedge Document within 3 Business Days of its date and a certified copy within 10 Business Days of its date.

(h) The Company shall notify the Agent of any material default by any Counterparty under any Hedge Document.

(i) Each Borrower shall (and the Company shall procure that each French Property Owner shall) provide the Agent with a copy of any notice it receives from the Counterparty under its Hedge Document.

(j) In circumstances where Aareal Bank AG is not the Counterparty, then to the extent that any requirement listed in this clause 8.3 (Hedging) would not be applicable to a

Hedge Document, the Agent shall consult with the Company in connection with the waiver of any such requirement.

8.4 Default interest

(a) If an Obligor fails to pay any amount payable by it under a Finance Document on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which, subject to clause 8.4(c) is 2.00 per cent per annum higher than the rate which would have been payable if the overdue amount had, during the period of non- payment, constituted a Loan in the currency of the overdue amount or for successive Interest Periods, each of a duration selected by the Agent (acting reasonably).

(b) Any interest accruing under this clause 8.4 shall be immediately payable by the Obligor on demand by the Agent.

(c) If any overdue amount consists of all or part of a Loan which became due on a day which was not the last day of an Interest Period relating to that Loan:

(i) the first Interest Period for that overdue amount shall have a duration equal to the unexpired portion of the current Interest Period relating to that Loan; and

(ii) the rate of interest applying to the overdue amount during that first Interest Period shall be 2.00 per cent per annum higher than the rate which would have applied if the overdue amount had not become due.

(d) Default interest (if unpaid) arising on an overdue amount will be compounded with the overdue amount at the end of each Interest Period applicable to that overdue amount but will remain immediately due and payable.

8.5 Notification of rates of interest

(a) The Agent shall promptly notify the relevant Lenders and the relevant Borrower of the determination of a rate of interest under this Agreement.

(b) The Agent shall promptly notify the relevant Borrower of each Funding Rate relating to a Loan.

8.6 Insurance Undertaking Margin

If an Insurance Undertaking Default occurs, the Agent, upon expiration of any applicable grace period, may by notice to the Company, impose an additional margin (the "**Insurance Undertaking Margin**") to be added to the applicable Margin payable by the relevant Borrower which shall be calculated by the Agent based on the outstanding principal amount of each Loan for the Property in respect of which the Insurance Undertaking Default is continuing and payable at 2.50 per cent. per annum. The Insurance Undertaking Margin shall accrue starting on the day following the occurrence of the Insurance Undertaking Default and ending on the day on which the Insurance Undertaking Default has been remedied or waived. The Insurance Undertaking Margin shall be payable in arrears on each Interest Payment Date.

9. INTEREST PERIODS

9.1 Length of Interest Periods

Each Interest Period for a Loan shall start on its Utilisation Date or (if already made) on the last day of its preceding Interest Period and shall be for a duration of three Months (or, in respect of the Loans utilised on or after the Amendment Date, the first Interest Period shall start on the date of the relevant Utilisation and end on the next following Interest Payment Date).

9.2 Non- Business Days

If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

10. CHANGES TO THE CALCULATION OF INTEREST

10.1 Unavailability of Screen Rate

(a) Interpolated Screen Rate: If no Screen Rate is available for any of LIBOR EURIBOR or STIBOR for the Interest Period of a Loan, the applicable LIBOR EURIBOR or STIBOR (as applicable) shall be the relevant Interpolated Screen Rate for a period equal in length to the Interest Period of that Loan.

(b) Historic Screen Rate: If no Screen Rate is available for LIBOR, EURIBOR or STIBOR for:

(i) sterling, euro or kronor; or

(ii) the Interest Period of a Loan and it is not possible to calculate the Interpolated Screen Rate,

the Interest Period of that Loan shall be the Historic Screen Rate for that Loan.

(c) Interpolated Historic Screen Rate: If clause 10.1(b) applies but no Historic Screen Rate is available for the Interest Period of a Loan, the applicable LIBOR, EURIBOR or STIBOR shall be the Interpolated Historic Screen Rate for a period equal in length to the Interest Period of that Loan.

(d) Reference Bank Rate: If clause 10.1(c) applies but it is not possible to calculate the Interpolated Historic Screen Rate, the Interest Period of that Loan shall be the Reference Bank Rate as of the Specified Time for sterling, euro or kronor and for a period equal in length to the Interest Period of that Loan.

(e) Cost of funds: If clause 10.1(d) applies but no Reference Bank Rate is available for sterling, euro or kronor or the relevant Interest Period there shall be no LIBOR, EURIBOR or STIBOR (as applicable) for that Loan and clause 10.4 (Cost of funds) shall apply to that Loan for that Interest Period.

10.2 Calculation of Reference Bank Rate

(a) Subject to clause 10.2(b), if LIBOR, EURIBOR or STIBOR is to be determined on the basis of a Reference Bank Rate but a Reference Bank does not supply a quotation by

the Specified Time, the Reference Bank Rate shall be calculated on the basis of the quotations of the remaining Reference Banks.

(b) If at or about noon on the Quotation Day none or only one of the Reference Banks supplies a quotation, there shall be no Reference Bank Rate for the relevant Interest Period.

10.3 Market disruption

If before close of business in London on the Quotation Day for the relevant Interest Period the Agent receives notifications from a Lender or Lenders that the cost to it of funding its Loan from the wholesale market for sterling, euro or kronor would be in excess of LIBOR, EURIBOR or STIBOR (as applicable) then clause 10.4 (Cost of funds) shall apply to that Loan for the relevant Interest Period.

10.4 Cost of funds

(a) If this clause 10.4 applies, the rate of interest on each Lender's share of the relevant Loan for the relevant Interest Period shall be the percentage rate per annum which is the sum of:

(i) the Margin; and

(ii) the rate notified to the Agent by that Lender as soon as practicable and in any event within 2 Business Days of the first day of that Interest Period (or, if earlier, on the date falling 5 Business Days before the date on which interest is due to be paid in respect of that Interest Period) before interest is due to be paid in respect of that Interest Period to be that which expresses as a percentage rate per annum the cost to the relevant Lender of funding that Loan from whatever source it may reasonably select;

(b) If this clause 10.4 applies and the Agent or the Company so requires, the Agent and the Company shall enter into negotiations (for a period of not more than thirty days) with a view to agreeing a substitute basis for determining the rate of interest.

(c) Any alternative basis agreed pursuant to clause 10.4(b) shall, with the prior consent of all the Lenders and the Company, be binding on all Parties.

10.5 Break Costs

(a) Each Borrower shall, within 3 Business Days of demand by a Finance Party, pay to that Finance Party its Break Costs attributable to all or any part of a Loan or Unpaid Sum being paid by that Borrower on a day other than the last day of an Interest Period for that Loan or Unpaid Sum.

(b) Each Lender shall, as soon as reasonably practicable after a demand by the Agent, provide a certificate confirming the amount of its Break Costs.

11. FEES

11.1 Arrangement fee

The Company shall pay to the Arranger an arrangement fee in the amount and at the times agreed in a Fee Letter.

11.2 Agency fee

The Company shall pay to the Agent (for its own account) an agency fee in the amount and at the times agreed in a Fee Letter.

11.3 Prepayment and cancellation fee

(a) Subject to clause 11.3(c), the Company must pay to the Agent for each Lender a prepayment and cancellation fee on the date of prepayment of all or any part of a Loan and on the date of cancellation of any part of the Total Commitments.

(b) The amount of the prepayment and cancellation fee is:

(i) if the prepayment or cancellation occurs on or before the first anniversary of the date of this Agreement 2.00 per cent of the amount prepaid or cancelled;

(ii) if the prepayment or cancellation occurs after the first anniversary of this Agreement but on or before the second anniversary of the date of this Agreement, 1.50 per cent of the amount prepaid or cancelled;

(iii) if the prepayment or cancellation occurs after the second anniversary of this Agreement but on or before the third anniversary of the date of this Agreement, 1.00 per cent of the amount prepaid or cancelled;

(iv) if the prepayment or cancellation occurs after the third anniversary of this Agreement but on or before the fourth anniversary of the date of this Agreement, 0.50 per cent of the amount prepaid or cancelled; and

(v) thereafter, nil.

(c) No prepayment or cancellation fee shall be payable under this clause 11.3 in respect of:

(i) any prepayment or cancellation of an amount of up to 20 per cent of the Total Commitments; or

(ii) if the prepayment or cancellation is made under clause 7.1 (Illegality), clause 7.7 (Right of repayment and cancellation in relation to a single Lender), clause 13.1 (Increased costs), 17.5 (Cash Sweep Account), 21.4 (Covenant repair) or the cancellation is made under clause 7.8(g); or

(iii) if the prepayment is made by operation of clauses 17.11(d) and 17.11(f) (French Intra- Group Loan Proceeds Account).

SECTION 6
ADDITIONAL PAYMENT OBLIGATIONS

12. TAX GROSS UP AND INDEMNITIES

12.1 Definitions

(a) In this Agreement:

"**Belgian Qualifying Lender**" means a Lender which is:

(i) lending through a Facility Office in Belgium; or

(ii) a Belgian Treaty Lender; or

(iii) a credit institution within the meaning of article 107, §2, 5, a), second dash of the RD ITC, that is acting through its head office and is resident for tax purposes in a country with which Belgium has entered into a double taxation agreement that is in force (irrespective of whether or not the double taxation agreement makes provision for exemption from tax imposed by Belgium) or in a country which is a member state of the European Economic Area; or

(iv) a credit institution within the meaning of article 107, §2, 5, a), second dash of the RD ITC, that is acting through a permanent establishment which (i) itself qualifies as a credit institution within the meaning of the aforementioned article 107, §2, 5, a) second dash and (ii) is located in a country with which Belgium has entered into a double taxation agreement that is in force (irrespective of whether or not the double taxation agreement makes provision for exemption from tax imposed by Belgium) or in a country which is a member state of the European Economic Area.

"**Belgian Treaty Lender**" means a Lender which:

(i) is treated as a resident of a Belgian Treaty State for the purposes of the Belgian Treaty;

(ii) does not carry on a business in Belgium through a permanent establishment with which that Lender's participation in the Loan is effectively connected; and

(iii) fulfils any other conditions which must be fulfilled by it under the Belgian Treaty in order to obtain exemption from Tax imposed by Belgium on interest payments due to that Lender under a Finance Document except that for this purpose it is assumed that any necessary procedural formalities are fulfilled.

"**Belgian Treaty State**" means a jurisdiction having a double taxation agreement (the "**Belgian Treaty**") with Belgium which makes provision for full exemption for Tax imposed by Belgium on interest payments.

"Borrower DTTP Filing" means an HM Revenue & Customs' Form DTTP2 duly completed and filed by the relevant Borrower, which:

(i) where it relates to a UK Treaty Lender that is an Original Lender, contains the scheme reference number and jurisdiction of tax residence stated in Clause 41 (Tax Numbers) of this Agreement, and is filed with HM Revenue and Customs within 30 days of the date of this Agreement; or

(ii) where it relates to a UK Treaty Lender that is a New Lender, contains the scheme reference number and jurisdiction of tax residence stated in respect of that Lender in the relevant Transfer Certificate or Assignment Agreement, and is filed with HM Revenue & Customs within 30 days of that Transfer Date.

"**Dutch Qualifying Lender**" means a Lender which is:

(i) lending through a Facility Office in the Netherlands; or

(ii) a Dutch Treaty Lender; or

(iii) a Lender which is otherwise exempt from any Dutch Tax imposed on interest payments due to that Lender under a Finance Document.

"**Dutch Treaty Lender**" means a Lender which:

(i) is treated as a resident of a Dutch Treaty State for the purposes of the Dutch Treaty;

(ii) does not carry on a business in the Netherlands through a permanent establishment with which that Lender's participation in the Loan is effectively connected; and

(iii) fulfils any other conditions which must be fulfilled under the Dutch Treaty in order to obtain exemption from Tax imposed on interest payments due to that Lender under a Finance Document except that for this purpose it is assumed that any necessary procedural formalities are fulfilled.

"**Dutch Treaty State**" means a jurisdiction having a double taxation agreement (the "**Dutch Treaty**") with the Netherlands which makes provision for full exemption for Tax imposed by the Netherlands on interest payments.

"**French Qualifying Lender**" means a Lender which:

(i) fulfils the conditions imposed by the domestic law of France in order for a payment of interest not to be subject to (or as the case may be, to be exempt from) any Tax Deduction; or

(ii) is a French Treaty Lender; or

(iii) a Lender which is otherwise exempt from any French Tax imposed on interest payments due to that Lender under a Finance Document.

"**French Treaty Lender**" means a Lender which:

(i) is treated as a resident of a French Treaty State for the purposes of the French Treaty;

(ii) does not carry on business in France through a permanent establishment with which that Lender's participation in the Loan is effectively connected;

(iii) is acting from a Facility Office situated in its jurisdiction of incorporation; and

(iv) fulfils any other conditions which must be fulfilled under the French Treaty by residents of the French Treaty State for such residents to obtain exemption for Tax imposed on interest by France, subject to the completion of any necessary procedural formalities.

"**French Treaty State**" means a jurisdiction having a double taxation agreement with France (the "**French Treaty**"), which makes provision for full exemption for Tax imposed by France on interest payments.

"**German Qualifying Lender**" means a Lender which is:

(i) lending through a Facility Office in Germany; or

(ii) a German Treaty Lender.

"**German Treaty Lender**" means a Lender which:

(i) is treated as a resident of a German Treaty State for the purposes of the German Treaty;

(ii) does not carry on a business in Germany through a permanent establishment with which that Lender's participation in the Loan is effectively connected; and

(iii) fulfils any other conditions which must be fulfilled by it under the German Treaty in order to obtain exemption from Tax imposed by Germany on interest payments due to that Lender under a Finance Document except that for this purpose it is assumed that any necessary procedural formalities are fulfilled.

"**German Treaty State**" means a jurisdiction having a double taxation agreement (the "**German Treaty**") with Germany which makes provision for full exemption for Tax imposed by Germany on interest payments.

"Protected Party" means a Finance Party which is or will be subject to any liability, or required to make any payment, for or on account of Tax in relation to a sum received or receivable (or any sum deemed for the purposes of Tax to be received or receivable) under a Finance Document.

"Qualifying Lender" means:

(i) in relation to any United Kingdom sourced payment made under a Finance Document by an Obligor, a UK Qualifying Lender;

(ii) in relation to any French sourced payment made under a Finance Document by an Obligor, a French Qualifying Lender;

(iii) in relation to any German sourced payment made under a Finance Document by an Obligor, a German Qualifying Lender;

(iv) in relation to any Belgian sourced payment made under a Finance Document by an Obligor, a Belgian Qualifying Lender;

(v) in relation to any Dutch sourced payment made under a Finance Document by an Obligor, a Dutch Qualifying Lender; or

(vi) in relation to any Swedish sourced payment made under a Finance Document by an Obligor, a Swedish Qualifying Lender.

"**Swedish Qualifying Lender**" means a Lender which is:

(i) lending through a Facility Office in Sweden; or

(ii) a Swedish Treaty Lender; or

(iii) a Lender which is otherwise exempt from any Swedish Tax imposed on interest payments due to that Lender under a Finance Document.

"**Swedish Treaty Lender**" means a Lender which:

(i) is treated as a resident of a Swedish Treaty State for the purposes of the Swedish Treaty;
(ii) does not carry on a business in Sweden through a permanent establishment with which that Lender's participation in the Loan is effectively connected; and
(iii) fulfils any other conditions which must be fulfilled by it under the Swedish Treaty in order to obtain exemption from Tax imposed by Sweden on interest payments due to that Lender under a Finance Document except that for this purpose it is assumed that any necessary procedural formalities are fulfilled.

"**Swedish Treaty State**" means a jurisdiction having a double taxation agreement (the "**Swedish Treaty**") with Sweden which makes provision for full exemption for tax imposed by Sweden on interest payments.

"Tax Credit" means a credit against, relief or remission for, or repayment of any Tax.

"**Tax Confirmation**" means a confirmation by a Lender that the person beneficially entitled to interest payable to that Lender in respect of an advance under a Finance Document is either:

(i) a company resident in the United Kingdom for United Kingdom tax purposes;
(ii) a partnership each member of which is:
(A) a company so resident in the United Kingdom; or
(B) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the CTA; or
(iii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the CTA) of that company.

"Tax Deduction" means a deduction or withholding for or on account of Tax from a payment under a Finance Document, other than a FATCA Deduction.

"Tax Payment" means either the increase in a payment made by an Obligor to a Finance Party under clause 12.2 (Tax gross- up) or a payment under clause 12.3 (Tax indemnity).

"Treaty Lender" means (i) a UK Treaty Lender, (ii) a French Treaty Lender, (iii) a German Treaty Lender, (iv) a Belgian Treaty Lender, (v) a Dutch Treaty Lender, or (vi) a Swedish Treaty Lender.

"**UK Non- Bank Lender**" means where a Lender becomes a Party after the day on which this Agreement is entered into, a Lender which gives a Tax Confirmation in the Assignment Agreement or Transfer Certificate which it executes on becoming a Party.

"**UK Qualifying Lender**" means:

(i) a Lender:

(A) which is a bank (as defined for the purpose of section 879 of the ITA) making an advance under a Finance Document and is within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that advance or would be within such charge as respects such payments apart from section 18A of the CTA; or

(B) in respect of an advance made under a Finance Document by a person that was a bank (as defined for the purpose of section 879 of the ITA) at the time that that advance was made and within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that advance; or

(ii) a Lender which is:

(A) a company resident in the United Kingdom for United Kingdom tax purposes;

(B) a partnership each member of which is:

(1) a company so resident in the United Kingdom; or

(2) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the CTA;

(C) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the CTA) of that company; or

(iii) a UK Treaty Lender; or

(iv) a Lender which is a building society (as defined for the purpose of section 880 of the ITA) making an advance under a Finance Document.

"**UK Treaty Lender**" means a Lender which:

(i) is treated as a resident of a UK Treaty State for the purposes of the UK Treaty;

(ii) does not carry on a business in the United Kingdom through a permanent establishment with which that Lender's participation in the Loan is effectively connected; and

(iii) fulfils any other conditions which must be fulfilled by it under the UK Treaty for residents of that UK Treaty State to obtain full exemption from Tax imposed by the United Kingdom on interest payments under a Finance Document except that for this purpose it is assumed that any necessary procedural formalities are fulfilled.

"**UK Treaty State**" means a jurisdiction having a double taxation agreement (the "**UK Treaty**") with the United Kingdom which makes provision for full exemption from tax imposed by the United Kingdom on interest.

(b) Unless a contrary indication appears, in this clause 12 a reference to **"determines"** or **"determined"** means a determination made in the absolute discretion of the person making the determination acting in good faith.

(c) This clause 12 shall not apply with respect to payments under any Hedge Document.

12.2 Tax gross- up

(a) Each Obligor shall make all payments to be made by it without any Tax Deduction, unless a Tax Deduction is required by law.

(b) The Company shall promptly upon becoming aware that an Obligor must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Agent accordingly. Similarly, a Lender shall promptly notify the Agent on becoming so aware in respect of a payment payable to that Lender. If the Agent receives such notification from a Lender it shall notify the Company and that Obligor.

(c) If a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from that Obligor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

(d) A payment shall not be increased under clause 12.2(c) by reason of a Tax Deduction on account of Tax, if on the date on which the payment falls due:

(i) the payment could have been made to the relevant Lender without a Tax Deduction if the Lender had been a Qualifying Lender, but on that date that Lender is not or has ceased to be a Qualifying Lender other than as a result of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or Treaty or any published practice or published concession of any relevant taxing authority; or

(ii) the relevant Lender is a Qualifying Lender and the payment could have been made to the Lender without any Tax Deduction had that Lender complied with its obligations under clause 12.2; or

(iii) the Tax Deduction is based on section 50a, paragraph 7 German Income Tax Act or any law amending or replacing section 50a, paragraph 7 German Income Tax Act.

(e) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(f) Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Obligor making that Tax Deduction shall deliver to the Agent for the Finance Party entitled to the payment evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

(g)

(i) Subject to clause 12.2(i), a Treaty Lender and each Obligor which makes a payment to which that Treaty Lender is entitled shall co- operate in completing any procedural formalities necessary for that Obligor to obtain authorisation to make that payment without a Tax Deduction.

(ii)

(A) A UK Treaty Lender which becomes a Party on the day on which this Agreement is entered into that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall confirm its scheme reference number and its jurisdiction of tax residence in Clause 41 (Tax Numbers) of this Agreement; and

(B) a New Lender that is a UK Treaty Lender that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall confirm its scheme reference number and its jurisdiction of tax residence in the Transfer Certificate or Assignment Agreement which it executes,

and, having done so, that UK Treaty Lender shall be under no obligation pursuant to clause 12.2(g)(i)

(h) If a Lender has confirmed its scheme reference number and its jurisdiction of tax residence in accordance with clause 12.2(g)(ii) and:

(i) a Borrower making a payment to that Lender has not made a Borrower DTTP Filing in respect of that Lender; or

(ii) a Borrower making a payment to that Lender has made a Borrower DTTP Filing in respect of that Lender but:

(A) that Borrower DTTP Filing has been rejected by HM Revenue & Customs; or

(B) HM Revenue & Customs has not given the Borrower authority to make payments to that Lender without a Tax Deduction within 60 days of the date of the Borrower DTTP Filing,

and in each case, the Borrower has notified that Lender in writing, that Lender and the Borrower shall co- operate in completing any additional procedural formalities necessary for that Borrower to obtain authorisation to make that payment without a Tax Deduction.

(i) If a Lender has not confirmed its scheme reference number and jurisdiction of tax residence in 12.2(g)(ii)no Obligor shall make a Borrower DTTP Filing or file any other form relating to the HMRC DT Treaty Passport scheme in respect of that Lender's Commitment or its participation in any Loan unless the Lender otherwise agrees.

(j) A Borrower shall, promptly on making a Borrower DTTP Filing, deliver a copy of that Borrower DTTP Filing to the Agent for delivery to the relevant Lender.

(k) A UK Non- Bank Lender shall promptly notify the Company and the Agent if there is any change in the position from that set out in the Tax Confirmation.

12.3 Tax indemnity

(a) The Company shall (within three Business Days of demand by the Agent) pay to a Protected Party an amount equal to the loss, liability or cost which that Protected Party determines will be or has been (directly or indirectly) suffered for or on account of Tax by that Protected Party in respect of a Finance Document.

(b) Clause 12.3(a) shall not apply:

(i) with respect to any Tax assessed on a Finance Party:

(A) incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes; or

(B) under the law of the jurisdiction in which that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction; or

(C) under the laws of the Netherlands to the extent such Tax becomes payable as a result of such Protected Party having a substantial interest (aanmerkelijk belang) in an Obligor as laid down in the Netherlands Income Tax Act 2001 (Wet inkomstenbelasting 2001) other than on or after enforcement of the share pledges conferred by the Security Documents; or

(D) under the laws of Germany due to any security over German real estate having been granted;

if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Finance Party; or

(ii) to the extent a loss, liability or cost:

(A) is compensated for by an increased payment under clause 12.2 (Tax gross- up);

(B) would have been compensated for by an increased payment under clause 12.2 (Tax gross- up) but was not so compensated solely because one of the exclusions in clause 12.2(d) applied; or

(C) relates to a FATCA Deduction required to be made by a Party; or

(D) is suffered or incurred with respect to any Bank Levy (or any payment attributable to, or liability arising as a consequence of, a Bank Levy).

(c) A Protected Party making, or intending to make, a claim under clause 12.3(a) shall promptly notify the Agent of the event which will give, or has given, rise to the claim, following which the Agent shall notify the Company.

(d) A Protected Party shall, on receiving a payment from an Obligor under this clause 12.3, notify the Agent.

12.4 Tax Credit

If an Obligor makes a Tax Payment and the relevant Finance Party determines that:

(a) a Tax Credit is attributable to an increased payment of which that Tax Payment forms part, to that Tax Payment or to a Tax Deduction in consequence of which that Tax Payment was required; and

(b) that Finance Party has obtained and utilised that Tax Credit or part of that Tax Credit,

the Finance Party shall pay an amount to the Obligor which that Finance Party determines will leave it (after that payment) in the same after- Tax position as it would have been in had the Tax Payment not been required to be made by the Obligor.

12.5 Lender Status Confirmation

Each Lender which becomes a Party to this Agreement after the date of this Agreement shall indicate, in the Transfer Certificate or Assignment Agreement which it executes on becoming a

Party, and for the benefit of the Agent and without liability to any Obligor, which of the following categories it falls in:
In respect of any United Kingdom sourced payment made under a Finance Document:
(a) not a UK Qualifying Lender;
(b) a UK Qualifying Lender (other than a Treaty Lender); or
(c) a UK Treaty Lender.
In respect of any French sourced payment made under a Finance Document:
(d) not a French Qualifying Lender;
(e) a French Qualifying Lender (other than a Treaty Lender); or
(f) a French Treaty Lender.
In respect of any German sourced payment made under a Finance Document:
(g) not a German Qualifying Lender;
(h) a German Qualifying Lender (other than a Treaty Lender); or
(i) a German Treaty Lender.
In respect of any Belgian sourced payment made under a Finance Document:
(j) not a Belgian Qualifying Lender;
(k) a Belgian Qualifying Lender (other than a Treaty Lender); or
(l) a Belgian Treaty Lender.
In respect of any Dutch sourced payment made under a Finance Document:
(m) not a Dutch Qualifying Lender;
(n) a Dutch Qualifying Lender (other than a Treaty Lender); or
(o) a Dutch Treaty Lender.
In respect of any Swedish sourced payment made under a Finance Document:
(p) not a Swedish Qualifying Lender;
(q) a Swedish Qualifying Lender (other than a Treaty Lender); or
(r) a Swedish Treaty Lender.
If a New Lender fails to indicate its status in accordance with this clause 12.5 then such New Lender shall be treated for the purposes of this Agreement (including by each Obligor) as if it is not a Qualifying Lender until such time as it notifies the Agent which category applies (and the Agent, upon receipt of such notification, shall inform the Company). For the avoidance of

doubt, a Transfer Certificate or Assignment Agreement shall not be invalidated by any failure of a Lender to comply with this clause 12.5.

12.6 Stamp taxes

(a) The Company shall pay and, within three Business Days of demand, indemnify each Secured Party against any cost, loss or liability that Secured Party incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Finance Document;

(b) Clause 12.6(a) shall not apply to any cost, loss or liability any Finance Party incurs in relation to stamp duty, registration and other similar Taxes payable in respect of an assignment, transfer or other alienation of any kind by that Finance Party of any of its rights and/or obligations under any Finance Document..

12.7 VAT

(a) All amounts expressed to be payable under a Finance Document by any Party to a Finance Party which (in whole or in part) constitute the consideration for any supply for VAT purposes are deemed to be exclusive of any VAT which is chargeable on that supply, and accordingly, subject to clause 12.7(b), if VAT is or becomes chargeable on any supply made by any Finance Party to any Party under a Finance Document and such Finance Party is required to account to the relevant tax authority for the VAT, that Party must pay to such Finance Party (in addition to and at the same time as paying any other consideration for such supply) an amount equal to the amount of that VAT (and such Finance Party must promptly provide an appropriate VAT invoice to that Party).

(b) If VAT is or becomes chargeable on any supply made by any Finance Party (the **"Supplier"**) to any other Finance Party (the **"Recipient"**) under a Finance Document, and any Party other than the Recipient (the **"Relevant Party"**) is required by the terms of any Finance Document to pay an amount equal to the consideration for that supply to the Supplier (rather than being required to reimburse or indemnify the Recipient in respect of that consideration):

(i) (where the Supplier is the person required to account to the relevant tax authority for the VAT) the Relevant Party must also pay to the Supplier (at the same time as paying that amount) an additional amount equal to the amount of the VAT. The Recipient must (where this clause 12.7(b)(i) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT payable on that supply; and

(ii) (where the Recipient is the person required to account to the relevant tax authority for the VAT) the Relevant Party must promptly, following demand from the Recipient, pay to the Recipient an amount equal to the VAT chargeable on that supply but only to the extent that the Recipient reasonably determines that it is not entitled to credit or repayment from the relevant tax authority in respect of that VAT.

(c) Where a Finance Document requires any Party to reimburse or indemnify a Finance Party for any cost or expense, that Party shall reimburse or indemnify (as the case may be) such Finance Party for the full amount of such cost or expense, including such part thereof as represents VAT, save to the extent that such Finance Party reasonably

determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.

(d) Any reference in this Clause 12.7 to any Party shall, at any time when such Party is treated as a member of a group for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the person who is treated as making the supply, or (as appropriate) receiving the supply under the grouping rules (as provided for) in Article 11 of Council Directive 2006/112/EC (or as implemented by the relevant member state of the European Union) or any other similar provision in any jurisdiction which is not a member state of the European Union) so that a reference to a Party shall be construed as a reference to that Party or the relevant group or unity (or fiscal unity) of which that Party is a member for VAT purposes at the relevant time or the relevant representative member (or head) of that group or unity (or fiscal unity) at the relevant time (as the case may be).

(e) In relation to any supply made by a Finance Party to any Party under a Finance Document, if reasonably requested by such Finance Party, that Party must promptly provide such Finance Party with details of that Party's VAT registration and such other information as is reasonably requested in connection with such Finance Party's VAT reporting requirements in relation to such supply.

12.8 FATCA Information

(a) Subject to clause 12.8(c), each Party shall, within ten Business Days of a reasonable request by another Party:

(i) confirm to that other Party whether it is:

(A) a FATCA Exempt Party; or

(B) not a FATCA Exempt Party;

(ii) supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA; and

(iii) supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party's compliance with any other law, regulation, or exchange of information regime.

(b) If a Party confirms to another Party pursuant to clause 12.8(a)(i) that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.

(c) Clause 12.8(a) shall not oblige any Finance Party to do anything, and clause 12.8(a)(iii) shall not oblige any other Party to do anything, which would or might in its reasonable opinion constitute a breach of:

(i) any law or regulation;

(ii) any fiduciary duty; or

(iii) any duty of confidentiality.

(d) If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with clause 12.8(a)(i) or 12.8(a)(ii) (including, for the avoidance of doubt, where clause 12.8(c) applies), then such Party shall be treated for the purposes of the Finance Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

(e) If a Borrower is a US Tax Obligor or the Agent reasonably believes that its obligations under FATCA or any other applicable law or regulation require it, each Lender shall, within ten Business Days of:

(i) where an Original Borrower is a US Tax Obligor and the relevant Lender is an Original Lender, the date of this Agreement;

(ii) where a Borrower is a US Tax Obligor on a Transfer Date and the relevant Lender is a New Lender, the relevant Transfer Date;

(ii) the date a new US Tax Obligor accedes as a Borrower; or

(iv) where a Borrower is not a US Tax Obligor, the date of a request from the Agent,

supply to the Agent:

(A) a withholding certificate on Form W- 8, Form W- 9 or any other relevant form; or

(B) any withholding statement or other document, authorisation or waiver as the Agent may require to certify or establish the status of such Lender under FATCA or that other law or regulation.

(f) The Agent shall provide any withholding certificate, withholding statement, document, authorisation or waiver it receives from a Lender pursuant to clause 12.8(e) to the relevant Borrower.

(g) If any withholding certificate, withholding statement, document, authorisation or waiver provided to the Agent by a Lender pursuant to clause 12.8(e) is or becomes materially inaccurate or incomplete, that Lender shall promptly update it and provide such updated withholding certificate, withholding statement, document, authorisation or waiver to the Agent unless it is unlawful for the Lender to do so (in which case the Lender shall promptly notify the Agent). The Agent shall provide any such updated withholding certificate, withholding statement, document, authorisation or waiver to the relevant Borrower.

(h) The Agent may rely on any withholding certificate, withholding statement, document, authorisation or waiver it receives from a Lender pursuant to clause 12.8(e) or 12.8(g) without further verification. The Agent shall not be liable for any action taken by it under or in connection with clauses 12.8(e), 12.8(f) or 12.8(g).

12.9 FATCA Deduction

(a) Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.

(b) Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), notify the Party to whom it is making the payment and, in addition, shall notify the Company and the Agent and the Agent shall notify the other Finance Parties.

13. INCREASED COSTS

13.1 Increased costs

(a) Subject to clause 13.3 (Exceptions) the Company shall, within 3 Business Days of a demand by the Agent, pay for the account of a Finance Party the amount of any Increased Costs incurred by that Finance Party or any of its Affiliates as a result of (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation or (ii) compliance with any law or regulation made after the date of this Agreement or (iii) the implementation or application of, or compliance with, Basel III or Solvency II or any other law or regulation which implements Basel III or Solvency II (whether such implementation, application or compliance is by a government, regulator, Finance Party or any of its Affiliates).

(b) In this Agreement **"Increased Costs"** means:

(i) a reduction in the rate of return from the Facility or on a Finance Party's (or its Affiliate's) overall capital;

(ii) an additional or increased cost; or

(iii) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by a Finance Party or any of its Affiliates to the extent that it is attributable to that Finance Party having entered into its Commitment or funding or performing its obligations under any Finance Document.

(c) In this Agreement "**Basel III**" means:

(i) the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision in December 2010, each as amended, supplemented or restated;

(ii) the rules for global systemically important banks contained in "Global systemically important banks: assessment methodology and the additional loss absorbency requirement - Rules text" published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated; and

(iii) any further guidance or standards published by the Basel Committee on Banking Supervision relating to "Basel III"."

(d) In this Agreement "Solven**cy II"** means the Directive 2009/138/EC of the European Parliament and the Council of 25 November 2009 on the taking- up and pursuit of the

business of Insurance and Reinsurance and its implementation or application of or compliance with in the relevant jurisdiction.

13.2 Increased cost claims

(a) A Finance Party intending to make a claim pursuant to clause 13.1 (Increased costs) shall notify the Agent of the event giving rise to the claim, following which the Agent shall promptly notify the Company.

(b) Each Finance Party shall, as soon as practicable after a demand by the Agent, provide a certificate confirming the amount of its Increased Costs.

13.3 Exceptions

(a) Clause 13.1 (Increased costs) does not apply to the extent any Increased Cost is:

(i) attributable to a Tax Deduction required by law to be made by an Obligor;

(ii) attributable to a FATCA Deduction required to be made by a Party;

(iii) compensated for by clause 12.3 (Tax indemnity) (or would have been compensated for under clause 12.3 (Tax indemnity) but was not so compensated solely because any of the exclusions in clause 12.3(b) applied);

(iv) attributable to the wilful breach by the relevant Finance Party or its Affiliates of any law or regulation;

(v) attributable to the implementation or application of or compliance with the "International Convergence of Capital Measurement and Capital Standards, a Revised Framework" published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the date of this Agreement ("**Basel II**") or any other law or regulation which implements Basel II (whether such implementation, application or compliance is by a government, regulator or Finance Party). For the avoidance of doubt, the definition of Basel II shall not be construed to include any Increased Cost attributable to the implementation or application of or compliance with Basel III (as defined in clause 13.1 (Increased costs)); or

(vi) attributable to the implementation or application of or compliance with all Directives of the European Parliament and of the Council relating to any insurance business applicable prior to the implementation or application of Solvency II ("**Solvency I**").

(b) In this clause 13.3, a reference to a **"Tax Deduction"** has the same meaning given to the term in clause 12.1 (Definitions).

14. OTHER INDEMNITIES

14.1 Currency indemnity

(a) If any sum due from an Obligor under the Finance Documents (a **"Sum"**), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the **"First Currency"**) in which that Sum is payable into another currency (the **"Second Currency"**) for the purpose of:

(i) making or filing a claim or proof against that Obligor; or
(ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,
that Obligor shall as an independent obligation, within 3 Business Days of demand, indemnify each Secured Party to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.
(b) Each Obligor waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.

14.2 Other indemnities

The Company shall (or shall procure that an Obligor will), within 3 Business Days of demand, indemnify each Secured Party against any cost, loss or liability incurred by that Secured Party as a result of:
(a) the occurrence of any Event of Default;
(b) a failure by an Obligor to pay any amount due under a Finance Document on its due date, including without limitation, any cost, loss or liability arising as a result of clause 30 (Sharing among the Finance Parties);
(c) funding, or making arrangements to fund, a Loan requested by a Borrower in a Utilisation Request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence by that Secured Party alone); or
(d) a Loan (or part of a Loan) not being prepaid in accordance with a notice of prepayment given by a Borrower or the Company.

14.3 Indemnity to the Agent

Each Obligor (subject to the limitations referred to in clause 18.9 (Guarantee Limitations)) jointly and severally shall promptly indemnify the Agent against:
(a) any cost, loss or liability incurred by the Agent (acting reasonably) as a result of:
(i) investigating any event which it reasonably believes is a Default; or
(ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; or
(iii) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under this Agreement; and
(b) any cost, loss or liability incurred by the Agent (otherwise than by reason of the Agent's gross negligence or wilful misconduct) (or, in the case of any cost, loss or liability pursuant to clause 31.11 (Disruption to payment systems etc.) notwithstanding the

Agent's negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent) in acting as Agent under the Finance Documents.

14.4 Indemnity to the Security Agent and to the English Security Agent

(a) Each Obligor (subject to the limitations referred to in clause 18.9 (Guarantee Limitations)) jointly and severally shall promptly indemnify the Security Agent and every Receiver and Delegate against any cost, loss or liability incurred by any of them as a result of:

(i) any failure by the Company to comply with its obligations under clause 16 (Costs and expenses);

(ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;

(iii) the taking, holding, protection or enforcement of the Transaction Security;

(iv) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Security Agent and the English Security Agent and each Receiver and Delegate by the Finance Documents or by law;

(v) any default by any Transaction Obligor in the performance of any of the obligations expressed to be assumed by it in the Finance Documents;

(vi) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under this Agreement; or

(vii) acting as Security Agent, English Security Agent, Receiver or Delegate under the Finance Documents or which otherwise relates to any of the Security Property (otherwise, in each case, than by reason of the relevant Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct).

(b) The Security Agent, English Security Agent and every Receiver and Delegate may, in priority to any payment to the Secured Parties, indemnify itself out of the Security Assets in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this clause 14.4 and shall have a lien on the Transaction Security and the proceeds of the enforcement of the Transaction Security for all moneys payable to it.

15. MITIGATION BY THE LENDERS

15.1 Mitigation

(a) Each Finance Party shall, in consultation with the Company, take all reasonable steps to mitigate any circumstances which arise and which would result in the Facility ceasing to be available or any amount becoming payable under or pursuant to, or cancelled pursuant to, any of clause 7.1 (Illegality), clause 12 (Tax gross up and indemnities) or clause 13.1 (Increased Costs), including (but not limited to) transferring its rights and obligations under the Finance Documents to another Affiliate or Facility Office.

(b) Clause 15.1(a) does not in any way limit the obligations of any Obligor under the Finance Documents.

15.2 Limitation of liability

(a) The Company shall promptly indemnify each Finance Party for all costs and expenses reasonably incurred by that Finance Party as a result of steps taken by it under clause 15.1 (Mitigation).

(b) A Finance Party is not obliged to take any steps under clause 15.1 (Mitigation) if, in the opinion of that Finance Party (acting reasonably), to do so might be prejudicial to it.

16. COSTS AND EXPENSES

16.1 Transaction expenses

(a) Subject to 16.1(b) below, the Company shall promptly on demand pay each of the Agent, the Arranger, the Security Agent and the English Security Agent the amount of all costs and expenses (including legal fees) reasonably incurred (and advised in advance to the Company in writing by the Agent) by any of them (and, in the case of the Security Agent, by any Receiver or Delegate) in connection with the negotiation, preparation, printing, execution, syndication and perfection of:

(i) this Agreement and any other documents referred to in this Agreement or in a Security Document; and

(ii) any other Finance Documents executed after the date of this Agreement.

(b) Clause (a) above shall not apply to costs and expenses associated with any Security Documents which may be required in connection with the transfer of any Loan to a German Insurance Lender in accordance with clause 25 (Changes to the Lenders); and

(c) Clause (a)(i) above shall not apply to any costs and expenses incurred by the English Security Agent.

16.2 Amendment costs

If:

(a) an Obligor requests an amendment, waiver or consent; or

(b) an amendment is required pursuant to clause 31.10 (Change of currency),

the Company shall, within 3 Business Days of demand, reimburse each of the Agent, the Security Agent and the English Security Agent for the amount of all costs and expenses (including legal fees) reasonably incurred by the Agent, the Security Agent or the English Security Agent (and, in the case of the Security Agent and English Security Agent, by any Receiver or Delegate) in responding to, evaluating, negotiating or complying with that request or requirement.

16.3 Valuations

(a) The Agent may request a Valuation at any time.

(b) The Company shall promptly on demand pay to the Agent the costs of:

(i) the Initial Valuation;

(ii) a Valuation obtained by the Agent every two years (or annually where such Valuation is carried out on a desktop basis);

(iii) a Valuation obtained by the Agent in connection with the compulsory purchase of all or part of any Property; and

(iv) a Valuation obtained by the Agent at any time when a Default is continuing or is likely to occur as a result of obtaining that Valuation.

(c) Any Valuation not referred to in clause 16.3(b) will be at the cost of the Lenders.

(d) Any Valuation for the purposes of the Italian Facility Agreement shall also be a Valuation for the purposes of this Agreement if it is capable of being relied on by the Finance Parties.

16.4 Enforcement and preservation costs

The Company shall, within 3 Business Days of demand, pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with the enforcement of, or the preservation of any rights under, any Finance Document or the Transaction Security and with any proceedings instituted by or against that Secured Party as a consequence of it entering into a Finance Document, taking or holding the Transaction Security, or enforcing those rights.

SECTION 7
BANK ACCOUNTS

17. BANK ACCOUNTS

17.1 Designation of Accounts

(a) The Obligors (other than the Belgian Targetco prior to completion of the Belgian Reorganisation and Swedish Targetco prior to the opening of its Accounts in accordance with this Agreement) must maintain the bank accounts set out in schedule 15 (Accounts).

(b) No Obligor may, without the prior consent of the Agent, maintain any other bank account with the exception of:

(i) Belgian Targetco which may retain an account with each of Commerzbank and Belfius Bank which account shall be closed by 20 July 2015 in accordance with this Agreement; and

(ii) Swedish Targetco, which may retain an account with SEB Bank Schweden.

17.2 Account bank

(a) Subject to clauses 17.2(b) and 17.2(c), each Account must be held at the relevant Account Bank as set out in schedule 15 (Accounts).

(b) An Account must be replaced with a bank account at the same or another bank at any time if the Agent so requests.

(c) The replacement of an Account only becomes effective when the relevant bank agrees with the Agent and the relevant Obligors, in a manner satisfactory to the Agent, to fulfil the role of the bank holding that Account.

17.3 Collection Account

(a) Except as provided in clause 17.3(f), the Cash Manager shall have signing rights in relation to the Collection Account of the relevant Property Owner.

(b) Each Property Owner (other than Belgian Targetco prior to completion of the Belgian Reorganisation and Swedish Targetco prior to the opening of its Collection Account) will procure that the relevant Managing Agent and the Asset Manager ensure that all Rental Income is paid into the relevant Property Owner's Collection Account.

(c) Prior to the opening of the Collection Account of the Swedish Borrower, the Swedish Borrower will ensure that (or will procure that the relevant Managing Agent and the Asset Manager ensure that) all Rental Income attributable to its Charged Property is paid into its existing account and, following its opening, to its Collection Account.

(d) Prior to completion of the Belgian Reorganisation, the Belgian Targetco will ensure that (or will procure that the relevant Managing Agent and the Asset Manager ensure that) all Rental Income attributable to its Charged Property is paid into its existing accounts (where received within 20 Business Days of the Utilisation Date) and thereafter to the Collection Account in the name of the Belgian Borrower (which amounts shall be deemed to be made by way of intercompany loan between Belgian Targetco and Belgian Borrower).

(e) Except as provided in clause 17.3(f) and subject to:

(i) any restriction in any Subordination Agreement; and

(ii) the requirement that amounts paid into a Collection Account for a particular purpose must be used for that purpose,

a Property Owner shall ensure that the relevant Managing Agent, the Asset Manager and the Cash Manager (as appropriate) pays:

(A) Tenant Contributions to that Property Owner's Service Charge Account;

(B) any amounts attributable to VAT to that Property Owner's General Account;

(C) all rent deposits to that Property Owner's Rent Deposit Account; and

(D) all remaining amounts not transferred under (A) to (C) above to that Property Owner's Rent Account.

(f) At any time following the occurrence of an Event of Default which is continuing, the Security Agent may:

(i) operate each Collection Account;

(ii) notify each Property Owner that its rights and the rights of the Cash Manager in respect of the operation or otherwise of that Property Owner's Collection

Account are suspended, such notice to take effect in accordance with its terms; and

(iii) withdraw from, and apply amounts standing to the credit of, any Collection Account in or towards any purpose for which moneys in that Account may be applied.

17.4 Rent Account

(a) Except as provided in clause 17.4(e) and subject in any event to the provisions of any Security Document, each Property Owner (acting by the Cash Manager) has signing rights in relation to its Rent Account.

(b)

(i) Each Property Owner must ensure that all amounts referenced in clause 17.3(e)(ii)(D) are paid into its Rent Account.

(ii) Each Obligor must ensure that any other amount received or receivable by it, other than any amount specifically required under this Agreement to be paid into any other Account, is paid into the relevant Rent Account.

(c) Subject to any restriction in any Subordination Agreement and in any relevant Security Document, a Property Owner shall ensure that funds standing to the credit of its Rent Account are applied in or towards payments owing by that Property Owner:

(i) pro rata of any unpaid amounts owing by that Property Owner to the Agent, the Arranger or the Security Agent under the Finance Documents;

(ii) to the Agent for the Lenders of any principal, accrued interest and fees due but unpaid by that Property Owner under this Agreement,

and except as provided below and in clauses 17.4(d) and 17.4(e) may otherwise withdraw any amount from its Rent Account for any purpose.

(d) Where, on any Test Date, a Cash Sweep Event has occurred and is continuing, the relevant Property Owner(s) must transfer (to the fullest extent legally permissible in its jurisdiction) all Surplus Cash and procure payment of any Cash Sweep Shortfall Amount (if applicable) to the Cash Sweep Account, which transfers shall constitute a payment in or towards satisfaction of Subordinated Debt.

(e) At any time following the occurrence of an Event of Default which is continuing, the Security Agent may:

(i) operate each Rent Account;

(ii) notify the Property Owners that their rights (and those of the Cash Manager) to operate the Rent Accounts are suspended, such notice to take effect in accordance with its terms; and

(iii) withdraw from, and apply amounts standing to the credit of, any Rent Account in or towards any purpose for which moneys in any Account may be applied.

17.5 Cash Sweep Account

(a) The Security Agent has sole signing rights in relation to the Cash Sweep Account.

(b) Each Property Owner and the PPD Lender (in accordance with clause 17.11(d)) shall transfer (or in the case of a Cash Sweep Shortfall Amount, shall procure the transfer of (to the fullest extent legally permissible in its jurisdiction)) all amounts required pursuant to clause 17.4(d) into the Cash Sweep Account, which transfers shall constitute a payment in or towards satisfaction of Subordinated Debt.

(c) Such amount as is required to prepay the relevant Allocated Loan Amount by an amount of no less than an amount equal to no less than 3% (calculated on an annual basis) of the relevant Allocated Loan Amount shall be applied by the Security Agent in immediate prepayment of the relevant Loan.

(d) Thereafter, the Security Agent may release any payments made into the Cash Sweep Account pursuant to clause 17.4(d) which are not used for the purpose described in clause 17.5(c) to the General Account of the Company at the written request of the Company if the Security Agent is satisfied that on two consecutive Test Dates:

(i) no Cash Sweep Event is continuing; and

(ii) no Default has occurred and is continuing,

or, in either case, would occur as a result of such transfer.

(e) If a Cash Sweep Event is continuing on two consecutive Test Dates or where a Default has occurred and is continuing or the Repeating Representations are not correct in all material respects, all amounts standing to the credit of the Cash Sweep Account may be applied in prepayment of the relevant Loans at the Agent's discretion.

17.6 Deposit Account

(a) The Security Agent has sole signing rights in relation to the Deposit Account.

(b) Each Obligor must ensure that:

(i) all Insurance Prepayment Proceeds paid to it are promptly upon receipt paid into the Deposit Account;

(ii) all Compensation Prepayment Proceeds paid to it are promptly upon receipt paid into the Deposit Account;

(iii) all Recovery Prepayment Proceeds paid to it are promptly upon receipt paid into the Deposit Account; and

(iv) all amounts required pursuant to clause 21.4 (Covenant repair) paid to it are paid into the Deposit Account.

(c) Except as provided in clause 31.6 (Partial payments) and 17.6(e) below, on each Interest Payment Date, or earlier at the request of the relevant Property Owner if it gives the Agent not less than 5 Business Days' notice, the Security Agent must withdraw from, and apply amounts standing to the credit of, the Deposit Account in accordance with clause 17.6(b)(i) to 17.6(b)(iii) in accordance with clause 7.3(Mandatory Prepayment).

(d) Except as provided in clause 31.6 (Partial payments) and 17.6(e) below, the Security Agent may at its discretion withdraw from, and apply amounts standing to the credit of, the Deposit Account in accordance with clause 17.6(b)(iv) in prepayment of the relevant Loans promptly following receipt.

(e) The Security Agent is obliged to make a withdrawal from the Deposit Account in accordance with clauses 17.6(c) and 17.6(d) only if:

(i) no Default is continuing; and

(ii) the Repeating Representations are correct and will be correct immediately after the withdrawal.

17.7 Rent Deposit Account

(a) Except as provided in clause 17.7(d) each Property Owner (acting by the Cash Manager) has signing rights in relation to its Rent Deposit Account.

(b) Each Property Owner must ensure that all deposits paid to its Collection Account in connection with any Lease Document are transferred into its Rent Deposit Account.

(c) Except as provided in clause 17.7(d) and subject to:

(i) any restriction in any Subordination Agreement; and

(ii) the requirement that amounts paid into a Rent Deposit Account for a particular purpose must be used for that purpose,

a Property Owner may withdraw any amount from its Rent Deposit Account to be utilised in accordance with the terms of the relevant Lease Document.

(d) At any time following the occurrence of an Event of Default which is continuing, the Security Agent may:

(i) operate each Rent Deposit Account;

(ii) notify each Property Owner that its rights (and those of the Cash Manager) to operate its Rent Deposit Account are suspended, such notice to take effect in accordance with its terms; and

(iii) withdraw from, and apply amounts standing to the credit of, any Rent Deposit Account in or towards any purpose for which moneys in any Account may be applied.

(e) Notwithstanding Clauses 17.1(a) (Designation of Accounts) and 17.2(a) (Account Bank), each Property Owner shall not be required to open a Rent Deposit Account unless a Property Owner is obliged or entitled to hold a deposit in connection with any Lease Documents.

17.8 Service Charge Account

(a) Except as provided in clause 17.8(d) the relevant Managing Agent and the Cash Manager shall have signing rights in relation to a Property Owner's Service Charge Account.

(b) Each Property Owner will procure that the relevant Managing Agent, the Asset Manager and the Cash Manager ensure that all Tenant Contributions are transferred from the Collection Account to the relevant Service Charge Account.

(c) Except as provided in clause 17.8(d) and subject to:

(i) any restriction in any Subordination Agreement; and

(ii) the requirement that amounts paid into a Service Charge Account for a particular purpose must be used for that purpose,

a Property Owner shall ensure that the relevant Managing Agent, the Asset Manager and the Cash Manager utilise all Tenant Contributions and any amounts attributable to VAT in accordance with the terms of the relevant Managing Agent's appointment, the Asset Management Agreement, the Cash Management and each corresponding Duty of Care Agreement.

(d) At any time following the occurrence of an Event of Default which is continuing, the Security Agent may:

(i) operate each Service Charge Account;

(ii) notify each Property Owner that its rights and the rights of the relevant Managing Agent, the Asset Manager and the Cash Manager in respect of the operation or otherwise of that Property Owner's Service Charge Account are suspended, such notice to take effect in accordance with its terms; and

(iii) withdraw from, and apply amounts standing to the credit of, any Service Charge Account in accordance with the terms of the relevant Lease Documents.

17.9 General Account

(a) Except as provided in clause 17.9(d) each Obligor (acting by the Cash Manager) has signing rights in relation to its General Account.

(b) Each Obligor (other than the PPD Lender) must ensure that any other amount received or receivable by it, and any amounts attributable to VAT (other than any amount specifically required under this Agreement to be paid into any other Account), is paid into its General Account.

(c) Except as provided in clause 17.9(d) and subject to:

(i) any restriction in any Subordination Agreement; and

(ii) the requirement that amounts paid into a General Account for a particular purpose must be used for that purpose,

an Obligor may withdraw any amount from its General Account for any purpose.

(d) At any time following the occurrence of a Default, the Security Agent may:

(i) operate the General Account of the Company;

(ii) notify the Company that its rights (and those of the Cash Manager) to operate its General Account are suspended, such notice to take effect in accordance with its terms; and

(iii) withdraw from, and apply amounts standing to the credit of, any General Account in or towards any purpose for which moneys in any Account may be applied.

(e) (Without prejudice to clause 17.9(d)), at any time following the occurrence of an Event of Default which is continuing, the Security Agent may:

(i) operate each General Account;

(ii) notify each Obligor that its rights (and those of the Cash Manager) to operate its General Account are suspended, such notice to take effect in accordance with its terms; and

(iii) withdraw from, and apply amounts standing to the credit of, any General Account in or towards any purpose for which moneys in any Account may be applied.

17.10 PPD Lender - treatment of payments

(a) By virtue of operation of the Dailly law assignment entered into pursuant to the Amended French Property Owner Loans Agreement, the PPD Lender acknowledges that all amounts due and payable to it shall be paid by the French Property Owners direct to an account of the Security Agent and the Security Agent agrees that, on each Interest Payment Date, it shall apply such amounts as follows:

(i) **first**, in payment of any unpaid amounts owing by the PPD Lender to the Lenders under the Finance Documents;

(ii) **secondly**, in payment of any unpaid amounts owing by the PPD Lender to the Agent, the Arranger or the Security Agent under the Finance Documents;

(iii) **thirdly**, (subject to clause 17.11(d) below), any amount in excess of (i) and (ii) above, to the General Account of the PPD Lender.

(b) The Security Agent is obliged to make a transfer to the General Account of the PPD Lender in accordance with clauses 17.10(a) only if:

(i) no Event of Default is continuing; and

(ii) the Repeating Representations are correct and will be correct immediately after the withdrawal.

17.11 French Intra- Group Loan Proceeds Account

(a) The Security Agent has signing rights in relation to the French Intra- Group Loan Proceeds Account.

(b) The PPD Lender must ensure that all French Intra- Group Loan Proceeds are credited to the French Intra- Group Loan Proceeds Account.

(c) All French Intra- Group Loan Proceeds credited to the French Intra- Group Loan Proceeds Account are granted as a cash collateral charge (gage- especes) in favour of the PPD Lender.

(d) Where, on any Test Date, a Cash Sweep Event has occurred and is continuing, the PPD Lender must transfer (to the fullest extent legally permissible in its jurisdiction) all amounts credited to the the French Intra- Group Loan Proceeds Account by the French Property Owners (resulting from a Cash Sweep Event under and as defined in the Amended French Property Owner Loans Agreement) and procure payment of any Cash Sweep Shortfall Amount (if applicable) to the Cash Sweep Account. Any amount so transferred will, when applied by the Security Agent to the repayment of the relevant Loans pursuant to clause 17.5 (Cash Sweep Account), automatically repay and discharge the relevant French Intra- Group Loan in a corresponding amount.

(e) Where French Intra- Group Loan Proceeds (under limbs (a) to (c) of that definition) have been credited to the French Intra- Group Loans Proceeds Account, then, except as provided for in the partial repayment clause of the Amended French Property Owner Loans Agreement and of this Agreement and in clause 17.11(g) below, on each Interest Payment Date, or earlier at the request of the PPD Lender (acting on the instructions of the relevant French Property Owner) if it gives the Security Agent not less than 5 Business Days' notice the Security Agent must withdraw from, and apply amounts standing to the credit of, the French Intra- Group Loans Proceeds Account in or towards repayment of the Loan made to the PPD Lender, which repayment shall reduce the French Intra- Group Loan of the relevant French Property Owner in a corresponding amount.

(f) Except as provided for in the partial repayment clause of the Amended French Property Owner Loans Agreement and of this Agreement and in clause 17.11 (e) below, the Security Agent may at its discretion withdraw from, and apply amounts credited pursuant to the covenant repair clause of the Amended French Property Owner Loans Agreement and standing to the credit of the French Intra- Group Loans Proceeds Account in prepayment of the Loan, which prepayment shall reduce the French Intra- Group Loan of the relevant French Property Owner in a corresponding amount.

(g) The Security Agent is obliged to make the payments in accordance with clauses 17.11(d) to 17.11(f) only if:

(i) no Default is continuing; and

(ii) the Repeating Representations are correct and will be correct immediately after the withdrawal.

17.12 Prime OPCI Shareholding Account

(a) Except as provided in clause 17.12(d), the PPD Lender (acting by the Cash Manager) has signing rights in relation to the Prime OPCI Shareholding Account.

(b) The PPD Lender must ensure that all dividends and other distributions paid by Prime OPCI are paid to the Prime OPCI Shareholding Account.

(c) Except as provided in clause 17.12(d) and subject to:

(i) any restriction in any Subordination Agreement; and

(ii) the requirement that amounts paid into the Prime OPCI Shareholding Account for a particular purpose must be used for that purpose,

the PPD Lender may withdraw any amount from the Prime OPCI Shareholding Account in accordance with all French law and regulations applicable to it.

(d) At any time when an Event of Default has occurred and is continuing, the Security Agent may:

(i) operate the Prime OPCI Shareholding Account;

(ii) notify the PPD Lender that its rights (and those of the Cash Manager) to operate the Prime OPCI Shareholding Account are suspended, such notice to take effect in accordance with its terms; and

(iii) withdraw from, and apply amounts standing to the credit of the Prime OPCI Shareholding Account in or towards any purpose for which moneys in any Account may be applied.

17.13 Share Accounts

(a) Except as provided in clause 17.13(c), each relevant Obligor has signing rights in relation to its Share Account.

(b) Except as provided in clause 17.13(c) and subject to:

(i) any restriction in any Subordination Agreement; and

(ii) the requirement that amounts paid into a Share Account for a particular purpose must be used for that purpose,

an Obligor may withdraw any amount from its Share Account for any purpose.

(c) At any time following the occurrence of an Event of Default which is continuing, the Security Agent may:

(i) notify the Obligors that their rights to operate their Share Accounts are suspended, such notice to take effect in accordance with its terms; and

(ii) withdraw from, and apply amounts standing to the credit of any Share Account in or towards any purpose for which moneys in any Account may be applied.

17.14 Capex Account

(a) Except as provided in clause 17.14(d) the Company (acting by the Cash Manager) has signing rights in relation to the Capex Account.

(b) The Company must ensure that any other amount received or receivable by it in connection with capital expenditure, other than any amount specifically required under this Agreement to be paid into any other Account, is paid into the Capex Account.

(c) Except as provided in clause 17.14(d) and subject to:

(i) any restriction in any Subordination Agreement; and

(ii) the requirement that amounts paid into the Capex Account for a particular purpose must be used for that purpose (including for the purpose of capital expenditure set out in any relevant Budget),

the Company may withdraw any amount from the Capex Account for any purpose.

(d) At any time following the occurrence of an Event of Default which is continuing, the Security Agent may:

(i) operate the Capex Account;

(ii) notify the Company that its rights (and those of the Cash Manager) to operate the Capex Account are suspended, such notice to take effect in accordance with its terms; and

(iii) withdraw from, and apply amounts standing to the credit of, the Capex Account in or towards any purpose for which moneys in any Account may be applied.

17.15 Miscellaneous Accounts provisions

(a) The Obligors must ensure that no Account goes into overdraft.

(b) Any amount received or recovered by an Obligor otherwise than by credit to an Account must be held subject to the security created by the Finance Documents and immediately be paid to the relevant Account or to the Agent in the same funds as received or recovered.

(c) If any payment is made into an Account in relation to which the Security Agent has sole signing rights which should have been paid into another Account, then, unless a Default is continuing, the Security Agent must, at the request of the relevant Obligor and on receipt of evidence satisfactory to the Security Agent that the payment should have been made to that other Account, pay that amount to that other Account.

(d) Where a Default has occurred, the Company may request that the Security Agent transfer from any of the Company's Accounts to an Account of another Obligor such amount or amounts as are required to enable the relevant Obligor to remedy such Default and the Security Agent shall agree to any such request provided that, at the time of any such transfer, no Cash Sweep Event has occurred and is continuing and no Default would occur as a result.

(e) The moneys standing to the credit of an Account may be applied by the Security Agent in payment of any amount due but unpaid to a Finance Party under the Finance Documents.

(f) No Finance Party is responsible or liable to any Obligor for:

(i) any non- payment of any liability of an Obligor which could be paid out of moneys standing to the credit of an Account; or

(ii) any withdrawal wrongly made, if made in good faith.

(g) Each Obligor must, within 5 Business Days of any request by the Agent, supply the Agent with the following information in relation to any payment received in an Account:

(i) the date of payment or receipt;

(ii) the payer; and
(iii) the purpose of the payment or receipt.

SECTION 8
GUARANTEE

18. GUARANTEE AND INDEMNITY

18.1 Guarantee and indemnity

Subject always to the terms of clause 18.9 (Guarantee Limitations), each Obligor irrevocably and unconditionally jointly and severally:

(a) guarantees to each Finance Party punctual performance by each Obligor of all that Obligor's obligations under the Finance Documents; and

(b) agrees with each Finance Party that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Finance Party immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due. The amount payable by an Obligor under this indemnity will not exceed the amount it would have had to pay under this clause 18 if the amount claimed had been recoverable on the basis of a guarantee.

18.2 Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

18.3 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by a Finance Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Obligor under this clause 18 will continue or be reinstated as if the discharge, release or arrangement had not occurred.

18.4 Waiver of defences

The obligations of each Obligor under this clause 18 will not be affected by an act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any of its obligations under this clause 18 (without limitation and whether or not known to it or any Finance Party) including:

(a) any time, waiver or consent granted to, or composition with, any Obligor or other person;

(b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non- presentation or non- observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;

(e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;

(f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or

(g) any insolvency or similar proceedings.

18.5 Guarantor intent

Without prejudice to the generality of clause 18.4 (Waiver of defences), each Obligor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

18.6 Immediate recourse

Each Obligor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Obligor under this clause 18. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

18.7 Appropriations

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, each Finance Party (or any trustee or agent on its behalf) may:

(a) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Obligor shall be entitled to the benefit of the same; and

(b) hold in an interest- bearing suspense account any moneys received from any Obligor or on account of any Obligor's liability under this clause 18.

18.8 Deferral of Obligors' rights

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Agent otherwise directs, no Obligor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this clause 18:

(a) to be indemnified by an Obligor;

(b) to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;

(d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a guarantee, undertaking or indemnity under clause 18.1 (Guarantee and indemnity);

(e) to exercise any right of set- off against any Obligor; and/or

(f) to claim or prove as a creditor of any Obligor in competition with any Finance Party.

If an Obligor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Finance Parties and shall promptly pay or transfer the same to the Agent or as the Agent may direct for application in accordance with clause 31 (Payment mechanics).

18.9 Guarantee Limitations

Notwithstanding any other provision of any Finance Document, the obligations of the relevant Guarantors are strictly subject to the limitations set out in schedule 10 (Guarantee Limitations).

18.10 Release of Obligor's right of contribution

If any Obligor (a **"Retiring Obligor"**) ceases to be an Obligor in accordance with the terms of the Finance Documents for the purpose of any sale or other disposal of that Retiring Obligor then on the date such Retiring Obligor ceases to be an Obligor:

(a) that Retiring Obligor is released by each other Obligor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Obligor arising by reason of the performance by any other Obligor of its obligations under the Finance Documents; and

(b) each other Obligor waives any rights it may have by reason of the performance of its obligations under the Finance Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under any Finance Document or of any other security taken pursuant to, or in connection with,

any Finance Document where such rights or security are granted by or in relation to the assets of the Retiring Obligor.

18.11 French Obligors

Not being Obligors, the guarantee and indemnity contained in this clause 18 (Guarantee and indemnity) is not given or deemed to be given by any French Obligor.

18.12 Additional security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Finance Party.

SECTION 9
REPRESENTATIONS, UNDERTAKINGS AND EVENTS OF DEFAULT

19. REPRESENTATIONS

Each Obligor makes the representations and warranties set out in this clause 19 to each Finance Party on the date of this Agreement and on the Amendment Date or, if it is not an Original Borrower or an Original Guarantor, on the date it becomes an Additional Obligor.

19.1 Status

(a) It is a limited liability corporation, duly incorporated and validly existing under the law of its Original Jurisdiction.

(b) It has the power to own its assets and carry on its business as it is being conducted.

19.2 Binding obligations

The obligations expressed to be assumed by it in each Transaction Document to which it is a party are, subject to the Legal Reservations, legal, valid, binding and enforceable obligations.

19.3 Non- conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, the Transaction Documents and the granting of the Transaction Security to which it is party do not and will not conflict with:

(a) any law or regulation applicable to it;

(b) its constitutional documents; or

(c) any material agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.

19.4 Power and authority

(a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Transaction Documents to

which it is or will be a party and the transactions contemplated by those Transaction Documents.

(b) No limit on its powers will be exceeded as a result of the borrowing, grant of security or giving of guarantees or indemnities contemplated by the Transaction Documents to which it is a party.

19.5 Validity and admissibility in evidence

(a) All Authorisations required:

(i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party; and

(ii) to make the Transaction Documents to which it is a party admissible in evidence in its Relevant Jurisdictions,

have been obtained or effected and are in full force and effect.

(b) All Authorisations necessary for the conduct of the business, trade and ordinary activities of the Obligors have been obtained or effected and are in full force and effect if failure to obtain or effect those Authorisations would have a Material Adverse Effect.

19.6 Governing law and enforcement

(a) The choice of the governing law of the Finance Documents will be recognised and enforced in its Relevant Jurisdictions.

(b) Any judgment obtained in relation to a Finance Document in the jurisdiction of the governing law of that Finance Document will be recognised and enforced in its Relevant Jurisdictions.

19.7 Deduction of Tax

(a) It is not required to make any Tax Deduction (as defined in clause 12.1 (Definitions)) from any payment it may make under any Finance Document to a Lender which is a Qualifying Lender.

(b) No Rental Income payable to any Obligor is subject to a requirement to make a deduction or withholding for or on account of Tax from that Rental Income, except that this representation shall not apply to: (i) Rental Income payable in respect of a UK Property which is subject to the UK's 'Non- Resident Landlords Scheme' under the Taxation of Income from Land (Non Residents) Regulations 1995 (but, for the avoidance of doubt, each Obligor's obligation under Condition Subsequent 15 in Schedule 17 (Conditions Subsequent) shall still apply), (ii) Rental Income payable in respect of a French Property which is not paid to a French bank account of the relevant Obligor or (iii) Rental Income payable in respect of a Belgian Property which is not paid to an Obligor in Belgium.

19.8 No filing or stamp taxes

(a) Under the laws of its Relevant Jurisdiction it is not necessary that the Finance Documents be registered, filed, recorded, notarised or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid

on or in relation to the Finance Documents or the transactions contemplated by the Finance Documents except:

(i) the documentary duty of €0.15per copy of the Belgian law governed Finance Documents executed in Belgium;

(ii) where necessary or desirable under the laws of any Relevant Jurisdiction where any of the Transaction Documents or any transaction contemplated by the Transaction Documents is required to be registered, filed, recorded, notarised or enrolled with any court, register or other authority in any Relevant Jurisdiction and any stamp, registration, notarial or similar Taxes or fees are payable on or in relation to the Transaction Documents or the transactions contemplated by the Transaction Documents;

(iii) in the case of (i) court proceedings in a Luxembourg court or (ii) the presentation of any Finance Documents (either directly or by way of reference) to an autorité constituée, such court or autorité constituée may require registration of all or any of the Finance Documents with the Administration de l'Enregistrement et des Domaines in Luxembourg, which may result in registration duties becoming due and payable, at a fixed rate of EUR 12 or an ad valorem rate which depends on the nature of the registered document,

which registrations, filings, taxes and fees will be made and paid promptly after the date of the relevant Security Document or, in the case of (iii) above, when required.

(b) Any disclosure required to be made in relation to stamp duty land tax payable on any transactions contemplated by or being financed by the Transaction Documents under (i) the UK's Disclosure of Tax Avoidance Schemes (DOTAS) regime pursuant to Part 7 of the UK Finance Act 2004 (as amended), or (ii) under a similar disclosure regime in force in a jurisdiction where any Property or Obligor is situated, has been made.

19.9 VAT

It is not a member of a value added tax group other than a group made up solely of Obligors (and, as applicable, the French Obligors).

19.10 No default

(a) No Event of Default and, as at the date of this Agreement, the Amendment Date and each Utilisation Date, no Default is continuing or is reasonably likely to result from the making of any Utilisation or the entry into, or the performance of, or any transaction contemplated by, any Transaction Document.

(b) No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or a termination event (however described) under any other agreement or instrument which is binding on it or to which any of its assets are subject which has or is reasonably likely to have a Material Adverse Effect.

19.11 Information

(a) To the best of its knowledge and belief (having made all due and careful enquiries), all information supplied by it or on its behalf to any Finance Party in connection with the

Transaction Documents was true and accurate as at the date it was provided or as at any date at which it was stated to be given.

(b) Any financial projections contained in the information referred to in clause 19.11(a) have been prepared as at their date on the basis of recent historical information and on the basis of reasonable assumptions.

(c) To the best of its knowledge and belief (having made all due and careful enquiries), it has not omitted to supply any information which, if disclosed, would make the information referred to in clause 19.11(a) untrue or misleading in any respect.

(d) To the best of its knowledge and belief (having made all due and careful enquiries), as at the relevant Utilisation Date, nothing has occurred since the date of the information referred to in clause 19.11(a) which, if disclosed, would make that information untrue or misleading in any material respect.

19.12 Financial statements

(a) The Original Financial Statements of each Additional Borrower were prepared in accordance with Relevant GAAP consistently applied unless expressly disclosed to the Agent in writing to the contrary before the date of this Agreement.

(b) The Original Financial Statements of each Additional Borrower give a true and fair view of its financial condition as at the end of the relevant financial year and results of operations during the relevant financial year(consolidated in the case of the Company) unless expressly disclosed to the Agent in writing to the contrary prior to the date of this Agreement.

(c) There has been no material adverse change in its business or financial condition (or the business or consolidated financial condition of the Group.

(d) Its most recent Financial Statements delivered pursuant to clause 20.1 (Financial statements):

(i) have been prepared in accordance with Relevant GAAP; and

(ii) give a true and fair view of (if audited) or fairly represent (if unaudited) its financial condition as at the end of the relevant financial year and operations during the relevant financial year (consolidated in the case of the Company) .

(e) Since the date of the most recent Financial Statements delivered pursuant to clause 20.1 (Financial statements) there has been no material adverse change in its business, assets or financial condition (or the business or consolidated financial condition of the Group, in the case of the Company).

19.13 Pari passu ranking

Its payment obligations under the Finance Documents rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

19.14 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency which, if adversely determined, are reasonably likely to have a Material Adverse Effect have (to the best of its knowledge and belief (having made due and careful enquiry)) been started or threatened against it.

19.15 Valuation

(a) All information supplied by it or on its behalf to the Valuer for the purposes of each Valuation was true and accurate as at its date or (if appropriate) as at the date (if any) at which it is stated to be given.

(b) Any financial projections contained in the information referred to in clause 19.15(a) have been prepared as at their date, on the basis of recent historical information and on the basis of reasonable assumptions.

(c) It has not omitted to supply any information to the Valuer which, if disclosed, would adversely affect the Valuation.

(d) As at the relevant Utilisation Date, nothing has occurred since the date the information referred to in clause 19.15(a) was supplied which, if it had occurred prior to the Initial Valuation, would have adversely affected the Initial Valuation.

19.16 Title to Property

(a) Each Property Owner named as owner of each relevant Property in part 4 of schedule 1 (The Original Parties and Properties) will, from the relevant Utilisation Date (and completion of all relevant notarisations and registrations):

(i) in relation to each relevant Property other than any German Property (subject to registration of the relevant transfer in accordance with the laws of any Relevant Jurisdiction); and

(ii) in relation to any German Property subject to the respective Luxembourg Borrower being registered in the respective land register (Grundbuch),

be the legal and (where applicable) beneficial owner of that Property and have good and marketable title to that Property, in each case free from Security (other than those created by or pursuant to the Security Documents) and restrictions and onerous covenants (other than those set out in the Property Report in relation to that Property).

(b) From the relevant Utilisation Date except as disclosed in the Property Report relating to a Charged Property:

(i) no breach of any law, regulation or covenant is outstanding which adversely affects or might reasonably be expected to adversely affect the value, saleability or use of that Charged Property in any material respect;

(ii) there is no covenant, agreement, stipulation, reservation, condition, interest, right, easement or other matter whatsoever adversely affecting that Charged Property in any material respect;

(iii) nothing has arisen or has been created or is outstanding which would be an overriding interest, or an unregistered interest which overrides first registration or a registered disposition, over that Charged Property;

(iv) all facilities necessary for the enjoyment and use of that Charged Property (including those necessary for the carrying on of its business at that Charged Property) are enjoyed by that Charged Property;

(v) none of the facilities referred to in clause 19.16(b)(iv) are enjoyed on terms:

(A) entitling any person to terminate or curtail its use of that Charged Property; or

(B) which conflict with or restrict its use of that Charged Property in any material respect;

(vi) the relevant Obligor has not received any notice of any adverse claim by any person in respect of the ownership of that Charged Property or any interest in it which might reasonably be expected to be determined in favour of that person, nor has any acknowledgement been given to any such person in respect of that Charged Property where that claim or acknowledgement materially and adversely affects that Charged Property; and

(vii) that Charged Property is held by the relevant Obligor free from any lease or licence (other than those entered into in accordance with this Agreement and other than those set out in the Property Report in relation to that Property.

(c) In relation to the Brussels Building Property, Prime BEL Rue de la Loi SPRL - T (formerly Chrysalis Invest NV) has complied with all its obligations resulting from the building right granted to it by the company known as European District Properties Two.

(d) All deeds and documents necessary to show good and marketable title to a Borrower's interests in a Charged Property will from the relevant Utilisation Date be:

(i) in possession of the Security Agent (or in respect of the English Properties only, the English Security Agent);

(ii) held to the order of the Security Agent (or in respect of the English Properties only, the English Security Agent);

(iii) held to the order of the Agent by a firm of solicitors approved by the Security Agent (or in respect of the English Properties only, the English Security Agent) for that purpose;

(iv) held by a notary approved by the Agent for that purpose; or

(v) where none of (i) to (iv) applies, held in such manner as is customary in the applicable jurisdiction and approved by the Agent.

19.17 Information for Property Reports

(a) The information supplied by it or on its behalf to the lawyers who prepared any Property Report for the purpose of that Property Report was true and accurate as at the date of

the Property Report or (if appropriate) as at the date (if any) at which it is stated to be given.

(b) The information referred to in clause 19.17(a) was at the date it was expressed to be given complete and did not omit any information which, if disclosed would make that information untrue or misleading in any material respect.

(c) As at the Utilisation Date, nothing has occurred since the date of any information referred to in clause 19.17(a) which, if disclosed, would make that information untrue or misleading in any material respect.

19.18 No other business

(a) No Obligor (other than Belgian Targetco and the Swedish Targetco) has traded or carried on any business since the date of its incorporation except for:

(i) in the case of the Company, the ownership of the relevant Obligors; and

(ii) in the case of each Shareholder which is also an Obligor, the ownership of any direct Subsidiary;

(iii) in the case of each Borrower (other than the PPD Lender), ownership and management of its interests in the Properties.

(b) Neither the Belgian Targetco nor the Swedish Targetco has traded or carried on any business since the date of its incorporation except for, ownership and management of its interests in its Property.

(c) As at the date of this Agreement (or the Amendment Date, as the case may be), it is not party to any material agreement other than the Transaction Documents.

(d) As at the date of this Agreement:

(i) the Company does not have any Subsidiaries other than the Guarantors (excluding the Company); and

(ii) no Borrower (other than the PPD Lender) has any Subsidiaries.

(e) No Obligor:

(i) has, or has had, any employees; and

(ii) has any obligation in respect of any retirement benefit or occupational pension scheme.

19.19 Economic Beneficiary

Each Borrower expressly confirms to the Finance Parties that all funds made available to it under the Facility are drawn for its own account and that the Economic Beneficiary (if any) is set out in the documents delivered by the Borrowers as conditions precedent under this Agreement.

19.20 Centre of main interests and establishments

For the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings (the **"Regulation"**), its centre of main interest (as that term is used in Article 3(1) of the Regulation) is situated in its Original Jurisdiction and it has no "establishment" (as that term is used in Article 2(h) of the Regulations) in any other jurisdiction.

19.21 Ranking of Security

Subject to the Legal Reservations, the security conferred by each Security Document constitutes a first priority security interest of the type described, over the assets referred to, in that Security Document and those assets are not subject to any prior or pari passu Security.

19.22 Ownership

(a) Each Obligor's entire issued share capital is legally and beneficially owned and controlled by the relevant Shareholder.

(b) The shares in the capital of each Obligor are fully paid and are not subject to any option to purchase or similar rights.

(c) The constitutional documents of each Obligor do not and could not restrict or inhibit any transfer of the shares of that Obligor on creation or enforcement of the security conferred by the Security Documents.

19.23 Repetition

The Repeating Representations are deemed to be made by each Obligor by reference to the facts and circumstances then existing on the date of each Utilisation Request, on each Utilisation Date and the first day of each Interest Period (except that those contained in clauses 19.12(a) to 19.12(c) will cease to be so made once subsequent financial statements have been delivered under this Agreement).

20. INFORMATION UNDERTAKINGS

The undertakings in this clause 20 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

20.1 Financial statements

The Company shall supply to the Agent in sufficient copies for all the Lenders:

(a) as soon as they are available, but in any event within 180 days after the end of each financial year, the Financial Statements of each Obligor and the Parent (in each case prior to any audit requirement becoming effective) and (thereafter) audited for that financial year and accompanied by that review report (it being acknowledged that the first Financial Statements will cover the period from the date of acquisition of the Property to the end of the first financial year); and

(b) as soon as they are available, but in any event within 90 days after the end of each half of each of its financial years:

(i) the Parent's unaudited management accounts for that financial half year; and

(ii) each other Obligor's unaudited management accounts for that financial half year;

(c) not less than 30 days after the beginning of each calendar year, the Annual Budget for that calendar year.

20.2 Compliance Certificate

(a) The Company shall supply to the Agent, with each quarterly report delivered pursuant to clause 20.4 (Monitoring of Property), a Compliance Certificate setting out (in reasonable detail) computations as to compliance with clause 21 (Financial covenants) as at the Test Date falling immediately before the date of delivery of that report.

(b) Each Compliance Certificate shall be signed by two managers of the Company.

20.3 Requirements as to financial statements

(a) Each set of financial statements delivered by the Company pursuant to clause 20.1 (Financial statements) shall be certified by a director of manager (as the case may be) of the relevant company (authorised to represent the relevant company) as giving a true and fair view (if audited) or fairly representing (if unaudited) its financial condition as at the date as at which those financial statements were drawn up.

(b) The Company shall procure that each set of financial statements delivered pursuant to clause 20.1 (Financial statements) is prepared using Relevant GAAP.

(c) The Company shall procure that each set of financial statements of an Obligor delivered pursuant to clause 20.1 (Financial statements) is prepared using Relevant GAAP, accounting practices and financial reference periods consistent with those applied in the preparation of the Original Financial Statements for that Obligor unless, in relation to any set of financial statements, it notifies the Agent that there has been a change in Relevant GAAP, the accounting practices or reference periods and its auditors (or, if appropriate, the auditors of the Obligor) deliver to the Agent:

(i) a description of any change necessary for those financial statements to reflect the Relevant GAAP, accounting practices and reference periods upon which that Obligor's Original Financial Statements were prepared; and

(ii) sufficient information, in form and substance as may be reasonably required by the Agent, to enable the Lenders to make an accurate comparison between the financial position indicated in those financial statements and that Obligor's Original Financial Statements.

Any reference in this Agreement to those financial statements shall be construed as a reference to those financial statements as adjusted to reflect the basis upon which the Original Financial Statements were prepared.

20.4 Monitoring of Property

(a) Within twenty Business Days after each Test Date, the Company must supply to the Agent a report signed by a director or manager (as the case may be) of the relevant company (authorised to represent the relevant company) containing the following information, in form and substance satisfactory to the Agent, in respect of (except in the case of proposed or required capital expenditure or repairs under clauses 20.4(a)(viii) and 20.4(a)(ix)) the quarterly period ending on that Test Date:

(i) a schedule of the existing occupational tenants of each Property, showing for each tenant the rent, service charge, value added tax and any other amounts payable in that period by that tenant;
(ii) copies of any management accounts and management cashflows produced by, or for, any Obligor;
(iii) details of:
(A) any arrears of rents or service charges under any Lease Document; and
(B) any other material breaches of covenant under any Lease Document,
and any step being taken to recover or remedy them;
(iv) details of any insolvency or similar proceedings affecting any occupational tenant of a Property or any guarantor of that occupational tenant;
(v) details of any rent reviews with respect to any Lease Document in progress or agreed;
(vi) details of any Lease Document which has expired or been determined or surrendered and any new letting proposed;
(vii) copies of all material correspondence with insurance brokers handling the insurance of any Property;
(viii) details of any actual or proposed capital expenditure with respect to each Property;
(ix) details of any actual or required material repairs to each Property;
(x) details of any notice it is entitled to serve on any former tenant of any Occupational Lease under section 17(2) of the Landlord and Tenant (Covenants) Act 1995 or on any guarantor of any such former tenant under section 17(3) of that Act; and
(xi) any other information in relation to a Property reasonably requested by the Agent.
(b) The Company must notify the Agent of:
(i) any likely occupational tenant of any part of a Property; and
(ii) any likely buyer of any part of a Property (including terms of reference).

20.5 Information: miscellaneous

The Company shall supply to the Agent (in sufficient copies for all the Lenders, if the Agent so requests):
(a) at the same time as they are dispatched, copies of all documents dispatched by the Company to its shareholders generally (or any class of them) or its creditors generally (or any class of them) at the same time as they are dispatched;

(b) promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceedings or investigations which are current, threatened or pending against any member of the Group, and which, if adversely determined, are reasonably likely to have a Material Adverse Effect;

(c) promptly, such further information regarding the financial condition, business and operations of any member of the Group (in particular bank account statements for any Account) as any Finance Party (through the Agent) may reasonably request; and

(d) promptly, such further information as may be required by applicable banking supervisory laws and regulations and/or in line with standard banking practice including any necessary documents or evidence in order for any Lender to carry out satisfactory "Statement Regarding Economic Beneficiary" or other similar checks under GwG or other applicable law in relation to the transactions contemplated in the Finance Documents as any Lender may request.

20.6 Notification of default

(a) Each Obligor shall notify the Agent of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence (unless that Obligor is aware that a notification has already been provided by another Obligor).

(b) Promptly upon a request by the Agent, the Company shall supply to the Agent a certificate signed by two of its director or managers (as the case may be) or senior officers on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

20.7 "Know your customer" checks

(a) If:

(i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;

(ii) any change in the status of an Obligor or the composition of the shareholders of an Obligor after the date of this Agreement; or

(iii) a proposed assignment or transfer by a Lender of any of its rights and/or obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,

obliges the Agent or any Lender (or, in the case of clause 20.7(a)(iii), any prospective new Lender) to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, each Obligor shall promptly upon the request of the Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in clause 20.7(a)(iii), on behalf of any prospective new Lender) in order for the Agent, such Lender or, in the case of the event described in clause 20.7(a)(iii), any prospective new Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

(b) Each Lender shall promptly upon the request of the Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself) in order for the Agent to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

20.8 Confirmation pursuant to the GwG

(a) Each Borrower shall deliver to each Lender on or before the date of this Agreement any documents or evidence for the purpose of GwG or other law or regulation relating to money laundering which are applicable to a Lender that a Lender may require from a Borrower.

(b) Each Borrower shall deliver to the Lenders any necessary documents or evidence in order for the Lenders to carry out satisfactory "know your customer" or other similar checks under GwG or other applicable law in relation to the transactions contemplated in the Finance Documents.

(c) Each Borrower acknowledges that under the GwG a Lender may not establish or continue a business relationship or carry out any transactions with a Borrower if they are unable to fulfil the requirements of due diligence laid down in § 3 Section 6, paragraph 1 nos. 1 to 3 of GwG or other applicable law. If a business relationship already exists, the Lender is obliged to terminate this relationship regardless of any other legal or contractual provisions. Therefore, in accordance with § 4 Section 6 of GwG, each Borrower shall provide the Lender with all necessary information and documents so that the Lender can meet its due diligence requirements. The Borrower shall inform the Lender without delay of any changes to the information and documents provided.

21. FINANCIAL COVENANTS

21.1 Interest Cover

The Company must ensure that Interest Cover is at all times at least 200 per cent.

21.2 Loan to Value

The Company must ensure that the Loan to Value is at all times equal to or less than 70 per cent.

21.3 Net Yield on Debt

The Company must ensure that the Net Yield on Debt is not at any time less than 7.00 per cent.

21.4 Covenant repair

(a) If there is a breach of clause 21.1 (Interest Cover), clause 21.2 (Loan to Value) or clause 21.3 (Net Yield on Debt) then the Borrower may within 10 Business Days of receiving notice of such breach from the Agent either:

(i) place the amount which would be required to prepay the Loans to make good any such breach into the Deposit Account; or

(ii) prepay the Loans in such amount as is needed to make good any such breach.

(b) If on any Test Date there is a breach of any of clause 21.1 (Interest Cover), clause 21.2 (Loan to Value) or clause 21.3 (Net Yield on Debt), a single cash deposit or prepayment can be made for the purposes of remedying the breaches pursuant to clause 21.1, clause 21.2 and 21.3, which payment shall be made to the Deposit Account in accordance pursuant to clause 17.6(b)(iv) and applied in accordance with 17.6(d).

(c) The requirements of clause 7.6 (Voluntary prepayment of Loans) shall not apply to any prepayment under this clause 21.4.

(d) The ability to remedy a breach of clause 21.1 (Interest Cover), clause 21.2 (Loan to Value) or clause 21.3 (Net Yield on Debt) pursuant to this clause 21.4 may not be exercised on more than five occasions during the term of the Facility and may not be exercised in more than two consecutive quarters.

22. GENERAL UNDERTAKINGS

The undertakings in this clause 22 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

22.1 Authorisations

Each Obligor shall promptly:

(a) obtain, comply with and do all that is necessary to maintain in full force and effect; and

(b) supply certified copies to the Agent of,

any Authorisation required under any law or regulation of a Relevant Jurisdiction to:

(i) enable it to perform its obligations under the Transaction Documents and to ensure, subject to the Legal Reservations, the legality, validity, enforceability or admissibility in evidence of any Transaction Document; or

(ii) own its assets and carry on its business as it is being conducted.

22.2 Compliance with laws

Each Obligor shall comply in all respects with all laws to which it may be subject, if failure so to comply has or is reasonably likely to have a Material Adverse Effect.

22.3 Negative pledge

In this clause 22.3, **"Quasi- Security"** means an arrangement or transaction described in clause 22.3(b).

(a) No Obligor shall create or permit to subsist any Security over any of its assets;

(b) No Obligor shall:

(i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by an Obligor;

(ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;

(iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set- off or made subject to a combination of accounts; or

(iv) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

(c) Clauses 22.3(a) and 22.3(b) do not apply to any Security or (as the case may be) Quasi- Security, listed below:

(i) the Transaction Security;

(ii) any German Property encumbrance of which cannot be restricted under section 1136 BGB;

(iii) any lien arising by operation of law and in the ordinary course of trading and any lien arising under the general terms and conditions of any Account Bank or other banks or financial institution with whom any member of the Group maintains a banking relationship in the ordinary course of business; or

(iv) any Security that is released prior to or at each relevant Utilisation; or

(v) any landlord's pledge (Vermietungspfandrecht) arising by operation of law under a headlease in favour of the relevant third party landlord;

(vi) any Security the granting of which cannot be prohibited pursuant to section 1136 BGB; or

(vii) any Security granted pursuant to the French Intra- Group Debt Documents.

(d) No Obligor shall (i) segregate assets for the purpose of Article 2447- bis of the Italian Civil Code ("Patrimoni Destinati ad uno Specifico Affare"), (ii) issue any class of stock or other financial instruments under Article 2447- ter of the Italian Civil Code; or (iii) enter, or take any action aimed at entering, into any destined financings ("Finanziamenti destinati ad uno specifico affare") pursuant to Article 2447- bis, letter b, and Article 2447- decies of the Italian civil code.

22.4 Disposals

(a) No Obligor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any asset.

(b) Clause 22.4(a) does not apply to any disposal:

(i) permitted under clause 23.2 (Occupational Leases);

(ii) of any German Property if such disposal cannot be prohibited pursuant to section 1136 BGB;

(iii) of a Property or the shares in an Obligor, Prime OPCI or a French Property Owner, in each case in accordance with clause 22.4(c);

(iv) of cash by way of a payment out of an Account in accordance with this Agreement;
(v) made in the ordinary course of trading of any asset subject to the floating charge created under a Security Document; or
(vi) made under or in connection with the Belgian Reorganisation.
(c) An Obligor may dispose of its Property or its shares in another Obligor or in Prime OPCI or allow the disposal by Prime OPCI of shares in a French Property Owner if:
(i) no Default and no Cash Sweep Event is continuing at the time of such disposal and no Default or Cash Sweep Event would result from that disposal;
(ii) that disposal is on arm's length terms to an unrelated third party;
(iii) the net disposal proceeds are not less than the aggregate of:
(A) Allocated Repayment Amount of that Property or the Property owned by that Obligor or all Subsidiaries of that Obligor or in case of disposal of the shares in Prime OPCI, the French Property Owners or in case if disposal of the shares in a French Property Owner, that French Property Owner; and
(B) an amount determined by the Agent to provide for prepayment fees and any other amount that is or will become due and payable in accordance with clause 7.8(b) as a result of the application of the net disposal proceeds in prepayment of the Loans; and
(iv) immediately following that disposal the amount of the Portfolio Loan will not be less than €300,000,000,
or otherwise with the prior consent of the Agent.
(d) The Obligors must ensure that the Disposal Proceeds are immediately applied in accordance with clause 7.4 (Application of mandatory prepayments) and if, for whatever reason, a relevant Obligor cannot arrange for all relevant Disposal Proceeds to be applied immediately in accordance with clause 7.4 (Application of mandatory prepayments), each other Obligor must ensure that such amount as is necessary be paid as to ensure that an amount equal to the relevant Disposal Proceeds is applied at the required time in accordance with clause 7.4 (Application of mandatory prepayments).
(e) For the purposes of this clause 22.4 (Disposals), **"net disposal proceeds"** means the gross proceeds of any disposal permitted under clause 22.4(c) less the reasonable fees, costs and expenses and any tax associated with that disposal. In connection with any disposal of the shares in an Obligor or a Subsidiary of an Obligor the gross proceeds shall include the amount of the Borrower's indebtedness which is repaid as a condition of the disposal.
(f) A Property disposed of, or a Property owned directly or indirectly by an Obligor or a Subsidiary of an Obligor the shares of which are disposed of, in accordance with clause 22.4(c) will cease to be a Property.

22.5 Financial Indebtedness

(a) No Obligor may incur or permit to be outstanding any Financial Indebtedness.

(b) Clause 22.5(a) does not apply to:

(i) any Financial Indebtedness incurred under the Finance Documents;

(ii) any Financial Indebtedness repaid prior to the relevant Utilisation;

(iii) any Financial Indebtedness under the French Intra- Group Debt Documents; or

(iv) any Subordinated Debt.

22.6 Lending and guarantees

(a) No Obligor may be the creditor in respect of any loan or any form of credit to any person other than an Obligor or a French Obligor by way of Subordinated Debt or by way of French Intra- Group Loans.

(b) No Obligor may give or allow to be outstanding any guarantee or indemnity to or for the benefit of any person in respect of any obligation of any other person or enter into any document under which that Obligor assumes any liability of any other person other than any guarantee or indemnity given under the Finance Documents.

22.7 Merger

(a) No Obligor shall enter into any amalgamation, demerger, merger or corporate reconstruction.

(b) Clause 22.7(a) does not apply to any disposal permitted pursuant to clause 22.4 (Disposals) or any merger in connection with the Belgian Reorganisation.

22.8 Change of business

(a) No Obligor may carry on any business on or after the initial Utilisation Date other than:

(i) in the case of the Company, the ownership of the relevant Luxembourg Obligors and in the case of the PPD Lender the ownership of the relevant French Obligor;

(ii) in the case of each Shareholder, each of its subsidiaries;

(iii) in the case of each Borrower (other than the PPD Lender), the ownership and management of its interests in the Property or Properties in which it has an interest.

(b) The Company must not have any Subsidiary other than the Obligors (and the French Obligors) (excluding the Company).

(c) No Borrower (other than the PPD Lender) may have any Subsidiary.

22.9 Acquisitions

Following the relevant Utilisation Date, no Obligor may make any acquisition or investment other than:

(a) the acquisition of Belgian Targetco and the Swedish Targetco pursuant to the relevant Sale and Purchase Agreements; and

(b) the acquisition contemplated by the Belgian Reorganisation,

and otherwise as permitted under this Agreement.

22.10 Other agreements

No Obligor may enter into any material agreement other than:

(a) the Transaction Documents; and

(b) any other agreement expressly allowed under any other term of this Agreement.

22.11 Shares, dividends and share redemption

(a) No Obligor shall issue any further shares or amend any rights attaching to its issued shares except to other Obligors or to the Parent and provided always that any such shares or rights are issued or made subject to the Transaction Security.

(b) Except as permitted under clause 22.11(c), no Obligor shall:

(i) declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital);

(ii) repay or distribute any dividend or share premium reserve;

(iii) pay any management, advisory or other fee to or to the order of any of the shareholders of the Company; or

(iv) redeem, repurchase, defease, retire or repay any of its share capital or resolve to do so.

(c) Clause 22.11(b) does not apply to a Permitted Payment.

22.12 VAT group

No Obligor may be a member of a value added tax group other than a group made up solely of Obligors.

22.13 Taxes

(a) Each Obligor must pay and discharge all Taxes due and payable by it within the time period allowed and prior to the accrual of any material fine or penalty for late payment, unless (and only to the extent that):

(i) payment of those Taxes is being contested in good faith;

(ii) adequate reserves are being maintained for those Taxes and the costs required to contest them;

(iii) such payment can be lawfully withheld and failure to pay those Taxes is not reasonably likely to have a Material Adverse Effect; and

(iv) a stay of payment (sursis) is effective as long as any litigation with tax administration is pending.

(b) Each Obligor must ensure that its residence for Tax purposes is and remains in its Original Jurisdiction.

22.14 Ownership

(a) Prime Pool VII - T S.à r.l. must ensure that at all times it legally and beneficially owns and controls the entire share capital of each of Prime UK Portman T- S.à r.l. and Prime UK Condor - T S.à r.l.

(b) Prime Pool I - T S.à r.l. must ensure that at all times it legally and beneficially owns and controls the entire share capital of each of Prime GER Drehbahn - T S.à r.l., Prime GER Valentinskamp - T S.à r.l. and Prime GER Dammtorwall A- T S.à r.l.

(c) The PPD Lender must ensure that at all times it legally and beneficially owns and controls the entire share capital of Prime OPCI.

(d) Prime Pool V - T, S.à r.l. must ensure that at all times it legally and beneficially owns and controls the entire share capital of (i) the Belgian Borrower (being Belgian Propco prior to the Belgian Reorganisation and Belgian Targetco thereafter) and (ii) Belgian Targetco (after its acquisition).

(e) Prime Pool VI - T, S.à r.l. must ensure that at all times it legally and beneficially owns and controls the entire share capital of each of the Dutch Borrowers.

(f) Prime Pool IV B - T, S.à r.l. must ensure that at all times it legally and beneficially owns and controls the entire share capital of the Swedish Targetco (following its acquisition).

(g) Prime Pool IV A - T, S.à r.l. must ensure that at all times it legally and beneficially owns and controls the entire share capital of Prime Pool IV B - T, S.à r.l.

(h) The Company must ensure that at all times it legally and beneficially owns and controls the entire share capital of each other Luxembourg Obligor.

22.15 French Intra- Group Debt Documents

Until the Loan granted to the PPD Lender and all other liabilities of the PPD Lender to the Finance Parties have been paid or discharged in full, the PPD Lender:

(a) shall procure that no French Obligor shall without the prior written consent of the Agent make any repayment or prepayment of any French Intra- Group Loan except in accordance with the terms of the Amended French Property Owner Loans Agreement;

(b) shall not set- off any payment due from it against any sum due to it under any French Intra- Group Debt Document; and

(c) shall:

(i) at the written request of the Agent if an Event of Default is continuing or an Event of Default under the French Intra-Group Debt Document is continuing

take all steps necessary to enforce any obligation owed to it under any French Intra- Group Debt Document;

(ii) perform all of its obligations under each French Intra- Group Debt Document in accordance with its terms;

(iii) not grant any waiver, release or consent under any French Intra- Group Debt Document without the prior written consent of the Agent; and

(iv) not make any amendment to or vary any French Intra- Group Debt Document without the prior written consent of the Agent.

22.16 Further Assurance

(a) Each Obligor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent (or, in connection with the English Properties only, the English Security Agent) may reasonably specify (and in such form as the Security Agent (or English Security Agent, as appropriate) may reasonably require in favour of the Security Agent (or English Security Agent, as appropriate) or their respective nominee(s));

(i) to create, perfect, protect and maintain the Security created or intended to be created under or evidenced by the Security Documents (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Transaction Security) or for the exercise of any rights, powers and remedies of the Security Agent, the English Security Agent or the Finance Parties provided by or pursuant to the Finance Documents or by law;

(ii) to confer on the Security Agent, English Security Agent or confer on the Finance Parties, Security over any property and assets of the Borrower located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to the Security Documents; and/or

(iii) (if an Event of Default is continuing) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security.

(b) Each Obligor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent, the English Security Agent or the Finance Parties by or pursuant to the Finance Documents.

(c) Notwithstanding clauses 22.16(a) and 22.16(b) but without prejudice to clause 25.13(c), where a further mortgage is to be taken in respect of a Charged Property (or a French Property) over which a valid and properly perfected mortgage has already been created (and not being a further mortgage required in connection with the amendment, restatement, supplementing or otherwise of this Agreement or of the French Intra- Group Debt Documents) then any fees and expenses associated with such further mortgage shall be at the cost of the Lenders.

22.17 Assistance with the transfer and consent to division of Loans

(a) Each Obligor shall provide assistance to, and at the reasonable request of, the Arranger in the preparation of any information memorandum and the initial assignment and transfer of any Loans made under the Facility (including, without limitation, by making management and its directors, managers or other relevant officers available for the purpose of making presentations to, or meeting, potential lending institutions) and will comply with all reasonable requests for information from potential transferees prior to completion of any such transfer.

(b) Each Obligor acknowledges, agrees and hereby provides its consent to the division of all or any of the Loans in such amounts as may be required (at the Lenders' discretion) to effect a transfer of such Loans to a New Lender or otherwise.

23. PROPERTY UNDERTAKINGS

23.1 Title

(a) Each Property Owner must exercise its rights and comply in all respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Property where failure to do so would have a Material Adverse Effect.

(b) Subject to the terms of clause 23.2 (Occupational Leases) and to the terms of any Lease Document, no Property Owner may agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Property to the extent that the same would have a Material Adverse Effect.

(c) Each Property Owner must promptly, upon the request of the Security Agent (or English Security Agent, as appropriate) take all such steps as may be necessary or desirable to enable the Security created by the Security Documents to be registered, where appropriate.

23.2 Occupational Leases

(a) Subject to clause 23.2(b) below, no Property Owner may without the consent of the Agent (acting reasonably and which consent shall be provided to the Company by the Agent within 10 Business Days of such request provided that any such request is accompanied by all relevant information, which information is satisfactory to the Agent in all respects):

(i) enter into any Agreement for Lease;

(ii) other than under an Agreement for Lease, grant or agree to grant any new Occupational Lease;

(iii) agree to any amendment, supplement, extension, waiver, surrender or release in respect of any Lease Document;

(iv) exercise any right to break, determine or extend any Lease Document;

(v) commence any forfeiture proceedings in respect of any Lease Document;

(vi) grant any licence or right to use or occupy any part of a Property;

(vii) consent to any sublease or assignment of any tenant's interest under any Lease Document (except where required to do so under the terms of the relevant Lease Document or by mandatory law);

(viii) agree to any change of use under, or (except where required to do so under the terms of the relevant Lease Document or by mandatory law) rent review in respect of, any Lease Document; or

(ix) serve any notice on any former tenant under any Lease Document (or on any guarantor of that former tenant) which would entitle it to a new lease or tenancy.

(b) No consent will be required under clause 23.2(a) where the Lease Document is:

(i) for the lower of 5,000 square metres (or its equivalent in square feet) or 30% of the net lettable area of any Property; and

(ii) made on arms' length terms.

(c) Each Property Owner must:

(i) diligently collect or procure to be collected all Rental Income;

(ii) exercise its rights and comply with its obligations under each Lease Document; and

(iii) use its reasonable endeavours to ensure that each tenant complies with its obligations under each Lease Document,

in a proper and timely manner.

(d) Each Obligor must supply to the Agent each Lease Document, each amendment, supplement or extension to a Lease Document and each document recording any rent review in respect of a Lease Document promptly upon entering into the same.

(e) The Obligors must use their reasonable endeavours to find tenants for any vacant lettable space in the Properties with a view to granting a Lease Document with respect to that space.

(f) No Obligor may grant or agree to grant any Lease Document in respect of an English Property without including in the alienation covenant a provision for the proposed assignor on any assignment to guarantee the obligations of the proposed assignee until that assignee is released as tenant under the terms of the Landlord and Tenant (Covenants) Act 1995.

23.3 Headleases

(a) Each Property Owner must:

(i) exercise its rights and comply with its obligations under each Headlease;

(ii) use its reasonable endeavours to ensure that each landlord complies with its obligations under each Headlease; and

(iii) if so required by the Security Agent or the English Security Agent, apply for relief against forfeiture of any Headlease, in a proper and timely manner.

(b) No Property Owner may:

(i) agree to any amendment, supplement, waiver, surrender or release of any Headlease;

(ii) exercise any right to break, determine or extend any Headlease;

(iii) agree to any rent review in respect of any Headlease; or

(iv) do or allow to be done any act as a result of which any Headlease may become liable to forfeiture or otherwise be terminated,

without the prior written consent of, and on the terms approved by, the Agent (acting reasonably).

23.4 Maintenance

Each Property Owner must ensure that all buildings, plant, machinery, fixtures and fittings on its Property are in, and maintained in:

(a) good and substantial repair and condition and, as appropriate, in good working order;

(b) such repair, condition and order as to enable them to be let in accordance with all applicable laws and regulations; for this purpose, a law or regulation will be regarded as applicable if it is in force; or

(c) where there is a legally enforceable obligation on a tenant to repair and maintain, the relevant Property Owner shall satisfy the requirements of this clause by taking all reasonable steps to enforce that obligation.

23.5 Development

(a) No Property Owner may (save with the written consent of the Agent (acting reasonably):

(i) make or allow to be made any application for planning permission in respect of any part of its Property; or

(ii) carry out, or allow to be carried out, any demolition, construction, structural alterations or structural additions, development or other similar operations in respect of any part of its Property.

(b) Clause 23.5(a) shall not apply to:

(i) the maintenance of the buildings, plant, machinery, fixtures and fittings in accordance with the Transaction Documents; or

(ii) the carrying out of non- structural improvements or alterations which affect only the interior of any building on a Property; or

(iii) structural alterations and additions which are set out in the relevant Annual Budget; or

(iv) any works undertaken by a tenant under the terms of its Lease Document or Agreement for Lease or any right under law.

(c) Each Property Owner must comply in all material respects with all planning laws, permissions, agreements and conditions to which its Property may be subject.

(d) Where there is a legally enforceable obligation on a tenant, the relevant Property Owner shall satisfy the requirements of this clause by taking all reasonable steps to enforce that obligation.

23.6 Notices

Each Property Owner must, within 14 days after the receipt by the Property Owner of any application, requirement, order or notice served or given by any public or local or any other authority or any landlord with respect to its Property (or any part of it):

(a) deliver a copy to the Security Agent (or where any such notice is in connection with an English Property, the English Security Agent); and

(b) inform the Security Agent (or English Security Agent as appropriate) of the steps taken or proposed to be taken to comply with the relevant requirement, order or notice.

23.7 Investigation of title

Each Property Owner must grant the Security Agent and in respect of the English Properties, the English Security Agent, or (in either case) its lawyers on request all facilities within the power of the Property Owner to enable the Security Agent (or the English Security Agent, as appropriate) or (in either case) its lawyers to:

(a) carry out investigations of title to any Property; and

(b) make such enquiries in relation to any part of any Property as a prudent mortgagee might carry out.

23.8 Power to remedy

(a) If a Property Owner fails to perform any obligations under the Finance Documents affecting its Property, the Property Owner must allow the Security Agent and in respect of the English Properties, the English Security Agent, or their respective agents and contractors at a reasonable time and upon reasonable notice and subject to the terms of any Lease Document or applicable law:

(i) to enter any part of its Property;

(ii) to comply with or object to any notice served on the Property Owner in respect of its Property; and

(iii) to take any action that the Security Agent may reasonably consider necessary or desirable to prevent or remedy any breach of any such term or to comply with or object to any such notice.

(b) A Property Owner must immediately on request by the Security Agent (or English Security Agent, as appropriate) pay the reasonable costs and expenses of the Security Agent (or English Security Agent, as appropriate) or its agents and contractors incurred in connection with any reasonable action taken by it under this clause.

(c) No Finance Party shall be obliged to account as mortgagee in possession as a result of any action taken under this clause.

23.9 Managing Agents, Asset Manager and Cash Manager

(a) Subject to clause 23.9(b), no Obligor may:

(i) appoint any Managing Agent, Asset Manager or Cash Manager;

(ii) amend, supplement, extend or waive the terms of appointment of any Managing Agent, Asset Manager or Cash Manager; or

(iii) terminate the appointment of any Managing Agent, Asset Manager or Cash Manager,

without the prior consent of, and on terms approved by, the Agent (acting reasonably).

(b) The consent of the Agent to the appointment of a new Managing Agent or Asset Manager shall not be unreasonably withheld or delayed in circumstance where:

(i) such appointment is made on materially similar or better terms to that of the existing Managing Agent or Asset Manager (as appropriate); and

(ii) any new Managing Agent or Asset Manager is (in the opinion of the Agent, acting reasonably) recognised in the relevant market as being of a similar standing and quality to the existing Managing Agent or Asset Manager; and

(iii) the new Managing Agent (or Asset Manager, as the case may be) complies with all conditions set out in clause 23.9(c).

(c) Each Obligor must ensure that each Managing Agent of any Property, any Asset Manager and any Cash Manager

(i) enters into a Duty of Care Agreement with the Security Agent in form and substance satisfactory to the Agent (acting reasonably);

(ii) acknowledges to the Security Agent that it has notice of the Security created by the Finance Documents; and

(iii) agrees to deal with Rental Income received by it in accordance with this Agreement and without any withholding, set- off or counterclaim.

(d) If a Managing Agent, Asset Manager or Cash Manager is in default of its obligations under its management agreement, under the Asset Management Agreement or under the Cash Management Agreement (as appropriate) and, as a result, an Obligor is entitled to terminate that management agreement, Asset Management Agreement or Cash Management Agreement, then, if the Agent so requires, that Obligor must promptly use all reasonable endeavours to:

(i) terminate the management agreement, Asset Management Agreement or Cash Management Agreement (as appropriate); and

(ii) appoint a new Managing Agent, Asset Manager or Cash Manager (as the case may be) in accordance with this clause 23.9 (Managing Agents, Asset Manager and Cash Manager).

23.10 Insurances

(a) The Company must ensure that, at all times from each Utilisation Date, Insurances are maintained in full force and effect, which:

(i) insure each Property Owner in respect of its interests in each Property and the plant and machinery on each Property (including fixtures and improvements) for their full replacement value (being the total cost of entirely rebuilding, reinstating or replacing the relevant asset if it is completely destroyed, together with all related fees and demolition costs) and to:

(A) provide cover against loss or damage by fire, smoke, storm, hail, tempest, flood, backwater, tap water, water extinguishing system leakage, earthquake, lightning, excess voltage due to lightning, explosion, land subsidence, landslip, snowslide, snow pressure, volcanic eruption, vehicle impact, aircraft and other aerial devices and articles dropped from them, burglary and vandalism in the course of burglary, riot, civil commotion and, strike and lock- out, malicious damage, bursting or overflowing of water tanks, apparatus or pipes and all other normally insurable risks of loss or damage;

(B) provide cover for site clearance and clean- up work, for demolition work, decontamination, costs for mitigating and preventing damages, shoring or propping up, professional fees (including any fees for architects and other planning or (re-) construction costs, costs connected with official requirements and professional fees) and value added tax together with adequate allowance for inflation and increase in rebuilding, reinstating or replacing prices;

(C) provide cover against acts of terrorism, including any third party liability arising from such acts;

(D) provide cover for loss of rent (in respect of a period of not less than three years or, if longer, the minimum period required under the Lease Documents) including provision for any increases in rent during the period of insurance;

(E) provide cover for costs and fees incurred in connection with the rebuilding, reinstating or replacing of the relevant asset, even if the rebuilding, reinstating or replacing of an asset of the same type and quality implies increased costs due to technical developments and changes in legal framework; and

(ii) include property owners' public liability and third party liability insurance;

(iii) insure such other risks as a prudent company in the same business as the Property Owners would insure; and

(iv) in each case are in an amount, and in form acceptable at all times to the Agent and with an Acceptable Insurance Company.

(b) The Company must procure that the Security Agent (as agent and trustee for the Finance Parties) is named as co-insured under each of the Insurances (other than public liability and third party liability insurances) but without liability on the part of the Security Agent or any other Finance Party for any premium in relation to those Insurances.

(c) The Company must procure that the Insurances comply with the following requirements:

(i) each of the Insurances must contain:

(A) a non- invalidation and non- vitiation clause under which the Insurances will not be vitiated or avoided as against any insured party as a result of any circumstances beyond the control of that insured party or any misrepresentation, non-disclosure, or breach of any policy term or condition, on the part of any insured party or any agent of any insured party;

(B) a waiver of the rights of subrogation of the insurer as against each Property Owner, the Finance Parties and the tenants of each Property; and

(C) a loss payee clause in such terms as the Security Agent may reasonably require in respect of insurance claim payments otherwise payable to any Property Owner;

(ii) the insurers must give at least 30 days' notice to the Security Agent if any insurer proposes to repudiate, rescind or cancel any Insurance, to treat it as avoided in whole or in part, to treat it as expired due to non- payment of premium or otherwise decline any valid claim under it by or on behalf of any insured party and must give the opportunity to rectify any such non- payment of premium within the notice period; or

(iii) in respect of any Insurance which is subject to German law, as an alternative to the requirements of paragraphs 23.10(c)(i) and 23.10(c)(ii) above, a certificate (Sicherungsschein/Sicherungsbestätigung) by the respective insurance company confirming that the legal provisions set out in section 94 and 142 to 149 of the German Insurance Contract Act (Verischerungsvertragsgesetz) apply to all kinds of property insurances; and

(iv) the relevant Property Owner must be free to assign all amounts payable to it under each of its Insurances and all its rights in connection with those amounts in favour of the Security Agent;

(d) The Company must ensure that the Agent receives:

(i) copies of the Insurances;

(ii) receipts for the payment of premiums for insurance; and

(iii) any information in connection with the insurances and claims under them which the Agent may reasonably require.

(e) The Company must promptly notify the Agent of:

(i) the proposed terms of any future renewal of any of the Insurances;

(ii) any amendment, supplement, extension, termination, avoidance or cancellation of any of the Insurances made or, to its knowledge, threatened or pending;

(iii) any claim, and any actual or threatened refusal of any claim, under any of the Insurances; and

(iv) any event or circumstance which has led or may lead to a breach by any Property Owner of any term of this clause.

(f) Each Property Owner must:

(i) comply with the terms of the Insurances;

(ii) not do or permit anything to be done which may make void or voidable any of the Insurances; and

(iii) comply with all reasonable risk improvement requirements of its insurers.

(g) The Company must ensure that:

(i) each premium for the Insurances is paid promptly and in any event prior to the commencement of the period of insurance for which that premium is payable;

(ii) in case of renewal or cancellation of an insurance, the Agent is provided with copies of the documents evidencing an extension of the relevant insurance cover not less than 15 Business Days prior to such renewal or cancellation; and

(iii) all other things necessary are done so as to keep each of the Insurances in force.

(h) If a Property Owner fails to comply with any term of this clause 23.10, the Agent may, at the expense of the Obligors effect any insurance and generally do such things and take such other action as the Agent may reasonably consider necessary or desirable to prevent or remedy any breach of this clause 23.10.

(i)

(i) Except as provided below, the proceeds of any Insurances must, if the Agent so requires, be paid into the Deposit Account for application in accordance with clause 17.5 (Cash Sweep Account).

(ii) To the extent required by the basis of settlement under any Insurances or under any Lease Document, each Property Owner must apply moneys received under any Insurances in respect of a Property towards replacing, restoring or reinstating that Property.

(iii) The proceeds of any loss of rent insurance will be treated as Rental Income and applied in such manner as the Agent (acting reasonably) requires to have effect as if it were Rental Income received over the period of the loss of rent.

(iv) Moneys received under liability policies held by a Property Owner which are required by that Property Owner to satisfy established liabilities of that Property Owner to third parties must be used to satisfy these liabilities.

23.11 Environmental matters

(a) Each Property Owner must:

(i) comply, and use reasonable endeavours to procure that any relevant third party complies, with all Environmental Law;

(ii) obtain, maintain and comply with all requisite Environmental Permits applicable to it or to a Property; and

(iii) implement procedures to monitor compliance with and to prevent liability under any Environmental Law applicable to it or a Property,

where failure to do so has or is reasonably likely to have a Material Adverse Effect or result in any liability for a Finance Party.

(b) Each Property Owner must, promptly upon becoming aware, notify the Agent of:

(i) a mateial Environmental Claim started, or to its knowledge, threatened;

(ii) any circumstances reasonably likely to result in an Environmental Claim; or

(iii) any suspension, revocation or notification of any Environmental Permit.

(c) Each Property Owner must indemnify each Finance Party against any loss or liability which:

(i) that Finance Party incurs as a result of any actual or alleged breach of any Environmental Law relating to a Property; and

(ii) would not have arisen if a Finance Document had not been entered into,

unless it is caused by that Finance Party's gross negligence or wilful misconduct.

23.12 Valentinskamp Property

The Company shall:

(a) provide a confirmation regarding the Valentinskamp Property that there are no indications of any unexploded ordinance which have not been removed, such confirmation to be in a form similar to those received for the other German Properties (or such other form as the Agent and the Company may agree); or

(b) in the event that the confirmation in 23.12(a) cannot be provided by 31 August 2015, by no later than 10 Business Days following that date, use reasonable endeavours to provide evidence satisfactory to the Agent that the insurance sub- limit for bomb risks in respect of the Valentinskamp Property has been increased from EUR 3,400,000 to EUR 51,300,000.

(c) Independently from (a) and (b) above:

(i) if the Agent reasonably determines that the risk of existence of unexploded ordinance on the Valentinskamp Property means that the allocated Loan pertaining to that Property can no longer be funded through issuance of Pfandbriefe, the Agent may propose an increase in the Margin to apply to the relevant Loan only which shall take fully into account the higher funding costs to any Lender refinancing its Loans via issuance of Pfandbriefe in funding the Loan secured on the Valentinskamp Property;

(ii) if the Company does not notify the Agent that it disagrees with the proposed increased Margin within 20 Business Days of the date the increased Margin was notified to the Company, the increased Margin shall at the end of that period be binding on all Obligors; and

(iii) if the Company does not agree to the proposed increased Margin it shall notify the Agent within 20 Business Days of the date the increased Margin was notified to the Company whereupon the Loan secured on the Valentinskamp Property (and not otherwise) shall become due and payable upon 10 Business Days' demand by the Agent; and

(iv) the Company shall procure that the Loan secured on the Valentinskamp Property is prepaid in full upon 20 Business Days' demand by the Agent provided that any such prepayment shall be treated as a mandatory prepayment under this Agreement but shall not:

(A) attract any prepayment fee under this Agreement; and

(B) count towards reducing any amount that may be prepaid or cancelled without prepayment fee in accordance with clause 11.3(c)(i) (Prepayment and cancellation fee) of this Agreement.

(d) The Parties acknowledge and agree that the side letter to this Agreement which was dated 1 April 2015 and entered into in connection with the matters set out in this clause 23.12 (Valentinskamp Property) shall cease to have effect on and from the Amendment Date.

24. EVENTS OF DEFAULT

Each of the events or circumstances set out in this clause (c) is an Event of Default (save for clause 24.18 (Acceleration)).

24.1 Non- payment

An Obligor does not pay on the due date any amount payable pursuant to a Finance Document at the place and in the currency in which it is expressed to be payable unless:

(a) its failure to pay is caused by:

(i) administrative or technical error; or

(ii) a Disruption Event; and

(b) payment is made (in either case) within 3 Business Days of its due date.

24.2 Financial covenants

Any requirement of clause 21 (Financial covenants) is not satisfied and any grace period set out in clause 21.4 (Covenant repair) has expired.

24.3 Other obligations

(a) An Obligor does not comply with any term of clause 23.2 (Occupational Leases), clause 23.3 (Headleases) or clause 23.10(a) to 23.10(d) and 23.10(g)(ii)(Insurances).

(b) A Transaction Obligor does not comply with any provision of the Finance Documents (other than those referred to in clause 24.1 (Non- payment), clause 24.2 (Financial covenants) and clause 24.3(a)).

(c) No Event of Default under clause 24.3(b) will occur if the failure to comply is capable of remedy and is remedied within 10 Business Days of the earlier of (i) the Agent giving notice to the Company and (ii) any Transaction Obligor becoming aware of the failure to comply.

(d) No Event of Default will occur during the Clean- Up Period in respect of Swedish Targetco and Belgian Targetco in respect of clause 20.1 (Financial statements) and clause 22.10 (Other agreements).

24.4 Misrepresentation

(a) Any representation or statement made or deemed to be made by a Transaction Obligor in the Finance Documents or any other document delivered by or on behalf of any Transaction Obligor under or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

(b) No Event of Default under clause 24.4(a) will occur if the circumstance in respect of which the misrepresentation was made is capable of remedy and is remedied within 10 Business Days of the earlier of (i) the Agent giving notice to the Company and (ii) any Transaction Obligor becoming aware of the misrepresentation.

(c) No Event of Default will occur during the Clean- Up Period in respect of Swedish Targetco and Belgian Targetco in respect of clauses 19.5 (Validity and admissibility in evidence), 19.12 (Financial Statements) and clause 19.18 (No other business).

24.5 Cross default

(a) Any Financial Indebtedness of any Obligor is not paid when due nor within any originally applicable grace period.

(b) Any Financial Indebtedness of any Obligor is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).

(c) Any commitment for any Financial Indebtedness of any Obligor is cancelled or suspended by a creditor of any Obligor as a result of an event of default (however described).

(d) Any creditor of any Obligor becomes entitled to declare any Financial Indebtedness of any Obligor due and payable prior to its specified maturity as a result of an event of default (however described).

(e) An Event of Default (as therein defined) occurs under the Italian Facility Agreement.

(f) An Event of Default (as therein defined) occurs under the Amended French Property Owner Loans Agreement.

(g) No Event of Default shall occur under this clause 24.5 where the Financial Indebtedness:

(i) is subordinated under a Subordination Agreement; or

(ii) (without prejudice to (e) or (f) above) is in respect of Financial Indebtedness arising under the Transaction Documents.

24.6 Insolvency

(a) A Transaction Obligor:

(i) is unable or admits inability to pay its debts as they fall due (including for the purpose of Article 5 of Italian Insolvency Law); or

(ii) is deemed to, or is declared to, be unable to pay its debts under applicable law; or

(iii) suspends or threatens to suspend making payments on any of its debts; or

(iv) by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors (excluding any Finance Party in its capacity as such) with a view to rescheduling any of its indebtedness; or

(v) has its details entered on any national official default payment system or insolvency register (or such analogous system or register as may operate in any Relevant Jurisdiction).

(b) The value of the assets of any Transaction Obligor is less than its liabilities (taking into account contingent and prospective liabilities).

(c) The value of the assets of any Transaction Obligor incorporated in Sweden is less than 50 per cent of its nominal share capital, unless the relevant Transaction Obligor has taken the actions required in the Swedish Companies Act (Aktiebolagslagen 2005:551) in order to remedy such deficiencies within the times stipulated in the Swedish Companies Act.

(d) A moratorium is declared in respect of any indebtedness of any Transaction Obligor. If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium.

24.7 Insolvency proceedings

(a) Any corporate action, legal proceedings or other procedure or step is taken in relation to:

(i) the suspension of payments, a moratorium of any indebtedness, winding- up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Transaction Obligor;

(ii) a composition, compromise, assignment or arrangement with any creditor of any Transaction Obligor;

(iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Transaction Obligor or any of its assets; or

(iv) enforcement of any Security over any assets of any Transaction Obligor,

or any analogous procedure or step is taken in any jurisdiction.

(b) Any of the circumstances set out in articles 2446, 2447, 2482bis and/or 2482ter of the Italian Civil Code, or any equivalent circumstances provided by applicable laws, arises in respect of an Italian Obligor.

(c) An Italian Obligor is insolvent pursuant to Article 5 of the Italian Insolvency Law.

(d) Clause 24.7(a) shall not apply to any winding- up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 21 days of commencement.

24.8 Creditors' process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction for an amount of €100,000 (or its equivalent in any relevant currency) affects any asset or assets of a Transaction Obligor and is not discharged within 21 days or in the case of a saisie conservatoire/bewarend beslag relating to a Belgian Obligor, 45 days.

24.9 Cessation of business

An Obligor suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business except as a result of any disposal allowed under this Agreement.

24.10 Unlawfulness and invalidity

(a) It is or becomes unlawful for a Transaction Obligor to perform any of its obligations under the Finance Documents or any Transaction Security created or expressed to be created or evidenced by the Security Documents ceases to be effective or any subordination created under a Subordination Agreement is or becomes unlawful.

(b) Any obligation or obligations of any Transaction Obligor under any Finance Documents are not (subject to the Legal Reservations) or cease to be legal, valid, binding or enforceable and the cessation individually or cumulatively materially and adversely affects the interests of the Finance Parties under the Finance Documents.

(c) Any Finance Document ceases to be in full force and effect or any Transaction Security or any subordination created under a Subordination Agreement ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to it (other than a Finance Party) to be ineffective.

24.11 Repudiation and rescission of agreements

A Transaction Obligor (or any other relevant party) rescinds or purports to rescind or repudiates or purports to repudiate a Finance Document or any of the Transaction Security or evidences an intention to rescind or repudiate a Finance Document or any Transaction Security.

24.12 Compulsory purchase

(a) Any part of any Charged Property or French Property is compulsorily purchased or the applicable local authority makes an order for the compulsory purchase of all or any part of any Property; and

(b) taking into account the amount and timing of any compensation payable, the compulsory purchase has a Material Adverse Effect.

24.13 Major damage

(a) Any part of any Charged Property or French Property is destroyed or damaged; and

(b) in the opinion of the Majority Lenders, taking into account the amount and timing of receipt of the proceeds of insurance effected in accordance with the terms of this Agreement, the destruction or damage has or will have a Material Adverse Effect.

24.14 Headlease

Forfeiture proceedings with respect to a Headlease are commenced or a Headlease is forfeited.

24.15 Ownership of the Obligors

(a) The Company is not or ceases to be a legally and beneficially wholly owned Subsidiary of the Parent.

(b) Save as permitted in this Agreement, any Obligor (other than the Company) is not or ceases to be a legally and beneficially wholly owned direct or indirect Subsidiary of the Company.

24.16 Encumbrance and Disposal of a German Property - Section 1136 BGB

Any Property Owner disposes of any Property or parts thereof or encumbers (in each case other than in accordance and where permitted under the Finance Documents) any Property or parts thereof where such disposal or encumbrance cannot be prohibited due to section 1136 BGB.

24.17 Material adverse change

Any event or circumstance occurs which has a Material Adverse Effect.

24.18 Acceleration

(a) On and at any time after the occurrence of an Event of Default which is continuing the Agent may, and shall if so directed by the Majority Lenders or (where a notification has been made in accordance with clause 27.2(b) and the Negotiation Period has expired) the Notifying Lender, by notice to the Company:

(i) cancel the Total Commitments whereupon they shall immediately be cancelled;

(ii) declare that all or part of the Loans, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon they shall become immediately due and payable;

(iii) declare that all or part of the Loans be payable on demand, whereupon they shall immediately become payable on demand by the Agent on the instructions of the Majority Lenders;

(iv) enforce the French Intra- Group Debt Documents; and/or

(v) exercise or direct the Security Agent (or the English Security Agent, as appropriate) to exercise any or all of its rights, remedies, powers or discretions under the Finance Documents.

(b) In addition, on and at any time after the occurrence of an event of default pursuant to clauses 24.1 (Non- payment), 24.6 (Insolvency), 24.7 (Insolvency proceedings) or 24.8 (Creditors' process) each Lender may by notice to the Obligors' Agent:

(i) cancel its Commitment whereupon such Commitment shall immediately be cancelled;

(ii) declare that all or part of the Loan of that Lender, together with accrued interest, if any, be immediately due and payable, whereupon they shall become immediately due and payable;

(iii) declare that all or part of the Loan of that Lender be payable on demand, whereupon they shall immediately become payable on demand by that Lender; and/or;

(iv) exercise or direct the Security Agent (or the English Security Agent, as appropriate) to exercise any or all of its rights, remedies, powers or discretions under the Finance Documents.

SECTION 10
CHANGES TO PARTIES

25. CHANGES TO THE LENDERS

25.1 Assignments and transfers by the Lenders

(a) Subject to this clause 25, a Lender (the **"Existing Lender"**) may:

(i) assign any of its rights; or

(ii) transfer by novation any of its rights and obligations,

to any other person (including to any German Insurance Lender) other than an individual (the **"New Lender"**).

(b) Notwithstanding the foregoing, any Existing Lender and any New Lender which is an insurance company subject to German insurance supervisory law and which has a guarantee asset trustee (Treuhänder für das Sicherungsvermögen) (together the "**German Insurance Lenders**") may only assign and transfer and/or waive its rights and/or obligations with the consent of its guarantee asset trustee appointed pursuant to German insurance supervisory law and herewith irrevocably undertakes not to assign, transfer or otherwise dispose of any of its rights and claims under or in connection with this Agreement and any Security Document without the prior consent of such guarantee asset trustee.

25.2 Conditions of assignment or transfer

(a) An assignment will only be effective on:

(i) receipt by the Agent (whether in the Assignment Agreement or otherwise) of written confirmation from the New Lender (in form and substance satisfactory to the Agent) that the New Lender will assume the same obligations to the other Finance Parties as it would have been under if it was an Original Lender; and

(ii) performance by the Agent of all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to such assignment to a New Lender, the completion of which the Agent shall promptly notify to the Existing Lender and the New Lender.

(b) A transfer will only be effective if the procedure set out in clause 25.5 (Procedure for transfer) is complied with.

(c) If:

(i) a Lender assigns or transfers any of its rights or obligations under the Finance Documents or changes its Facility Office; and

(ii) as a result of circumstances existing at the date the assignment, transfer or change occurs, an Obligor would be obliged to make a payment to the New Lender or Lender acting through its new Facility Office under clause 12 (Tax gross up and indemnities) or clause 13.1 (Increased Costs),

then the New Lender or Lender acting through its new Facility Office is only entitled to receive payment under those clauses to the same extent as the Existing Lender or Lender acting through its previous Facility Office would have been if the assignment, transfer or change had not occurred.

(d) Each New Lender, by executing the relevant Transfer Certificate or Assignment Agreement, confirms, for the avoidance of doubt, that the Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the transfer or assignment becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as the Existing Lender would have been had it remained a Lender.

(e) At the time of any transfer under this clause 25:

(i) the Existing Lender must transfer or assign its Loan or a corresponding proportion of its Commitment under the Italian Facility Agreement to the same New Lender or to any wholly- owned Affiliate thereof (operating through the same or a different Facility Office); and

(ii) that New Lender (or its wholly- owned Affiliate) must accede as a party to the Security Deed and to the English Security Deed as appropriate in its capacity as Lender under this Agreement and the Italian Facility Agreement.

25.3 Assignment or transfer fee

Other than in connection with the first transfer of any Loan, the New Lender shall, on the date upon which an assignment or transfer takes effect, pay to the Agent (for its own account) a fee of €5000.

25.4 Limitation of responsibility of Existing Lenders

(a) Unless expressly agreed to the contrary, an Existing Lender makes no representation or warranty and assumes no responsibility to a New Lender for:

(i) the legality, validity, effectiveness, adequacy or enforceability of the Finance Documents or any other documents;

(ii) the financial condition of any Obligor;

(iii) the performance and observance by any Obligor of its obligations under the Finance Documents or any other documents; or

(iv) the accuracy of any statements (whether written or oral) made in or in connection with any Finance Document or any other document,

and any representations or warranties implied by law are excluded.

(b) Each New Lender confirms to the Existing Lender and the other Finance Parties that it:

(i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each Obligor and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Lender in connection with any Finance Document; and

(ii) will continue to make its own independent appraisal of the creditworthiness of each Obligor and its related entities whilst any amount is or may be outstanding under the Finance Documents or any Commitment is in force.

(c) Nothing in any Finance Document obliges an Existing Lender to:

(i) accept a re- transfer or re- assignment from a New Lender of any of the rights and obligations assigned or transferred under this clause 25; or

(ii) support any losses directly or indirectly incurred by the New Lender by reason of the non- performance by any Obligor of its obligations under the Finance Documents or otherwise.

25.5 Procedure for transfer

(a) Subject to the conditions set out in clause 25.2 (Conditions of assignment or transfer) a transfer is effected in accordance with clause 25.5(c) when the Agent executes an otherwise duly completed Transfer Certificate delivered to it by the Existing Lender and the New Lender. The Agent shall, subject to clause 25.5(b), as soon as reasonably practicable after receipt by it of a duly completed Transfer Certificate appearing on its face to comply with the terms of this Agreement (without independent verification save as to whether the New Lender meets the description set out in clause 25.1(a)) and delivered in accordance with the terms of this Agreement, execute that Transfer Certificate.

(b) The Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Lender and the New Lender once it is satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to the transfer to such New Lender.

(c) Subject to clause 25.9 (Pro rata interest settlement), on the Transfer Date:

(i) to the extent that in the Transfer Certificate the Existing Lender seeks to transfer by novation its rights and obligations under the Finance Documents each of the Obligors and the Existing Lender shall be released from further obligations towards one another under the Finance Documents and their respective rights against one another under the Finance Documents shall be cancelled (being the **"Discharged Rights and Obligations"**);

(ii) each of the Obligors and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as that Obligor and the New Lender have assumed and/or acquired the same in place of that Obligor and the Existing Lender;

(iii) the Agent, the Arranger, the New Lender and other Lenders shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the New Lender been an Original Lender with the rights and/or obligations acquired or assumed by it as a result of the transfer and to that extent the Agent, the Arranger and the Existing Lender shall each be released from further obligations to each other under the Finance Documents; and

(iv) the New Lender shall become a Party as a **"Lender"**.

25.6 Procedure for assignment

(a) Subject to the conditions set out in clause 25.2 (Conditions of assignment or transfer) an assignment may be effected in accordance with clause 25.6(c) when the Agent executes an otherwise duly completed Assignment Agreement delivered to it by the Existing Lender and the New Lender. The Agent shall, subject to clause 25.6(b), as soon as reasonably practicable after receipt by it of a duly completed Assignment Agreement appearing on its face to comply with the terms of this Agreement (without independent verification save as to whether the New Lender meets the description set out in clause 25.1(a)) and delivered in accordance with the terms of this Agreement, execute that Assignment Agreement.

(b) The Agent shall only be obliged to execute an Assignment Agreement delivered to it by the Existing Lender and the New Lender once it is satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to the assignment to such New Lender.

(c) Subject to clause 25.9 (Pro rata interest settlement), on the Transfer Date:

(i) the Existing Lender will assign absolutely to the New Lender the rights under the Finance Documents expressed to be the subject of the assignment in the Assignment Agreement;

(ii) the Existing Lender will be released by each Obligor and the other Finance Parties from the obligations owed by it (the **"Relevant Obligations"**) and expressed to be the subject of the release in the Assignment Agreement; and

(iii) the New Lender shall become a Party as a **"Lender"** and will be bound by obligations equivalent to the Relevant Obligations.

(d) Lenders may utilise procedures other than those set out in this clause 25.6 to assign their rights under the Finance Documents (but not, without the consent of the relevant Obligor or unless in accordance with clause 25.5 (Procedure for transfer), to obtain a release by that Obligor from the obligations owed to that Obligor by the Lenders nor the assumption of equivalent obligations by a New Lender) **provided that** they comply with the conditions set out in clause 25.2 (Conditions of assignment or transfer).

25.7 Copy of Transfer Certificate or Assignment Agreement to Company

(a) The Agent shall, as soon as reasonably practicable after it has executed a Transfer Certificate or an Assignment Agreement, send to the Company a copy of that Transfer Certificate or Assignment Agreement.

(b) For the avoidance of doubt and notwithstanding any other provision of the Finance Documents, no Obligor shall be responsible for any transfer or assignment costs or expenses incurred by any Finance Party or potential Finance Party.

25.8 Security over Lenders' rights

In addition to the other rights provided to Lenders under this clause 25, each Lender may without consulting with or obtaining consent from any Obligor, at any time charge, assign or otherwise create Security in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of that Lender including, without limitation:

(a) any charge, pledge, assignment or other Security to secure obligations to a federal reserve or central bank; and

(b) in the case of any Lender which is a fund, any charge, assignment or other Security granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by that Lender as security for those obligations or securities,

except that no such charge, pledge, assignment or Security shall:

(i) release a Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, pledge, assignment or Security for the Lender as a party to any of the Finance Documents; or

(ii) require any payments to be made by an Obligor other than or in excess of, or grant to any person any more extensive rights than, those required to be made or granted to the relevant Lender under the Finance Documents.

25.9 Pro rata interest settlement

(a) If the Agent has notified the Lenders that it is able to distribute interest payments on a "pro rata basis" to Existing Lenders and New Lenders then (in respect of any transfer pursuant to clause 25.5 (Procedure for transfer) or any assignment pursuant to clause 25.6 (Procedure for assignment) the Transfer Date of which, in each case, is after the date of such notification and is not on the last day of an Interest Period):

(i) any interest or fees in respect of the relevant Loan which are expressed to accrue by reference to the lapse of time shall continue to accrue in favour of the Existing Lender up to but excluding the Transfer Date (**"Accrued Amounts"**) and shall become due and payable to the Existing Lender (without further interest accruing on them) on the last day of the current Interest Period (or, if the Interest Period is longer than six Months, on the next of the dates which falls at six Monthly intervals after the first day of that Interest Period); and

(ii) the rights assigned or transferred by the Existing Lender will not include the right to the Accrued Amounts, so that, for the avoidance of doubt:

(A) when the Accrued Amounts become payable, those Accrued Amounts will be payable to the Existing Lender; and

(B) the amount payable to the New Lender on that date will be the amount which would, but for the application of this clause 25.9, have been payable to it on that date, but after deduction of the Accrued Amounts.

(b) In this clause 25 references to "Interest Period" shall be construed to include a reference to any other period for accrual of fees.

25.10 Prohibition on Debt Purchase Transactions

The Company shall not, and shall procure that no other Obligor shall , enter into any Debt Purchase Transaction or beneficially own all or any part of the share capital of a company that is a Lender or a party to a Debt Purchase Transaction of the type referred to in paragraphs (b) or (c) of the definition of **"Debt Purchase Transaction"**.

25.11 Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates

(a) For so long as a Sponsor Affiliate (i) beneficially owns a Commitment or (ii) has entered into a sub- participation agreement relating to a Commitment or other agreement or arrangement having a substantially similar economic effect and such agreement or arrangement has not been terminated:

(i) in ascertaining the Majority Lenders or whether any given percentage (including, for the avoidance of doubt, unanimity) of the Total Commitments has been obtained to approve any request for a consent, waiver, amendment or other vote under the Finance Documents such Commitment shall be deemed to be zero; and

(ii) for the purposes of clause 30.5 (Exceptions), such Sponsor Affiliate or the person with whom it has entered into such sub- participation, other agreement or arrangement shall be deemed not to be a Lender (unless in the case of a person not being a Sponsor Affiliate it is a Lender by virtue otherwise than by beneficially owning the relevant Commitment).

(b) Each Lender shall, unless such Debt Purchase Transaction is an assignment or transfer, promptly notify the Agent in writing if it knowingly enters into a Debt Purchase Transaction with a Sponsor Affiliate, (a "Notifiable Debt Purchase Transaction"), such notification to be substantially in the form set out in part 1 of schedule 16 (Forms of Notifiable Debt Purchase Transaction Notice).

(c) A Lender shall promptly notify the Agent if a Notifiable Debt Purchase Transaction to which it is a party:

(i) is terminated; or

(ii) ceases to be with a Sponsor Affiliate.

(d) Such notification to be substantially in the form set out in part 2 of schedule 16 (Forms of Notifiable Debt Purchase Transaction Notice).

(e) Each Sponsor Affiliate that is a Lender agrees that:

(i) in relation to any meeting or conference call to which all the Lenders are invited to attend or participate, it shall not attend or participate in the same if so requested by the Agent or, unless the Agent otherwise agrees, be entitled to receive the agenda or any minutes of the same; and

(ii) in its capacity as Lender, unless the Agent otherwise agrees, it shall not be entitled to receive any report or other document prepared at the behest of, or on the instructions of, the Agent or one or more of the Lenders.

25.12 New Counterparties

Each Borrower may, with the prior written consent of the Agent, appoint:

(a) another Lender;

(b) an Affiliate of a Lender; or

(c) another bank or financial institution approved by the Agent (acting on behalf of all Lenders),

to be a Counterparty.

25.13 Restriction note in favour of trustee

(a) Each German Insurance Lender (if applicable) shall include their relevant full or partial claims under the Loans as well as the land charges and mortgages in each case to be created as security pursuant to schedule 2 paragraph 6 (Security and other Finance Documents) in their coverage assets within the meaning of § 66 VAG.

Such coverage assets shall be blocked for the benefit of the trustee to be appointed pursuant to § 70 VAG and its representative.

(b) Therefore, any disposition of the relevant claims under the Loans of the German Insurance Lenders in particular any assignment and pledging, shall only be permissible with the prior written consent of the relevant trustee or its representative (§ 72 VAG). In the case of any assignment or pledging, the relevant German Insurance Lender will therefore deliver to the Obligors' Agent, together with the notification of the assignment or pledge, the approval of the trustee or its representative and (where required) copies of all trustee certifications and sample signatures (board of management and trustee).

(c) Each Obligor agrees to co- operate, at the cost of the relevant German Insurance Lender, in relation to the execution, registration and/or transfer of the land charges and mortgages and other Security created or to be created as security in favour of the German Insurance Lender.

(d) A restriction note will be registered in the land register under which the relevant German Insurance Lender may only dispose of its relevant land charge or mortgage with the prior written consent of the trustee or its representative.

26. CHANGES TO THE TRANSACTION OBLIGORS

26.1 Assignments and transfer by Obligors

No Obligor may assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

26.2 Additional Borrower

(a) The Company may request that Swedish Targetco and Belgian Targetco each becomes an Additional Borrower. Swedish Targetco and Beligan Targetco shall become a Borrower if:

(i) all the Lenders approve the addition of Swedish Targetco and Belgian Targetco;

(ii) the Company and each of Swedish Targetco and Belgian Targetco deliver to the Agent a duly completed and executed Accession Deed;

(iii) each of Swedish Targetco and Belgian Targetco is (or becomes) a Guarantor prior to or at the same time as becoming a Borrower;

(iv) each of Swedish Targetco and Belgian Targetco is (or becomes) a Guarantor under and as defined in the Italian Facility Guarantee (as defined in the Italian Facility Agreement);

(v) the Company confirms that no Default is continuing or would occur as a result of Swedish Targetco or Belgian Targetco becoming an Additional Borrower; and

(vi) the Agent has received all of the documents and other evidence listed in schedule 2 (Conditions Precedent) in relation to Swedish Targetco and Belgian Targetco, each in form and substance satisfactory to the Agent.

(b) The Agent shall notify the Company and the Lenders promptly upon being satisfied that it has received (in form and substance satisfactory to it) all the relevant documents and other evidence listed in schedule 2 (Conditions Precedent).

26.3 Additional Guarantors

(a) The Company may request that Swedish Targetco and Belgian Targetco each becomes a Guarantor.

(b) Swedish Targetco and Belgian Targetco shall each become an Additional Guarantor if:

(i) the Company and each of Swedish Targetco and Belgian Targetco deliver to the Agent a duly completed and executed Accession Deed; and

(ii) the Agent has received all of the documents and other evidence listed in schedule 2 (Conditions Precedent) in relation to Swedish Targetco and Belgian Targetco, each in form and substance satisfactory to the Agent.

(c) The Agent shall notify the Company and the Lenders promptly upon being satisfied that it has received (in form and substance satisfactory to it) all the relevant documents and other evidence listed in schedule 2 (Conditions Precedent).

26.4 Resignation of a Borrower

(a) The Company may request that a Borrower ceases to be a Borrower by delivering to the Agent a Resignation Letter.

(b) The Agent shall accept a Resignation Letter and notify the Company and the Lenders of its acceptance if:

(i) no Event of Default is continuing or would result from the acceptance of the Resignation Letter (and the Company has confirmed this is the case);

(ii) the Borrower is under no actual or contingent obligations (other than under clause 18 (Guarantee and indemnity)) under any Finance Document;

(iii) the Borrower also resigns as a Guarantor and as Guarantor under the Italian Facility Agreement;

(iv) either:

(C) the Borrower has ceased to have an interest in any Charged Property and all the Lenders have consented to the Company's request; or

(D) the Company is disposing of its shares in the Borrower in accordance with clause 22.4 (Disposals).

(c) On acceptance by the Agent of a Resignation Letter the relevant Borrower shall cease to be a Borrower and shall have no further rights or obligations under the Finance Documents.

26.5 Resignation of a Guarantor

(a) The Company may request that a Guarantor (other than the Company) ceases to be a Guarantor by delivering to the Agent a Resignation Letter.

(b) The Agent shall accept a Resignation Letter and notify the Company and the Lenders of its acceptance if:

(i) no Event of Default is continuing or would result from the acceptance of the Resignation Letter (and the Company has confirmed this is the case);

(ii) the Guarantor is under no actual or contingent obligations (other than under clause 18 (Guarantee and indemnity)) under any Finance Document;

(iii) the Guarantor also resigns as a Borrower and as a Guarantor in each case under and as defined in the Italian Facility Agreement;

(iv) either:

(E) the Guarantor has ceased to have an interest in any Charged Property and all the Lenders have consented to the Company's request; or

(F) the Company is disposing of its shares in the Guarantor in accordance with clause 22.4 (Disposals).

(c) On acceptance by the Agent of a Resignation Letter the relevant Guarantor shall cease to be a Guarantor and shall have no further rights or obligations under the Finance Documents.

26.6 Release of security

(a) If a Borrower has ceased to be a Borrower in a manner allowed by this Agreement and has no further rights or obligations under the Finance Documents, any security created by that Borrower over its assets under the Security Documents will be released.

(b) If a disposal of any asset subject to security created by a Security Document is made in the following circumstances:

(i) the disposal is permitted by the terms of this Agreement;

(ii) all the Lenders agree to the disposal;

(iii) the disposal is being made at the request of the Security Agent (or the English Security Agent, as appropriate) in circumstances where any security created by the Security Documents has become enforceable; or

(iv) the disposal is being effected by enforcement of a Security Document,

the Security Agent (or English Security Agent, as the case may be) may release the asset(s) being disposed of (and, in the case of a disposal of shares in a Borrower which results in it or any of its Subsidiaries ceasing to be a member of the Group, all the assets of that Borrower and those Subsidiaries) from any security over those assets created by a Security Document. However, the proceeds of any disposal (or an amount corresponding to them) must be applied in accordance with the requirements of the Finance Documents (if any).

(c) Any release under this clause 26.6 (Release of security) will not become effective until the date of the relevant disposal (and in relation to a disposal permitted pursuant to clause 22.4 (Disposals) only after the Disposal Proceeds have been received by the Agent in cleared funds in accordance with clause 22.4(d) or otherwise in accordance with the consent of the Majority Lenders.

(d) If the Security Agent (or English Security Agent, as the case may be) is satisfied that a release is allowed under this clause, (at the request and expense of the Company) each Finance Party must enter into any document and do all such other things which are reasonably required to achieve that release. Each other Finance Party irrevocably authorises the Security Agent and the English Security Agent (where appropriate) to enter into any such document. Any release will not affect the obligations of any other Obligor under the Finance Documents.

26.7 Additional Subordinated Creditors

(a) The Company may request that any person becomes a Subordinated Creditor, with the prior approval of the Agent, by delivering to the Agent:

(i) a duly executed Subordination Agreement;

(ii) a duly executed Subordinated Creditor's Security Agreement; and

(iii) such constitutional documents, corporate authorisations and other documents and matters as the Agent may reasonably require, in form and substance satisfactory to the Agent, to verify that the person's obligations are legally

binding, valid and enforceable and to satisfy any applicable legal and regulatory requirements.

(b) A person referred to in clause 26.7(a) will become a Subordinated Creditor on the date the Agent enters into the Subordination Agreement and the Subordinated Creditor's Security Agreement delivered under clause 26.7(a).

SECTION 11
THE FINANCE PARTIES

27. ROLE OF THE AGENT, AND THE ARRANGER AND THE REFERENCE BANKS

27.1 The Agent

(a) Each of the Arranger and the Lenders appoints the Agent to act as its agent under and in connection with the Finance Documents.

(b) Each of the Finance Parties authorises the Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.

27.2 Enforcement through Security Agent only

(a) Subject to paragraph (b) below the Finance Parties shall not have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any right, power, authority or discretion arising under the Security Documents except through the Security Agent.

(b) If a Lender intends to exercise any of its rights under clause 24.18 (Acceleration) as a result of the occurrence of any event of default pursuant to clauses 24.1 (Non- payment), 24.6 (Insolvency), 24.7 (Insolvency proceedings) or 24.8 (Creditors' process) (the **"Notifying Lender"**), it will immediately notify the other Finance Parties and the Company.

(c) Following such notification, the Finance Parties and the Company shall, for a period of up to 1 month (the "**Negotiation Period**") use reasonable efforts to agree on a strategy for the payment and discharge of the Loan and the enforcement of any Transaction Security (a **"Recovery Strategy"**).

(d) If the Finance Parties and the Company are not able to agree on a Recovery Strategy within the Negotiation Period, the Notifying Lender shall be entitled to exercise or to direct the Agent to exercise its rights under clause 24.18 (Acceleration) and to direct the Security Agent to enforce the Transaction Security (with the exception of any Security over the Properties).

(e) Notwithstanding 27.2(a) above, the Lenders hereby consent to the enforcement of the other Transaction Security by the Agent as described in 27.2(d). In addition, the Lenders hereby irrevocably authorise each other Lender separately on their behalf to take all relevant enforcement steps required in connection with any mortgage on any Property. Each Lender hereby undertakes vis- à- vis the other Lenders to provide such authorisation only in circumstances where no agreement for a Recovery Strategy has been reached within the Negotiation Period.

27.3 Right to acquire

(a) Any Lender which intends to terminate its Loans (or parts thereof) in accordance with clause 27.2(b) (the "**Terminating Lender**") is obliged to transfer its relevant Loans (or parts thereof) and any other corresponding rights and claims under and in connection with the Finance Documents to the other Lenders for payment of the full consideration if

(i) the other Lenders (or any of them) (each a "**Purchasing Lender**") request such transfer in writing within the Negotiating Period; and

(ii) it is ensured that

(A) the Purchasing Lenders acquire all relevant Loans (or parts thereof) of the Terminating Lender and any other corresponding rights and claims under and in connection with the Finance Documents for a consideration which corresponds to the rights and claims of the Terminating Lender under and in connection with the Finance Documents; and

(B) the aforementioned consideration is paid in full by the Purchasing Lenders to the Terminating Lender within the Negotiating Period.

(b) The transfer obligation in clause 27.3(a) shall not apply if within the Negotiating Period (i) the Terminating Lender and the other Lenders agree on a restructuring or enforcement concept, (ii) the Terminating Lender refrains from its intention to terminate the Loans or (iii) the other Lenders also decide to terminate their Loans.

27.4 Instructions

(a) The Agent shall:

(i) unless a contrary indication appears in a Finance Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Agent in accordance with any instructions given to it by:

(A) all Lenders if the relevant Finance Document stipulates the matter is an all Lender decision; and

(B) in all other cases, the Majority Lenders; and

(ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with clause 27.4(a)(i) (or, if this Agreement stipulates the matter is a decision for any other Finance Party or group of Finance Parties, from that Finance Party or group of Finance Parties).

(b) The Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or, if the relevant Finance Document stipulates the matter is a decision for any other Finance Party or group of Finance Parties, from that Finance Party or group of Finance Parties) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Agent may refrain from acting unless and until it receives any such instructions or clarification that it has requested.

(c) Save in the case of decisions stipulated to be a matter for any other Finance Party or group of Finance Parties under the relevant Finance Document and unless a contrary indication appears in a Finance Document, any instructions given to the Agent by the Majority Lenders shall override any conflicting instructions given by any other Parties and will be binding on all Finance Parties.

(d) Clause 27.4(a) shall not apply:

(i) where a contrary indication appears in a Finance Document;

(ii) where a Finance Document requires the Agent to act in a specified manner or to take a specified action;

(iii) in respect of any provision which protects the Agent's own position in its personal capacity as opposed to its role of Agent for the relevant Finance Parties including, without limitation, clause 27.7 (No fiduciary duties) to clause 27.12 (Exclusion of liability, clause 27.15 (Confidentiality) or Replacement of the Agent.

(e) If giving effect to instructions given by the Majority Lenders would (in the Agent's opinion) have an effect equivalent to an amendment or waiver referred to in clause 37 (Amendments and waivers), the Agent shall not act in accordance with those instructions unless consent to it so acting is obtained from each Party (other than the Agent) whose consent would have been required in respect of that amendment or waiver.

(f) In exercising any discretion to exercise a right, power or authority under the Finance Documents where it has not received any instructions as to the exercise of that discretion, the Agent shall do so having regard to the interests of all the Finance Parties.

(g) The Agent may refrain from acting in accordance with any instructions of any Finance Party or group of Finance Parties until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability (together with any applicable VAT) which it may incur in complying with those instructions.

(h) Without prejudice to the remainder of this clause 27.4 (Instructions), in the absence of instructions, the Agent may act (or refrain from acting) as it considers to be in the best interest of the Finance Parties.

(i) The Agent is not authorised to act on behalf of a Finance Party (without first obtaining that Finance Party's consent) in any legal or arbitration proceedings relating to any Finance Document. This clause 27.4(i) shall not apply to any legal or arbitration proceeding relating to the perfection, preservation or protection of rights under the Transaction Security Documents or enforcement of the Transaction Security or Transaction Security Documents.

27.5 Duties of the Agent

(a) The duties of the Agent under the Finance Documents are solely mechanical and administrative in nature.

(b) Subject to clause 27.5(c), the Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Agent, Security Agent or English Security Agent (as applicable) for that Party by any other Party.

(c) Without prejudice to clause 25.7 (Copy of Transfer Certificate or Assignment Agreement to Company), clause 27.5(b) shall not apply to any Transfer Certificate or any Assignment Agreement.

(d) Except where a Finance Document specifically provides otherwise, the Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.

(e) If the Agent receives notice from a Party referring to any Finance Document, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the other Finance Parties.

(f) If the Agent is aware of the non- payment of any principal, interest, commitment fee or other fee payable to a Finance Party (other than the Agent, the Arranger, the Security Agent or the English Security Agent) under this Agreement it shall promptly notify the other Finance Parties.

(g) The Agent shall provide to the Company, within 10 Business Days of a request by the Company (but no more frequently than once per calendar month), a list (which may be in electronic form) setting out the names of the Lenders as at the date of that request, their respective Commitments, the address and fax number (and the department or officer, if any, for whose attention any communication is to be made) of each Lender for any communication to be made or document to be delivered under or in connection with the Finance Documents, the electronic mail address and/or any other information required to enable the sending and receipt of information by electronic mail or other electronic means to and by each Lender to whom any communication under or in connection with the Finance Documents may be made by that means and the account details of each Lender for any payment to be distributed by the Agent to that Lender under the Finance Documents.

(h) The Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied).

27.6 Role of the Arranger

Except as specifically provided in the Finance Documents, the Arranger has no obligations of any kind to any other Party under or in connection with any Finance Document.

27.7 No fiduciary duties

(a) Nothing in any Finance Document constitutes the Agent or the Arranger as a trustee or fiduciary of any other person.

(b) Neither the Agent nor the Arranger shall be bound to account to any other Finance Party for any sum or the profit element of any sum received by it for its own account.

27.8 Business with the Group

The Agent and the Arranger may accept deposits from, lend money to and generally engage in any kind of banking or other business with any Transaction Obligor or Affiliate of a Transaction Obligor.

27.9 Rights and discretions

(a) The Agent may:

(i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;

(ii) assume that:

(A) any instructions received by it from the Majority Lenders, any Finance Parties or any group of Finance Parties are duly given in accordance with the terms of the Finance Documents; and

(B) unless it has received notice of revocation, that those instructions have not been revoked; and

(iii) rely on a certificate from any person:

(A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or

(B) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of clause 27.9(a)(ii)(A), may assume the truth and accuracy of that certificate.

(b) The Agent may assume (unless it has received notice to the contrary in its capacity as agent for the Finance Parties) that:

(i) no Default has occurred (unless it has actual knowledge of a Default arising under clause 24.1 (Non- payment));

(ii) any right, power, authority or discretion vested in any Party or any group of Finance Parties has not been exercised; and

(iii) any notice or request made by the Company (other than a Utilisation Request) is made on behalf of and with the consent and knowledge of all the Transaction Obligors.

(c) The Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.

(d) Without prejudice to the generality of clause 27.9(c) or clause 27.9(e), the Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Agent (and so separate from any lawyers instructed by the Lenders) if the Agent in its reasonable opinion deems this to be desirable.

(e) The Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.

(f) The Agent may act in relation to the Finance Documents and the Security Property through its officers, employees and agents and shall not:

(i) be liable for any error of judgment made by any such person; or

(ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part, of any such person,

unless such error or such loss was directly caused by the Agent's gross negligence or wilful misconduct.

(g) Unless a Finance Document expressly provides otherwise the Agent may disclose to any other Party any information it reasonably believes it has received as agent or security trustee under the Finance Documents.

(h) Without prejudice to the generality of clause 27.10(g), the Agent may disclose the identity of a Defaulting Lender to the other Finance Parties and the Company and shall disclose the same upon the written request of the Company or the Majority Lenders.

(i) Notwithstanding any other provision of any Finance Document to the contrary, neither the Agent, nor the Arranger is obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.

(j) Notwithstanding any provision of any Finance Document to the contrary, none of the Agent, the Security Agent or English Security Agent is obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

27.10 Responsibility for documentation

Neither the Agent nor the Arranger, is responsible or liable for:

(a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Agent, the Arranger, a Transaction Obligor or any other person in or in connection with any Finance Document or the Property Reports or the transactions contemplated in the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; or

(b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; or

(c) any determination as to whether any information provided or to be provided to any Finance Party is non- public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

27.11 No duty to monitor

The Agent shall not be bound to enquire:

(a) whether or not any Default has occurred;

(b) as to the performance, default or any breach by any Party of its obligations under any Finance Document; or

(c) whether any other event specified in any Finance Document has occurred.

27.12 Exclusion of liability

(a) Without limiting clause 27.12(b) (and without prejudice to any other provision of any Finance Document excluding or limiting the liability of the Agent), the Agent will not be liable (including, without limitation, for negligence or any other category of liability whatsoever) for:

(i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct;

(ii) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Finance Document, or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Finance Document;

(iii) without prejudice to the generality of clauses 27.12(a)(i) and 27.12(a)(ii), any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of:

(G) any act, event or circumstance not reasonably within its control; or

(H) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

(b) No Party (other than the Agent) may take any proceedings against any officer, employee or agent of the Agent, in respect of any claim it might have against the Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document and any officer, employee or agent of the Agent may rely on this clause 27.12 subject to clause 1.4 and the provisions of the Third Parties Act.

(c) The Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Agent

if the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.

(d) Nothing in this Agreement shall oblige the Agent or the Arranger to carry out:

(i) any "know your customer" or other checks in relation to any person; or

(ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Finance Party,

on behalf of any Finance Party and each Finance Party confirms to the Agent and the Arranger that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Agent or the Arranger.

(e) Without prejudice to any provision of any Finance Document excluding or limiting the liability of the Agent shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Agent or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Agent at any time which increase the amount of that loss. In no event shall the Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Agent has been advised of the possibility of such loss or damages.

27.13 Lenders' indemnity to the Agent

(a) Each Lender shall (in proportion to its share of the Total Commitments or, if the Total Commitments are then zero, to its share of the Total Commitments immediately prior to their reduction to zero) indemnify the Agent within 3 Business Days of demand, against any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by any of them (otherwise than by reason of the Agent's gross negligence or wilful misconduct) (or, in the case of any cost, loss or liability pursuant to clause 31.10(b) notwithstanding the Agent's negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent) in acting as Agent under the Finance Documents (unless the relevant Agent has been reimbursed by an Obligor pursuant to a Finance Document).

(b) Subject to clause 27.13(c), the Company shall promptly within 3 Business Days of demand reimburse any Lender for any payment that Lender makes to the Agent.

(c) Clause 27.13(b) shall not apply to the extent that the indemnity payment in respect of which the Lender claims reimbursement relates to a liability of the Agent to an Obligor or a cost, loss or liability which an Obligor would not otherwise be required to pay to the Agent under the Finance Document.

27.14 Resignation of the Agent

(a) The Agent may resign and appoint one of its Affiliates as successor by giving notice to the other Finance Parties and the Company.

(b) Alternatively the Agent may resign by giving 30 days' notice to the other Finance Parties and the Company, in which case the Majority Lenders (after consultation with the other Finance Parties and the Company) may appoint a successor Agent.

(c) If the Majority Lenders have not appointed a successor Agent in accordance with clause 27.14(b) within 20 days after notice of resignation was given, the retiring Agent (after consultation with the other Finance Parties and Company) may appoint a successor Agent.

(d) If the Agent wishes to resign because (acting reasonably) it has concluded that it is no longer appropriate for it to remain as agent and the Agent is entitled to appoint a successor Agent under clause 27.14(c), the Agent may (if it concludes (acting reasonably) that it is necessary to do so in order to persuade the proposed successor Agent to become a party to this Agreement as Agent) agree with the proposed successor Agent amendments to this clause 27 and any other term of this Agreement dealing with the rights or obligations of the Agent consistent with then current market practice for the appointment and protection of corporate trustees together with any reasonable amendments to the agency fee payable under this Agreement which are consistent with the successor Agent's normal fee rates and those amendments will bind the Parties.

(e) The retiring Agent shall, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents. The Company shall, within 3 Business Days of demand, reimburse the retiring Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.

(f) The resignation notice of the Agent shall only take effect upon the appointment of a successor.

(g) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under clause 27.14(e)ý above) but shall remain entitled to the benefit of clause 14.3 (Indemnity to the Agent), clause 14.4 (Indemnity to the Security Agent) and this clause 27 (and any fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date). Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

(h) After consultation with the Company, the Majority Lenders may, by giving 30 days' notice to the Agent, require it to resign in accordance with clause 27.14(b) In this event, the Agent shall resign in accordance with clause 27.14(b) but the cost referred to in clause 27.14(e) shall be for the account of the Company.

(i) The Agent shall resign in accordance with clause 27.14(b) (and, to the extent applicable, shall use reasonable endeavours to appoint a successor Agent pursuant to clause 27.14(c)) if on or after the date which is three months before the earliest FATCA Application Date relating to any payment to the Agent under the Finance Documents, either:

(i) the Agent fails to respond to a request under clause 12.8 (FATCA Information) and a Lender reasonably believes that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;

(ii) the information supplied by the Agent pursuant to clause 12.8 (FATCA Information) indicates that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date; or

(iii) the Agent notifies the Company and the Lenders that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date,

and (in each case) a Lender reasonably believes that a Party will be required to make a FATCA Deduction that would not be required if the Agent were a FATCA Exempt Party, and that Lender, by notice to the Agent, requires it to resign.

27.15 Replacement of the Agent

(a) After consultation with the Company, the Majority Lenders may, by giving 30 days' notice to the Agent (or, at any time the Agent is an Impaired Agent, by giving any shorter notice determined by the Majority Lenders) replace the Agent by appointing a successor Agent.

(b) The retiring Agent shall (at its own cost if it is an Impaired Agent and otherwise at the expense of the Lenders) make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.

(c) The appointment of the successor Agent shall take effect on the date specified in the notice from the Majority Lenders to the retiring Agent. As from this date, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of this clause 27 (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date).

(d) Any successor Agent and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

27.16 Confidentiality

(a) In acting as agent or trustee for the Finance Parties, the Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.

(b) If information is received by another division or department of the Agent it may be treated as confidential to that division or department and the Agent shall not be deemed to have notice of it.

27.17 Relationship with the other Finance Parties

(a) Subject to clause 25.9 (Pro rata interest settlement), the Agent may treat the person shown in its records as Lender at the opening of business (in the place of the Agent's principal office as notified to the Finance Parties from time to time) as the Lender acting through its Facility Office:

(i) entitled to or liable for any payment due under any Finance Document on that day; and

(ii) entitled to receive and act upon any notice, request, document or communication or make any decision or determination under any Finance Document made or delivered on that day,

unless it has received not less than 5 Business Days' prior notice from that Lender to the contrary in accordance with the terms of this Agreement.

(b) Any Lender may by notice to the Agent appoint a person to receive on its behalf all notices, communications, information and documents to be made or despatched to that Lender under the Finance Documents. Such notice shall contain the address, fax number and (where communication by electronic mail or other electronic means is permitted under clause 33.6 (Electronic communication)) electronic mail address and/or any other information required to enable the sending and receipt of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, fax number, electronic mail address, department and officer by that Lender for the purposes of clause 33.2 (Addresses) and clause 33.6(a)(i) and the Agent shall be entitled to treat such person as the person entitled to receive all such notices, communications, information and documents as though that person were that Lender.

27.18 Credit appraisal by the Lenders

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Finance Document, each Lender confirms to the Agent and the Arranger that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

(a) the financial condition, status and nature of each member of the Group;

(b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document, the Security Property and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Security Property;

(c) whether that Finance Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Finance Document, the Security Property, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Security Property;

(d) the adequacy, accuracy or completeness of the Property Reports and any other information provided by the Agent, the Security Agent, the English Security Agent, any Party or by any other person under or in connection with any Finance Document, the transactions contemplated by any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; and

(e) the right or title of any person in or to, or the value or sufficiency of any part of the Security Assets, the priority of any of the Transaction Security or the existence of any Security affecting the Security Assets.

27.19 Reference Banks

The Agent shall (if so instructed by the Majority Lenders and in consultation with the Company) replace a Reference Bank with another bank or financial institution.

27.20 Deduction from amounts payable by the Agent

If any Party (other than a German Insurance Lender) owes an amount to the Agent under the Finance Documents the Agent may, after giving notice to that Party, deduct an amount not exceeding that amount from any payment to that Party which the Agent would otherwise be obliged to make under the Finance Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that Party shall be regarded as having received any amount so deducted.

27.21 Reliance and engagement letters

Each Finance Party and Secured Party confirms that each of the Arranger and the Agent has authority to accept on its behalf (and ratifies the acceptance on its behalf of any letters or reports already accepted by the Arranger or the Agent) the terms of any reliance letter or engagement letters relating to the Property Reports or any reports or letters provided by accountants, auditors or providers of due diligence reports in connection with the Finance Documents or the transactions contemplated in the Finance Documents and to bind it in respect of those Property Reports, reports or letters and to sign such letters on its behalf and further confirms that it accepts the terms and qualifications set out in such letters.

28. APPLICATION OF PROCEEDS

28.1 Order of application

Subject to clause 28.2 (Prospective liabilities), all amounts from time to time received or recovered by the Security Agent or the English Security Agent pursuant to the terms of any Finance Document or in connection with the realisation or enforcement of all or any part of the Transaction Security (for the purposes of this clause 28, the **"Recoveries"**) shall be held by the Security Agent and the English Security Agent (as appropriate) on trust to apply them at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this clause 28), in the following order:

(a) in discharging any sums owing to the Security Agent, the English Security Agent any Receiver or any Delegate;

(b) in payment of all costs and expenses incurred by the Agent or any Secured Party in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of this Agreement; and

(c) in payment to the Agent for application in accordance with clause 31.6 (Partial payments).

28.2 Prospective liabilities

Following acceleration the Security Agent (or the English Security Agent, as appropriate) may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Security Agent (or the English Security Agent, as appropriate) with such financial institution (including itself) and for so long as the Security Agent (or English

Security Agent) shall think fit (the interest being credited to the relevant account) for later application under clause 28.1 (Order of application) in respect of:

(a) any sum to the Security Agent, English Security Agent, any Receiver or any Delegate; and

(b) any part of the Secured Liabilities,

that the Security Agent (or English Security Agent, where applicable) reasonably considers, in each case, might become due or owing at any time in the future.

28.3 Investment of proceeds

Prior to the application of the proceeds of the Recoveries in accordance with clause 28.1 (Order of application) the Security Agent (or the English Security Agent, as applicable) may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Security Agent (or the English Security Agent, as applicable) with such financial institution (including itself) and for so long as the Security Agent (or the English Security Agent, as applicable) shall think fit (the interest being credited to the relevant account) pending the application from time to time of those moneys in the Security Agent's (or the English Security Agent's, as applicable) discretion in accordance with the provisions of this clause 28.3.

28.4 Currency Conversion

(a) For the purpose of, or pending the discharge of, any of the Secured Liabilities the Security Agent (or the English Security Agent, as applicable) may convert any moneys received or recovered by the Security Agent (or the English Security Agent, as applicable) from one currency to another, at a market rate of exchange.

(b) The obligations of any Transaction Obligor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

28.5 Permitted Deductions

The Security Agent (or the English Security Agent, as applicable) shall be entitled, in its discretion:

(a) to set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Agreement; and

(b) to pay all Taxes which may be assessed against it in respect of any of the Security Assets, or as a consequence of performing its duties, or by virtue of its capacity as Security Agent (or as English Security Agent, as applicable) under any of the Finance Documents or otherwise (other than in connection with its remuneration for performing its duties under this Agreement).

28.6 Good Discharge

(a) Any payment to be made in respect of the Secured Liabilities by the Security Agent (or by the English Security Agent, as applicable) may be made to the Agent on behalf of the Finance Parties and any payment made in that way shall be a good discharge, to the

extent of that payment, by the Security Agent (or by the English Security Agent, as applicable).

(b) The Security Agent (or the English Security Agent, as applicable) is under no obligation to make the payments to the Agent under clause 28.6(a) in the same currency as that in which the obligations and liabilities owing to the relevant Finance Party are denominated.

29. CONDUCT OF BUSINESS BY THE FINANCE PARTIES

No provision of this Agreement will:

(a) interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;

(b) oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or

(c) oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

30. SHARING AMONG THE FINANCE PARTIES

30.1 Payments to Finance Parties

If a Finance Party (a **"Recovering Finance Party"**) receives or recovers any amount from an Obligor other than in accordance with clause 31 (Payment mechanics) (a **"Recovered Amount"**) and applies that amount to a payment due under the Finance Documents then:

(a) the Recovering Finance Party shall, within 3 Business Days, notify details of the receipt or recovery to the Agent;

(b) the Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Agent and distributed in accordance with clause 31 (Payment mechanics), without taking account of any Tax which would be imposed on the Agent in relation to the receipt, recovery or distribution; and

(c) the Recovering Finance Party shall, within 3 Business Days of demand by the Agent, pay to the Agent an amount (the **"Sharing Payment"**) equal to such receipt or recovery less any amount which the Agent determines may be retained by the Recovering Finance Party as its share of any payment to be made, in accordance with clause 31.6 (Partial payments).

30.2 Redistribution of payments

The Agent shall treat the Sharing Payment as if it had been paid by the relevant Obligor and distribute it between the Finance Parties (other than the Recovering Finance Party) in accordance with clause 31.6 (Partial payments).

30.3 Recovering Finance Party's rights

On a distribution by the Agent under clause 30.2 (Redistribution of payments) of a payment received by a Recovering Finance Party from an Obligor, as between the relevant Obligor and

the Recovering Finance Party, an amount of the Recovered Amount equal to the Sharing Payment will be treated as not having been paid by that Obligor.

30.4 Reversal of redistribution

If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

(a) each Finance Party which has received a share of the relevant Sharing Payment pursuant to clause 30.2 (Redistribution of payments) shall, upon request of the Agent, pay to the Agent for the account of that Recovering Finance Party an amount equal to the appropriate part of its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Finance Party for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay) (the **"Redistributed Amount"**); and

(b) as between the relevant Obligor and each relevant Sharing Finance Party, an amount equal to the relevant Redistributed Amount will be treated as not having been paid by that Obligor.

30.5 Exceptions

(a) This clause 30 shall not apply to the extent that the Recovering Finance Party would not, after making any payment pursuant to this clause, have a valid and enforceable claim against the relevant Obligor.

(b) A Recovering Finance Party is not obliged to share with any other Finance Party any amount which the Recovering Finance Party has received or recovered as a result of taking legal or arbitration proceedings, if:

(i) it notified that other Finance Party of the legal or arbitration proceedings; and

(ii) that other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

SECTION 12
ADMINISTRATION

31. PAYMENT MECHANICS

31.1 Payments to the Agent

(a) On each date on which an Obligor or a Lender is required to make a payment under a Finance Document, that Obligor or Lender shall make the same available to the Agent (unless a contrary indication appears in a Finance Document) for value on the due date at the time and in such funds specified by the Agent as being customary at the time for settlement of transactions in the relevant currency in the place of payment.

(b) Payment shall be made to such account in the principal financial centre of the country of that currency (or, in relation to euro, in a principal financial centre in such Participating Member State or London, as specified by the Agent) and with such bank as the Agent, in each case, specifies.

31.2 Distributions by the Agent

Each payment received by the Agent under the Finance Documents for another Party shall, subject to clause 31.3 (Distributions to an Obligor) and clause 31.4 (Clawback and pre- funding) be made available by the Agent as soon as practicable after receipt to the Party entitled to receive payment in accordance with this Agreement (in the case of a Lender, for the account of its Facility Office), to such account as that Party may notify to the Agent by not less than 5 Business Days' notice with a bank specified by that Party in the principal financial centre of the country of that currency (or, in relation to euro, in the principal financial centre of a Participating Member State or London, as specified by that Party).

31.3 Distributions to an Obligor

The Agent may (with the consent of the Obligor or in accordance with clause 32 (Set- off)) apply any amount received by it for that Obligor in or towards payment (on the date and in the currency and funds of receipt) of any amount due from that Obligor under the Finance Documents or in or towards purchase of any amount of any currency to be so applied.

31.4 Clawback and pre- funding

(a) Where a sum is to be paid to the Agent under the Finance Documents for another Party, the Agent is not obliged to pay that sum to that other Party (or to enter into or perform any related exchange contract) until it has been able to establish to its satisfaction that it has actually received that sum.

(b) Unless clause 31.4(c) applies, if the Agent pays an amount to another Party and it proves to be the case that the Agent had not actually received that amount, then the Party to whom that amount (or the proceeds of any related exchange contract) was paid by the Agent shall on demand refund the same to the Agent together with interest on that amount from the date of payment to the date of receipt by the Agent, calculated by the Agent to reflect its cost of funds.

(c) If the Agent has notified the Lenders that it is willing to make available amounts for the account of a Borrower before receiving funds from the Lenders then if and to the extent that the Agent does so but it proves to be the case that it does not then receive funds from a Lender in respect of a sum which it paid to a Borrower:

(i) the Agent shall notify the Company of that Lender's identity and the Borrower to whom that sum was made available shall on demand refund it to the Agent; and

(ii) the Lender by whom those funds should have been made available or, if that Lender fails to do so, the Borrower to whom that sum was made available, shall on demand pay to the Agent the amount (as certified by the Agent) which will indemnify the Agent against any funding cost incurred by it as a result of paying out that sum before receiving those funds from that Lender.

31.5 Impaired Agent

(a) If, at any time, the Agent becomes an Impaired Agent, an Obligor or a Lender which is required to make a payment under the Finance Documents to the Agent in accordance with clause 31.1(Payments to the Agent) may instead either pay that amount direct to the required recipient or pay that amount to an interest- bearing account held with another bank in the name of the Obligor or the Lender making the payment and designated as

a trust account for the benefit of the Party or Parties beneficially entitled to that payment under the Finance Documents. In each case such payments must be made on the due date for payment under the Finance Documents.

(b) All interest accrued on the amount standing to the credit of the trust account shall be for the benefit of the beneficiaries of that trust account pro rata to their respective entitlements.

(c) A Party which has made a payment in accordance with this clause 31.5 shall be discharged of the relevant payment obligation under the Finance Documents and shall not take any credit risk with respect to the amounts standing to the credit of the trust account.

(d) Promptly upon the appointment of a successor Agent in accordance with clause 27.16 (Replacement of the Agent) each Party which has made a payment to a trust account in accordance with this clause 31.5 shall give all requisite instructions to the bank with whom the trust account is held to transfer the amount (together with any accrued interest) to the successor Agent for distribution in accordance with clause 31.2 (Distributions by the Agent).

31.6 Partial payments

(a) If the Agent receives a payment that is insufficient to discharge all the amounts then due and payable by an Obligor under the Finance Documents, the Agent shall apply that payment towards the obligations of that Obligor under the Finance Documents in the following order:

(i) **first**, in or towards payment pro rata of any unpaid amount owing to the Agent, the Security Agent, the English Security Agent any Receiver or any Delegate under the Finance Documents;

(ii) **secondly**, in or towards payment of any accrued interest and fees due but unpaid under this Agreement;

(iii) **thirdly,** in or towards payment of any principal due but unpaid under this Agreement; and

(iv) **fourthly**, in or towards payment pro rata of any other sum due but unpaid under the Finance Documents.

(b) The Agent shall, if so directed by all the Lenders vary the order set out in clauses 31.6(a)(ii) to 31.6(a)(iv). Any such variation may include the re- ordering of obligations set out in any such clause.

(c) Clauses 31.5(a) and 31.5(b) will override any appropriation made by an Obligor.

31.7 No set- off by Obligors

All payments to be made by an Obligor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set- off or counterclaim.

31.8 Business Days

(a) Any payment under the Finance Documents which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

(b) During any extension of the due date for payment of any principal or Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.

31.9 Currency of account

(a) Subject to clauses 31.9(b) and 31.9(c), euro, sterling or kronor (as appropriate) is the currency of account and payment for any sum due from an Obligor under any Finance Document.

(b) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.

(c) Any amount expressed to be payable in a currency other than euro, sterling or kronor (as appropriate) shall be paid in that other currency.

31.10 Change of currency

(a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:

(i) any reference in the Finance Documents to, and any obligations arising under the Finance Documents in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Agent (after consultation with the Company); and

(ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Agent (acting reasonably).

(b) If a change in any currency of a country occurs, this Agreement will, to the extent the Agent (acting reasonably and after consultation with the Company) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the Relevant Market and otherwise to reflect the change in currency.

31.11 Disruption to payment systems etc.

If either the Agent determines (in its discretion) that a Disruption Event has occurred or the Agent is notified by the Company that a Disruption Event has occurred:

(a) the Agent may, and shall if requested to do so by the Company, consult with the Company with a view to agreeing with the Company such changes to the operation or administration of the Facilities as the Agent may deem necessary in the circumstances;

(b) the Agent shall not be obliged to consult with the Company in relation to any changes mentioned in clause 31.11(a) if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes;

(c) the Agent may consult with the Finance Parties in relation to any changes mentioned in clause 31.11(a) but shall not be obliged to do so if, in its opinion, it is not practicable to do so in the circumstances;

(d) any such changes agreed upon by the Agent and the Company shall (whether or not it is finally determined that a Disruption Event has occurred) be binding upon the Parties as an amendment to (or, as the case may be, waiver of) the terms of the Finance Documents notwithstanding the provisions of clause 37 (Amendments and waivers);

(e) the Agent shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever (including, without limitation for negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this clause 31.11; and

(f) the Agent shall notify the Finance Parties of all changes agreed pursuant to clause 31.11(d).

32. SET- OFF

A Finance Party (other than a German Insurance Lender) may set off any matured obligation due from an Obligor (but not due from any other Finance Party) under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to that Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set- off.

33. NOTICES

33.1 Communications in writing

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax or letter.

33.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Finance Documents is:

(a) in the case of the Company, that identified with its name below;

(b) in the case of each Lender or any other Obligor, that notified in writing to the Agent on or prior to the date on which it becomes a Party; and

(c) in the case of the Agent, the Security Agent and the English Security Agent, that identified with its name below,

or any substitute address or fax number or department or officer as the Party may notify to the Agent (or the Agent may notify to the other Parties, if a change is made by the Agent) by not less than 5 Business Days' notice.

33.3 Delivery

(a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:

(i) if by way of fax, when received in legible form; or

(ii) if by way of letter, when it has been left at the relevant address or 5 Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address;

and, if a particular department or officer is specified as part of its address details provided under clause 33.2 (Addresses), if addressed to that department or officer.

(b) Any communication or document to be made or delivered to the Agent, the Security Agent or the English Security Agent will be effective only when actually received by the Agent, the Security Agent or the English Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Agent's, the Security Agent's or English Security Agent's signature below (or any substitute department or officer as the Agent, Security Agent or English Security Agent shall specify for this purpose).

(c) All notices from or to an Obligor shall be sent through the Agent.

(d) Any communication or document made or delivered to the Company in accordance with this clause will be deemed to have been made or delivered to each of the Obligors.

(e) Any communication or document which becomes effective, in accordance with clauses 33.3(a) to 33.3(d), after 5.00pm in the place of receipt shall be deemed only to become effective on the following day.

33.4 Notification of address and fax number

Promptly upon changing its address or fax number, the Agent shall notify the other Parties.

33.5 Communication when Agent is Impaired Agent

If the Agent is an Impaired Agent the Parties may, instead of communicating with each other through the Agent, communicate with each other directly and (while the Agent is an Impaired Agent) all the provisions of the Finance Documents which require communications to be made or notices to be given to or by the Agent shall be varied so that communications may be made and notices given to or by the relevant Parties directly. This provision shall not operate after a replacement Agent has been appointed.

33.6 Electronic communication

(a) Any communication to be made between any two Parties under or in connection with the Finance Documents may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if those two Parties:

(i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and

(ii) notify each other of any change to their address or any other such information supplied by them by not less than 5 Business Days' notice.

(b) Any such electronic communication as specified in clause 33.6(a) to be made between an Obligor and a Finance Party may only be made in that way to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.

(c) Any such electronic communication as specified in clause 33.6(a) made between any two Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to the Agent, the Security Agent or the English Security Agent only if it is addressed in such a manner as the Agent, the Security Agent or the English Security Agent shall specify for this purpose.

(d) Any electronic communication which becomes effective, in accordance with clause 33.6(c) after 5.00pm in the place in which the Party to whom the relevant communication is sent or made available has its address for the purpose of this Agreement shall be deemed only to become effective on the following day.

(e) Any reference in a Finance Document to a communication being sent or received shall be construed to include that communication being made available in accordance with this clause 33.6.

33.7 English language

(a) Any notice given under or in connection with any Finance Document must be in English.

(b) All other documents provided under or in connection with any Finance Document must be:

(i) in English; or

(ii) if not in English, and if so required by the Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

34. CALCULATIONS AND CERTIFICATES

34.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by a Finance Party are prima facie evidence of the matters to which they relate.

34.2 Certificates and Determinations

Any certification or determination by a Finance Party of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

34.3 Day count convention

Any interest, commission or fee accruing under a Finance Document will:

(a) in respect of amounts accruing in euro or kronor, accrue from day to day and be calculated on the basis of the actual number of days elapsed and a year of 360 days; and

(b) in respect of amounts accruing in sterling, accrue from day to day and be calculated on the basis of the actual number of days elapsed and a year of 365 days,

or, in any case where the practice in the Relevant Market differs, in accordance with that market practice.

35. PARTIAL INVALIDITY

If, at any time, any provision of a Finance Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

36. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any Finance Document on the part of any Finance Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

37. AMENDMENTS AND WAIVERS

37.1 Required consents

(a) Subject to clause 37.2 (All Lender matters) and clause 37.6 (Other exceptions) any term of the Finance Documents may be amended or waived only with the consent of the Majority Lenders and the Company and any such amendment or waiver will be binding on all Parties.

(b) The Agent may effect, on behalf of any Finance Party, any amendment or waiver permitted by this clause 37.

(c) Without prejudice to the generality of clauses 27.9(c), 27.9(d) and 27.9(e), the Agent may engage, pay for and rely on the services of lawyers in determining the consent level required for and effecting any amendment, waiver or consent under this Agreement.

(d) Each Obligor agrees to any such amendment or waiver permitted by this clause 37 which is agreed to by the Company. This includes any amendment or waiver which would, but for this clause 37.1(d), require the consent of all of the Obligors.

37.2 All Lender matters

Subject to clause 37.7 (Replacement of Screen Rate) an amendment, waiver or (in the case of a Security Document) a consent of, or in relation to, any term of a Finance Document that has the effect of changing or which relates to:

(a) the definition of **"Majority Lenders"** in clause 1.1 (Definitions);

(b) an extension to the date of payment of any amount under the Finance Documents (other than in relation to clause 7.2 (Change of control) and clause 7.4 (Application of mandatory prepayments);

(c) a reduction in the Margin or a reduction in the amount of any payment of principal, interest, fees or commission payable;

(d) a change in currency of payment of any amount under the Finance Documents;

(e) an increase in any Commitment or the Total Commitments, an extension of any Availability Period or any requirement that a cancellation of Commitments reduces the Commitments rateably under the Facility;

(f) a change to the Company or the Borrowers other than in accordance with clause 26 (Changes to the Transaction Obligors);

(g) any provision which expressly requires the consent of all the Lenders;

(h) clause 2.2 (Finance Parties' rights and obligations), clause 7.2 (Change of control), clause 7.4 (Application of mandatory prepayments), clause 25 (Changes to the Lenders), clause 30 (Sharing among the Finance Parties), this clause 37, clause 42 (Governing law) or clause 43.1 (Jurisdiction);

(i) (other than as expressly permitted by the provisions of any Finance Document) the nature or scope of:

(i) the guarantee and indemnity granted under clause 18 (Guarantee and indemnity);

(ii) the Security Assets; or

(iii) the manner in which the proceeds of enforcement of the Transaction Security are distributed,

(except in the case of clauses 37.2(i)(ii) and 37.2(i)(iii), insofar as it relates to a sale or disposal of an asset which is the subject of the Transaction Security where such sale or disposal is expressly permitted under this Agreement or any other Finance Document);

(j) the release of any guarantee and indemnity granted under clause 18 (Guarantee and indemnity) or of any Transaction Security unless permitted under this Agreement or any other Finance Document or relating to a sale or disposal of an asset which is the subject of the Transaction Security where such sale or disposal is expressly permitted under this Agreement or any other Finance Document;

shall not be made, or given, without the prior consent of all the Lenders.

(k) If any Lender fails to respond to a request for a consent, waiver, amendment of or in relation to any of the terms of any Finance Document or other vote of Lenders under the terms of this Agreement within 20 Business Days (unless the Company and the Agent agree to a longer time period in relation to any request) of that request being made, its Loans shall not be included for the purpose of calculating the Total Commitments when ascertaining whether any relevant percentage (including, for the avoidance of doubt, unanimity) of Total Commitments has been obtained to approve that request.

37.3 Replacement of Lender

(a) If at any time:

(i) any Lender becomes a Non- Consenting Lender (as defined in clause 37.3(c)); or

(ii) an Obligor becomes obliged to repay any amount in accordance with clause 7.1 (Illegality) or to pay additional amounts pursuant to clause 13.1 (Increased costs) or clause 12.2 (Tax gross- up) to any Lender in excess of amounts payable to the other Lenders generally,

then the Company may, on 14 Business Days' prior written notice to the Agent and such Lender, replace such Lender by requiring such Lender to (and such Lender shall) transfer pursuant to clause 25 (Changes to the lenders) all (and not part only) of its rights and obligations under this Agreement to a Lender or other bank, financial institution, trust, fund or other entity (a "**Replacement Lender**") selected by the Parent, and which is acceptable to the Agent (acting reasonably), which confirms its willingness to assume and does assume all the obligations of the transferring Lender (including the assumption of the transferring Lender's Loan(s) on the same basis as the transferring Lender) for a purchase price in cash payable at the time of transfer equal to the outstanding principal amount of such Lender's Loan(s) and all accrued interest and/or fees, Break Costs and other amounts payable in relation thereto under the Finance Documents.

(b) The replacement of a Lender pursuant to this clause 37.3 shall be subject to the following conditions:

(i) the Company shall have no right to replace the Agent, the Security Agent or the English Security Agent;

(ii) neither the Agent nor the Lender shall have any obligation to the Company to find a Replacement Lender;

(iii) in the event of a replacement of a Non- Consenting Lender such replacement must take place no later than 14 days after the date the Non- Consenting Lender notifies the Company and the Agent of its failure or refusal to give a consent in relation to, or agree to any, waiver or amendment to the Finance Documents requested by the Company; and

(iv) in no event shall the Lender replaced under this clause 37.3(b) be required to pay or surrender to such Replacement Lender any of the fees received by such Lender pursuant to the Finance Documents.

(c) In the event that:

(i) the Company or the Agent (at the request of the Company) has requested the Lenders to give a consent in relation to, or to agree to a waiver or amendment of any provisions of the Finance Documents;

(ii) the consent, waiver or amendment in question requires the approval of all the Lenders; and

(iii) Lenders whose Commitments aggregate more than 85 per cent of the Total Commitments (or, if the Total Commitments have been reduced to zero, aggregated more than 85 per cent of the Total Commitments prior to that reduction) have consented or agreed to such waiver or amendment,

then any Lender who does not and continues not to consent or agree to such waiver or amendment shall be deemed a "Non- Consenting Lender".

37.4 Disenfranchisement of Defaulting Lenders

(a) For the purposes of this clause 37.4, the Agent may assume that the following Lenders are Defaulting Lenders:

(i) any Lender which has notified the Agent that it has become a Defaulting Lender;

(ii) any Lender in relation to which it is aware that any of the events or circumstances referred to in paragraphs (a), (b) or (c) of the definition of "**Defaulting Lender**" has occurred,

unless it has received notice to the contrary from the Lender concerned (together with any supporting evidence reasonably requested by the Agent) or the Agent is otherwise aware that the Lender has ceased to be a Defaulting Lender.

37.5 Replacement of a Defaulting Lender

(a) The Company may, at any time a Lender has become and continues to be a Defaulting Lender, by giving 15 Business Days' prior written notice to the Agent and such Lender replace such Lender by requiring such Lender to (and such Lender shall) transfer pursuant to clause 25 (Changes to the lenders) all (and not part only) of its rights and obligations under this Agreement to a Lender or other bank, financial institution, trust, fund or other entity (a "**Replacement Lender**") selected by the Company, and which (unless the Agent is an Impaired Agent) is acceptable to the Agent (acting reasonably) which confirms its willingness to assume and does assume all the obligations or all the relevant obligations of the transferring Lender (including the assumption of the transferring Lender's Loans on the same basis as the transferring Lender) for a purchase price in cash payable at the time of transfer equal to the outstanding principal amount of such Lender's Loans and all accrued interest, and/or fees, Break Costs and other amounts payable in relation thereto under the Finance Documents.

(b) Any transfer of rights and obligations of a Defaulting Lender pursuant to this clause 37.5 shall be subject to the following conditions:

(i) the Company shall have no right to replace the Agent, Security Agent or English Security Agent;

(ii) neither the Agent nor the Defaulting Lender shall have any obligation to the Company to find a Replacement Lender;

(iii) the transfer must take place no later than 30 days after the notice referred to in clause 37.5(a); and

(iv) in no event shall the Defaulting Lender be required to pay or surrender to the Replacement Lender any of the fees received by the Defaulting Lender pursuant to the Finance Documents.

37.6 Other exceptions

An amendment or waiver which relates to the rights or obligations of the Agent, the Security Agent, the English Security Agent or the Arranger or a Reference Bank (each in their capacity as such) may not be effected without the consent of the Agent, the Security Agent, the English Security Agent or the Arranger or that Reference Bank, as the case may be.

37.7 Replacement of Screen Rate

(a) Subject to clause 37.6 (Other exceptions), if the Screen Rate is not available for sterling, euro or kronor any amendment or waiver which relates to providing for another benchmark rate to apply in relation to sterling, euro or kronor in place of that Screen Rate (or which relates to aligning any provision of a Finance Document to the use of that benchmark rate) may be made with the consent of the Majority Lenders and the Obligors.

(b) If any Lender fails to respond to a request for an amendment or waiver described in clause 37.7(a) within 10 Business Days (unless the Company and the Agent agree to a longer time period in relation to any request) of that request being made:

(i) its Commitment shall not be included for the purpose of calculating the Total Commitments when ascertaining whether any relevant percentage of Total Commitments has been obtained to approve that request; and

(ii) its status as a Lender shall be disregarded for the purpose of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve that request.

38. CONFIDENTIAL INFORMATION

38.1 Confidentiality

Each Finance Party agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by clause 38.2 (Disclosure of Confidential Information) and clause 38.3 (Disclosure to numbering service providers), and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to its own confidential information.

38.2 Disclosure of Confidential Information

Any Finance Party may disclose:

(a) to any of its Affiliates and Related Funds and any of its or their officers, directors, managers, employees, professional advisers, auditors, partners and Representatives such Confidential Information as that Finance Party shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this clause 38.2(a) is informed in writing of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information;

(b) to any person:

(i) to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents or which succeeds (or which may potentially succeed) it as Agent, Security Agent or English Security Agent and, in each case, to any of that person's Affiliates, Related Funds, Representatives and professional advisers;

(ii) with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Finance Documents and/or one or more Obligors and to any of that person's Affiliates, Related Funds, Representatives and professional advisers;

(iii) appointed by any Finance Party or by a person to whom clause 38.2(b)(i) or 38.2(b)(ii) applies to receive communications, notices, information or documents delivered pursuant to the Finance Documents on its behalf (including, without limitation, any person appointed under clause 27.17(b));

(iv) who invests in or otherwise finances (or may potentially invest in or otherwise finance), directly or indirectly, any transaction referred to in clause 38.2(b)(i) or 38.2(b)(ii);

(v) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;

(vi) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes;

(vii) to whom or for whose benefit that Finance Party charges, assigns or otherwise creates Security (or may do so) pursuant to clause 25.8 (Security over Lenders' rights);

(viii) who is a Party, a member of the Group or any related entity of an Obligor; or

(ix) with the consent of the Company;

in each case, such Confidential Information as that Finance Party shall consider appropriate if:

(A) in relation to clauses 38.2(b)(i), 38.2(b)(ii) and 38.2(b)(iii), the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking except that there shall be no requirement for a Confidentiality Undertaking if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the Confidential Information;

(B) in relation to clause 38.2(b)(iv), the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking or is otherwise bound by requirements of confidentiality in relation to the Confidential Information they receive and is informed that some or all of such Confidential Information may be price- sensitive information;

(C) in relation to clauses 38.2(b)(v), 38.2(b)(vi) and 38.2(b)(vii) the person to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of that Finance Party, it is not practicable so to do in the circumstances; and

(c) to any person appointed by that Finance Party or by a person to whom clause 38.2(b)(i) or 38.2(b)(ii) applies to provide administration or settlement services in respect of one or more of the Finance Documents including without limitation, in relation to the trading of Loans in respect of the Finance Documents, such Confidential Information as may be required to be disclosed to enable such service provider to provide any of the services referred to in this clause 38.2(c) if the service provider to whom the Confidential Information is to be given has entered into a confidentiality agreement substantially in the form of the LMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Company and the relevant Finance Party; and

(d) to any rating agency (including its professional advisers) such Confidential Information as may be required to be disclosed to enable such rating agency to carry out its normal rating activities in relation to the Finance Documents and/or the Obligors if the rating agency to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price- sensitive information.

38.3 Disclosure to numbering service providers

(a) Any Finance Party may disclose to any national or international numbering service provider appointed by that Finance Party to provide identification numbering services in respect of this Agreement, the Facility and/or one or more Obligors the following information:

(i) names of Obligors;

(ii) country of domicile of Obligors;

(iii) place of incorporation of Obligors;

(iv) date of this Agreement;
(v) clause 42 (Governing law);
(vi) the names of the Agent and the Arranger;
(vii) date of each amendment of this Agreement;
(viii) amount of Total Commitments;
(ix) currency of the Facility;
(x) type of Facility;
(xi) ranking of Facility;
(xii) Termination Date for Facility;
(xiii) changes to any of the information previously supplied pursuant to clauses 38.3(a)(i) to 38.3(a)(xii); and
(xiv) such other information agreed between such Finance Party and the Company,
to enable such numbering service provider to provide its usual syndicated loan numbering identification services.

(b) The Parties acknowledge and agree that each identification number assigned to this Agreement, the Facility and/or one or more Obligors by a numbering service provider and the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider.

(c) Each Obligor represents that none of the information set out in clauses 38.3(a)(i) to 38.3(a)(xiv) is, nor will at any time be, unpublished price- sensitive information.

(d) The Agent shall notify the Company and the other Finance Parties of:
(i) the name of any numbering service provider appointed by the Agent in respect of this Agreement, the Facility and/or one or more Obligors; and
(ii) the number or, as the case may be, numbers assigned to this Agreement, the Facility and/or one or more Obligors by such numbering service provider.

38.4 Entire agreement

This clause 38 constitutes the entire agreement between the Parties in relation to the obligations of the Finance Parties under the Finance Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

38.5 Inside information

Each of the Finance Parties acknowledges that some or all of the Confidential Information is or may be price- sensitive information and that the use of such information may be regulated or

prohibited by applicable legislation including securities law relating to insider dealing and market abuse and each of the Finance Parties undertakes not to use any Confidential Information for any unlawful purpose.

38.6 Notification of disclosure

Each of the Finance Parties agrees (to the extent permitted by law and regulation) to inform the Company:

(a) of the circumstances of any disclosure of Confidential Information made pursuant to clause 38.2(b)(v) except where such disclosure is made to any of the persons referred to in that clause during the ordinary course of its supervisory or regulatory function; and

(b) upon becoming aware that Confidential Information has been disclosed in breach of this clause 38.

38.7 Continuing obligations

The obligations in this clause 38 are continuing and, in particular, shall survive and remain binding on each Finance Party for a period of twelve months from the earlier of:

(a) the date on which all amounts payable by the Obligors under or in connection with the Finance Documents have been paid in full and all Commitments have been cancelled or otherwise cease to be available; and

(b) the date on which such Finance Party otherwise ceases to be a Finance Party.

39. CONFIDENTIALITY OF FUNDING RATES AND REFERENCE BANK QUOTATIONS

39.1 Confidentiality and disclosure

(a) The Agent and each Obligor agree to keep each Funding Rate (and, in the case of the Agent, each Reference Bank Quotation) confidential and not to disclose it to anyone, save to the extent permitted by clauses 39.1(b), 39.1(c) and 39.1(d).

(b) The Agent may disclose:

(i) any Funding Rate (but not, for the avoidance of doubt, any Reference Bank Quotation) to the relevant Borrower pursuant to clause 8.5 (Notification of rates of interest); and

(ii) any Funding Rate or any Reference Bank Quotation to any person appointed by it to provide administration services in respect of one or more of the Finance Documents to the extent necessary to enable such service provider to provide those services if the service provider to whom that information is to be given has entered into a confidentiality agreement substantially in the form of the LMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Agent and the relevant Lender or Reference Bank, as the case may be.

(c) The Agent may disclose any Funding Rate or any Reference Bank Quotation, and each Obligor may disclose any Funding Rate, to:

(i) any of its Affiliates and any of its or their officers, directors, managers, employees, professional advisers, auditors, partners and Representatives if any person to whom that Funding Rate or Reference Bank Quotation is to be given pursuant to this clause 39.1(c)(i) is informed in writing of its confidential nature and that it may be price sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of that Funding Rate or Reference Bank Quotation or is otherwise bound by requirements of confidentiality in relation to it;

(ii) any person to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation if the person to whom that Funding Rate or Reference Bank Quotation is to be given is informed in writing of its confidential nature and that it may be price sensitive information except that there shall be no requirement to so inform if, in the opinion of the Agent or the relevant Obligor, as the case may be, it is not practicable to do so in the circumstances;

(iii) any person to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes if the person to whom that Funding Rate or Reference Bank Quotation is to be given is informed in writing of its confidential nature and that it may be price sensitive information except that there shall be no requirement to so inform if, in the opinion of the Agent or the relevant Obligor, as the case may be, it is not practicable to do so in the circumstances; and

(iv) any person with the consent of the relevant Lender or Reference Bank, as the case may be.

(d) The Agent's obligations in this clause 39 relating to Reference Bank Quotations are without prejudice to its obligations to make notifications under clause 8.5 (Notification of rates of interest).

provided that (other than pursuant to clause 39.1(b)(i)) the Agent shall not include the details of any individual Reference Bank Quotation as part of any such notification.

39.2 Related obligations

(a) The Agent and each Obligor acknowledge that each Funding Rate (and, in the case of the Agent, each Reference Bank Quotation) is or may be price sensitive information and that its use may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and the Agent and each Obligor undertake not to use any Funding Rate or, in the case of the Agent, any Reference Bank Quotation for any unlawful purpose.

(b) The Agent and each Obligor agree (to the extent permitted by law and regulation) to inform the relevant Lender or Reference Bank, as the case may be:

(i) of the circumstances of any disclosure made pursuant to clause 39.1(c)(ii) except where such disclosure is made to any of the persons referred to in that clause during the ordinary course of its supervisory or regulatory function; and

(ii) upon becoming aware that any information has been disclosed in breach of this clause 39.

39.3 No Event of Default

No Event of Default will occur under clause 24.3 (Other obligations) by reason only of an Obligor's failure to comply with this clause 39.

40. COUNTERPARTS

Each Finance Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Finance Document.

41. TAX NUMBERS

The HMRC DT Treaty Passport scheme number of Aareal Bank AG is 7/A/268251/DTTP, the jurisdiction of tax residence of Aareal Bank AG is Germany, the tax number (Steuernummer) of Aareal Bank AG is 26 40 220 0516 5 and the VAT identification number (Umsatzsteuer- Identifikationsnummer) is DE 114103598. In case no VAT is shown when invoicing financial services, these are exempt from VAT in accordance with section 4 no. 8a Value Added Tax Act (Umsatzsteuergesetz (UStG)).

SECTION 13
GOVERNING LAW AND ENFORCEMENT

42. GOVERNING LAW

This Agreement and any non- contractual obligations arising out of or in connection with it are governed by English law.

43. ENFORCEMENT

43.1 Jurisdiction

(a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a **"Dispute"**).

(b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

(c) This clause 43.1 is for the benefit of the Finance Parties only. As a result, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions.

43.2 Service of process

(a) Without prejudice to any other mode of service allowed under any relevant law, each Obligor (other than an Obligor incorporated in England and Wales):

(i) irrevocably appoints NorthStar Asset Management UK Ltd of 25- 28 Old Burlington Street, London W1S 3AN as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and

(ii) agrees that failure by a process agent to notify the relevant Obligor of the process will not invalidate the proceedings concerned.

(b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Company (on behalf of all the Obligors) must immediately (and in any event within 10 days of such event taking place) appoint another agent on terms acceptable to the Agent. Failing this, the Agent may appoint another agent for this purpose.

(c) Each Obligor expressly agrees and consents to the provisions of this clause 43 and clause 42 (Governing law).

44. TRANSPARENCY PROVISIONS

For the purposes of the transparency provisions set forth in the Italian CICR Resolution of 4 March 2003, as amended from time to time, and in the "Disposizioni sulla trasparenza delle operazioni e dei servizi bancari e finanziari. Correttezza delle relazioni tra intermediari e client" issued by the Bank of Italy and as amended from time to time, each Party hereby acknowledges and confirms that:

(a) it has appointed and has been assisted by its respective legal counsel in connection with the negotiation, preparation and execution of the Finance Documents; and

(b) this Agreement and any Finance Document, and all of its terms and conditions, including the schedules thereto, have been specifically negotiated ("oggetto di trattativa individuale") between the Parties.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

EXECUTION PAGES

THE COMPANY

Signed by Steven Kauff for and on behalf of **PRIME HOLDCO C- T, S.à r.l.**)
)
)

Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

THE BORROWERS

Signed by Steven Kauff for and on behalf of **PRIME UK PORTMAN - T S.à r.l.**)
)
)

Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME UK CONDOR - T S.à r.l.**

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
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)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME GER DREHBAHN - T S.à r.l.**

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
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)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME GER VALETINSKAMP - T S.à r.l.**

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

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)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME GER DAMMTORWALL - T S.à r.l.**

)
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)
Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email:jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME POOL II - T S.à r.l.**

)
)
)
Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME BEL RUE DE LA LOI - T SPRL (formerly known as Chrysalis Invest NV)**

)
)
)
Signature /s/ Steven Kauff

Title: Manager

Address:

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME NLD ROTTERDAM - T B.V.**

Address: Zuidplein 156
1077 XV Amsterdam
the Netherlands

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
)
)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME NLD AMSTERDAM - T B.V.**

Address: Zuidplein 156
1077 XV Amsterdam
the Netherlands

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
)
)
Signature /s/ Steven Kauff

Title:

Signed by Steven Kauff for
and on behalf of **PRIME SWE GOTHENBURG - T AB**

Address:

Attention: Jon Farkas

Email:jfarkas@nsamgroup.eu

)
)
)
Signature /s/ Steven Kauff

Title:

THE GUARANTORS

Signed by Steven Kauff for and on behalf of **PRIME UK Portman - T, S.à r.l.**)
)
)
Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for and on behalf of **PRIME UK CONDOR - T S.à r.l.**)
)
)
Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
6th Floor,
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Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

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)
)
Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME GER VALETINSKAMP - T S.à r.l.**

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Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME GER DAMMTORWALL - T S.à r.l.**

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Title: Manager

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME POOL II - T S.à r.l.**

)
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)
Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME BEL RUE DE LA LOI - T SPRL (formerly known as Chrysalis Invest NV)**

Address:

Attention: Jon Farkas

Email:jfarkas@nsamgroup.eu

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Signature /s/ Steven Kauff

Title:

Signed by Steven Kauff for
and on behalf of **PRIME NLD ROTTERDAM - T B.V.**

Address: Zuidplein 156
1077 XV Amsterdam,
the Netherlands

Attention:Jon Farkas

Email: jfarkas@nsamgroup.eu

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Title:

Signed by Steven Kauff for
and on behalf of **PRIME NLD AMSTERDAM - T B.V.**

Address: Zuidplein 156
1077 XV Amsterdam
the Netherlands

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
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Signature /s/ Steven Kauff

Title:

Signed by Steven Kauff for
and on behalf of **PRIME POOL I - T, S.à r.l.**

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
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)
Signature /s/ Steven Kauff

Title:

Signed by Steven Kauff for
and on behalf of **PRIME POOL VII - T, S.à r.l.**

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
)
)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME POOL III A - T, S.à r.l.**

Address: 6A route de Trèves
6th Floor,
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Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
)
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Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME POOL III B - T, S.à r.l.**

Address: 6A route de Trèves
6th Floor,
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Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
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)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME POOL III C - T, S.à r.l.**

Address: 6A route de Trèves
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Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
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)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME POOL V - T, S.à r.l.**

Address: 6A route de Trèves
6th Floor,
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Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
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)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME POOL VI - T, S.à r.l.**

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
)
)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME ITA MILAN - T, S.R.L.**

Address: Via Tortona 25
20144, Milan
Italy

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
)
)
Signature /s/ Steven Kauff

Title:

Signed by Steven Kauff for
and on behalf of **PRIME POOL IV A - T, S.à r.l.**

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
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)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME POOL IV B - T, S.à r.l.**

Address: 6A route de Trèves
6th Floor,
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Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
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)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME SWE GOTHENBURG - T AB**

Address:

Attention: Jon Farkas

Email:jfarkas@nsamgroup.eu

)
)
)
Signature /s/ Steven Kauff

Title:

THE ITALIAN FACILITY GUARANTORS

Signed by Steven Kauff for
and on behalf of **PRIME UK PORTMAN - T, S.à r.l.**

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

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Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME UK CONDOR - T S.à r.l.**

)
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Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
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Attention: Jon Farkas

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Signed by Steven Kauff for
and on behalf of **PRIME GER DREHBAHN - T S.à r.l.**

)
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)
Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
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Signed by Steven Kauff for
and on behalf of **PRIME GER VALETINSKAMP - T S.à r.l.**

)
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)
Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
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Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME GER Dammtorwall - T S.à r.l.**

)
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)
Signature /s/ Steven Kauff

Title: Manager

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Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME POOL II - T S.à r.l.**

)
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)
Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME NLD ROTTERDAM - T, B.V.**

)
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Signature /s/ Steven Kauff

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L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME NLD AMSTERDAM - T B.V.**

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Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME POOL VII - T, S.à r.l.**

)
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)
Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME POOL I - T, S.à r.l.**

)
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)
Signature /s/ Steven Kauff

Title: Manager

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

Signed by Steven Kauff for
and on behalf of **PRIME POOL V - T, S.à r.l.**

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
)
)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME POOL VI - T, S.à r.l.**

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
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)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME POOL IV A - T, S.à r.l.**

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
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)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME POOL IV B - T, S.à r.l.**

Address: 6A route de Trèves
6th Floor,
L- 2633 Senningerberg
Grand Duchy of Luxembourg

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
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)
Signature /s/ Steven Kauff

Title: Manager

Signed by Steven Kauff for
and on behalf of **PRIME SWE GOTHENBURG - T AB**

Address:

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
)
)
Signature /s/ Steven Kauff

Title:

Signed by Steven Kauff for
and on behalf of **PRIME BEL RUE DE LA LOI - T SPRL (formerly known as Chrysalis Invest NV)**

Address:

Attention: Jon Farkas

Email: jfarkas@nsamgroup.eu

)
)
)
Signature /s/ Steven Kauff

Title:

THE ARRANGER

Signed by Martin Wilmsen Rechtsanwalt for and on behalf of **AAREAL BANK AG**)
)
Signature /s/ Martin Wilmsen Rechtsanwalt

Address: Paulinenstrasse 15,
65189 Wiesbaden
Germany

Facsimile No:+49 611 348 3108

Attention: CM- 2 Transaction Management

THE ORIGINAL LENDERS

Signed by Martin Wilmsen Rechtsanwalt for and on behalf of **AAREAL BANK AG**)
)
Signature /s/ Martin Wilmsen Rechtsanwalt

Address: Paulinenstrasse 15,
65189 Wiesbaden
Germany

Facsimile No:+49 611 348 3108

Attention: CM- 2 Transaction Management

THE AGENT

Signed by Martin Wilmsen Rechtsanwalt for and on behalf of **AAREAL BANK AG**)
)
Signature /s/ Martin Wilmsen Rechtsanwalt

Address: Paulinenstrasse 15,
65189 Wiesbaden
Germany

Facsimile No:+49 611 348 3108

Attention: CM- 2 Transaction Management

THE SECURITY AGENT

Signed by Martin Wilmsen Rechtsanwalt for and on behalf of **AAREAL BANK AG**)
)
Signature /s/ Martin Wilmsen Rechtsanwalt

Address: Paulinenstrasse 15,
65189 Wiesbaden
Germany

Facsimile No:+49 611 348 3108

Attention: CM- 2 Transaction Management

THE ENGLISH SECURITY AGENT

Signed by Helena Anne Jane Giles for and on behalf of **CAPITA TRUST COMPANY LIMITED**)
)
)

Signature /s/ Helena Anne Jane Giles

Address: 4th Floor
40 Dukes Place
London
EC3A 7NH

Facsimile No:+44(0)20 3170 0246

Attention: Manager - Corporate Trusts

THE IFA SECURITY AGENT

Signed by Martin Wilmsen Rechtsanwalt for and on behalf of **AAREAL BANK AG**)
)
Signature /s/ Martin Wilmsen Rechtsanwalt

Address: Paulinenstrasse 15,
65189 Wiesbaden
Germany

Facsimile No:+49 611 348 3108

Attention: CM- 2 Transaction Management

Exhibit 10.11

EXECUTION VERSION

COMMON TERMS AND FACILITIES AGREEMENT

6 APRIL 2015

TRIAS HOLDCO C- T S.À R.L.
as the Company

arranged by
GE REAL ESTATE LOANS LIMITED

CBRE LOAN SERVICING LIMITED
as the Agent

and

CBRE LOAN SERVICING GMBH
as the Security Agent

up to €200,390,475 and £26,080,076
relating to the Acquisition of certain real estate assets in France, Germany, The Netherlands, and the United Kingdom

ALLEN & OVERY

Allen & Overy LLP

Contents

THIS AGREEMENT is dated 6 April 2015 and made
BETWEEN:

(1) **TRIAS HOLDCO B- T S.À R.L.**, a private limited liability company (société à responsabilité limitée) incorporated under the laws of Luxembourg with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, Grand Duchy of Luxembourg, being registered with the Register of Commerce and Companies in Luxembourg under number B 192.535 and having a share capital of EUR 12,500 (the **Parent**);

(2) **TRIAS HOLDCO C- T S.À R.L.**, a private limited liability company (société à responsabilité limitée) incorporated under the laws of Luxembourg with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, Grand Duchy of Luxembourg, being registered with the Register of Commerce and Companies in Luxembourg under number B 192.534 and having a share capital of EUR 12,500 (the **Company**);

(3) **THE PERSONS** listed in Part 1 of Schedule 1 (Original Parties) (each a **Facility A Borrower**);

(4) **TRIAS POOL III – TLP S.C.A.**, a partnership limited by shares (société en commandite par actions) incorporated under the laws of Luxembourg with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, Grand Duchy of Luxembourg, in the course of being registered with the Register of Commerce and Companies in Luxembourg and having a share capital of EUR 31,000 (the **Facility B Borrower**);

(5) **THE PERSONS** listed in Part 2 of Schedule 1 (Original Parties) (each a **Facility C Borrower**);

(6) **THE PERSONS** listed in Part 3 of Schedule 1 (Original Parties) (each an **Original Guarantor**);

(7) **GE REAL ESTATE LOANS LIMITED** as mandated lead arrangers of this Facility (whether acting individually or together the **Arranger**);

(8) **THE PERSONS** listed in Part 4 of Schedule 1 (Original Parties) as lenders (each an **Original Lender**);

(9) **CBRE LOAN SERVICING LIMITED** as agent of the other Finance Parties (the **Agent**); and

(10) **CBRE LOAN SERVICING GMBH** as security agent and trustee for the Finance Parties (the **Security Agent**).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In each Finance Document:

Account means a Rent Collection Account, a Service Charge Account, a Rent Account, a Deposit Account, a Rent Deposit Account, a General Account, a Midco Blocked Account, a Shareholder Account, an Equity Cure Account or a Reserve Account.

Account Backstop Date means the date falling 20 Business Days after the first Utilisation Date.

Account Bank means:
(a) each Initial Account Bank; or
(b) any other bank or financial institution which becomes an Account Bank in accordance with Clause 17.2 (Account Bank).

Account Control Agreement means each account control agreement between the Security Agent, the relevant Obligor and the Initial Account Bank.

Accounting Principles means, in relation to an Obligor, IFRS or the accounting standards generally accepted in the United States or in the jurisdiction of incorporation of that Obligor.

Acquisition means the acquisition by the Company (directly or indirectly) of:
(a) each Property; and
(b) all of the issued shares in each Targetco,
in accordance with the Acquisition Agreements and the Tax Structure Paper.

Acquisition Agreement means:
(a) the Master Acquisition Agreement; or
(b) each Local Acquisition Agreement.

Acquisition Costs means all fees, costs and expenses, stamp, registration and other Taxes incurred by or on behalf of the Obligors in connection with the Acquisition.

Acquisition Document means:
(a) each Acquisition Agreement; or
(b) any other document designated as an Acquisition Document by the Agent and the Company.

Additional Borrower means each French Facility Borrower and the Additional German PropCo which becomes an Additional Borrower in accordance with Clause 26.2 (Additional Borrowers).

Additional German PropCo means Trias GER Cuxhaven – T S.à r.l. a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192578.

Additional Guarantor means each French Guarantor and the Additional German Propco which becomes an Additional Guarantor in accordance with Clause 26.4 (Additional Guarantors).

Additional Obligor means an Additional Borrower or an Additional Guarantor.

Additional Property means the property located at Konrad- Adenauer- Allee 2, Am Bahnhof, 27472 Cuxhaven.

Affiliate means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

Agent's Spot Rate of Exchange means, on any day, the Agent's spot rate of exchange for the purchase of the Base Currency with sterling in the London foreign exchange market as of 11.00 a.m. on that day, provided that the Agent shall not be liable for any rate so obtained**.**

Agreement for Lease means an agreement to grant an Occupational Lease for all or part of a Property.

Alésia Shareholder Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

Allocated Loan Amount means, with respect to a Property, the amount set opposite that Property in Schedule 2 (The Properties).

Anti- Corruption Laws means:

(a) the US Foreign Corrupt Practices Act of 1977;

(b) the UK Bribery Act 2010; and

(c) any similar applicable laws or regulations in any jurisdiction in which any Obligor or any member of the Group is located or doing business that relate to bribery or corruption.

Anti- Money Laundering Laws means applicable laws or regulations in any jurisdiction in which any Obligor or any member of the Group is located or doing business that relate to money laundering or financial record keeping and reporting requirements.

Approved Asset Manager means:

(a) the Initial Asset Manager;

(b) NorthStar Asset Management Group Inc. and any Affiliate of NorthStar Asset Management Group Inc. whose business is or includes acting as asset manager of properties;

(c) any entity which is managed and controlled (as determined in accordance with the definition of "control" in Clause 7.2 (Change of control and minimum parameter mandatory prepayment events)) by NorthStar Asset Management Group Inc. and whose business is or includes acting as asset manager of properties;

(d) any Sponsor Affiliate whose business is or includes acting as asset manager of properties; or

(e) any other person as may be nominated by the Company and approved by the Agent (acting on behalf of the Majority Lenders (acting reasonably)) provided that such approval shall not be unreasonably withheld or delayed and the approval of the Agent shall be deemed to have been provided if the Agent does not notify the Company of such approval within 15 Business Days of the date of the request by the Company to appoint a new asset manager.

Approved Cash Manager means:

(a) the Initial Cash Manager;

(b) NorthStar Asset Management Group Inc. and any Affiliate of NorthStar Asset Management Group Inc. whose business is or includes providing cash management and accounting services;

(c) any entity which is managed and controlled (as determined in accordance with the definition of "control" in Clause 7.2 (Change of control and minimum parameter mandatory prepayment events)) by NorthStar Asset Management Group Inc. whose business is or includes providing cash management and accounting services;

(d) any Sponsor Affiliate whose business is or includes providing cash management and accounting services; or

(e) any other person as may be nominated by the Company and approved by the Agent (acting on behalf of the Majority Lenders (acting reasonably)) provided that such approval shall not be unreasonably withheld or delayed and the approval of the Agent shall be deemed to have been provided if the Agent does not notify the Company of such approval within 15 Business Days of the date of the request by the Company to appoint a new cash manager.

Approved Managing Agent means:

(a) an Initial Managing Agent; or

(b) any other person as may be nominated by the Company and approved by the Agent (acting on behalf of the Majority Lenders (acting reasonably)) provided that such approval shall not be unreasonably withheld or delayed and the approval of the Agent shall be deemed to have been provided if the Agent does not notify the Company of such approval within 15 Business Days of the date of the request by the Company to appoint a new managing agent of a Property.

Assignment Agreement means an agreement substantially in the form set out in Schedule 6 (Form of Assignment Agreement) or any other form agreed between the relevant assignor and assignee.

Authorisation means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

Availability Period means:

(a) in relation to the Primary Facility, the period from and including the date of this Agreement to and including 30 June 2015; and

(b) in relation to a French Facility, the period from and including the date of the French Term Loan Agreements pursuant to which that French Facility is made available to and including 30 June 2015.

Available Commitment means, in relation to a Facility, a Lender's Commitment under that Facility minus:

(a) the amount of its participation in any outstanding Utilisations under that Facility; and

(b) in relation to any proposed Utilisation, the amount of its participation in any other Utilisations that are due to be made under that Facility on or before the proposed Utilisation Date.

Available Facility means the aggregate for the time being of each Lender's Available Commitment.

Base Currency means euro.

Base Currency Amount means on any date:

(a) in relation to any amount in the Base Currency, that amount; and

(b) in relation to any amount in sterling, that amount converted into the Base Currency at the Agent's spot Rate of Exchange on the date of this Agreement.

Blocked Person List means the blocked persons list maintained by OFAC.

Borrower means an Original Borrower or any Additional Borrower unless, in each case, it has ceased to be a Borrower in accordance with Clause 26.3 (Resignation of a Borrower).

Break Costs means the amount (if any) by which:

(a) the interest (excluding Margin) which a Lender should have received for the period from the date of receipt of all or any part of its participation in a Loan or Unpaid Sum to the last day of the current Interest Period in respect of that Loan or Unpaid Sum, had the principal amount or Unpaid Sum received been paid on the last day of that Interest Period;

exceeds:

(b) the amount which that Lender would be able to obtain by placing an amount equal to the principal amount or Unpaid Sum received by it on deposit with a leading bank for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period,

except that, the amount of Break Costs applicable to a French Facility will be an amount calculated pro rata to any Break Costs applicable to the Facility B Loan.

Business Day means a day (other than a Saturday or Sunday) on which banks are open for general business in London, France, Germany, the Netherlands, Luxembourg and:

(a) (in relation to any date for payment or purchase of sterling) London; or

(b) (in relation to any date for payment or purchase of the Base Currency) any TARGET Day.

Business Plan means the Initial Business Plan and any updated or amended business plan in respect of the Properties in accordance with this Agreement.

Cash Trap Debt Service Cover Ratio means, on any Interest Payment Date, the ratio of the aggregate of:

(a) Cash Trap Projected Net Operating Income;

to

(b) Cash Trap Projected Finance Costs.

Cash Trap Event means, on any Interest Payment Date, either:

(a) the Loan to Value on that Interest Payment Date is equal to or greater than 70 per cent.; or

(b) the Cash Trap Debt Service Cover Ratio on that Interest Payment Date is equal to or less than 1.50:1.

Cash Trap Measurement Period means, for the purposes of calculating the Cash Trap Debt Service Cover Ratio, on any Interest Payment Date either:

(a) the period of twelve Months starting on the Quarter Day falling immediately prior to that Interest Payment Date; or

(b) if any period referred to in paragraph (a) above would include the Final Repayment Date, the period starting on the Quarter Day falling immediately prior to that Interest Payment Date and ending on the Final Repayment Date.

Cash Trap Proceeds means any amounts that are standing to the credit of the Reserve Accounts having been paid into the relevant Reserve Account from the relevant Rent Account in accordance with the provisions of Clause 17 (Bank Accounts).

Cash Trap Projected Finance Costs means, on any Interest Payment Date in respect of the Cash Trap Debt Service Cover Ratio to be tested on that Interest Payment Date, the aggregate amount of all interest and periodic fees which are projected to be paid by each Borrower (other than the French Facility Borrowers) to the Finance Parties under the Finance Documents during the Cash Trap Measurement Period in relation to that Interest Payment Date taking into account the amount to be received by the Borrowers under any applicable Hedging Agreement.

Cash Trap Projected Net Operating Income means, on any Interest Payment Date, the Company's estimate of projected Net Operating Income to be paid to the Obligors which has been approved by the Agent (acting on the instructions of the Majority Lenders (acting reasonably)) for the Cash Trap Measurement Period commencing on the Quarter Day falling immediately prior to that Interest Payment Date based on the following assumptions:

(a) any break clause under any Lease Document will be deemed to be exercised at the earliest date available to the relevant tenant and it will be assumed that that part of that Property shall remain vacant thereafter unless the premises have been re- let;

(b) Net Operating Income will be ignored if payable by a tenant that is an Obligor or related to an Obligor or an Affiliate of an Obligor;

(c) Net Operating Income will be ignored if not payable under an unconditional and binding Lease Document;

(d) potential Net Operating Income increases as a result of rent reviews will be ignored until unconditionally ascertained other than where there are fixed rental increases pursuant to the relevant Lease Document or pursuant to notified indexation;

(e) Net Operating Income payable by a tenant that is more than three months in arrears on any of its rental payments will be ignored unless a guarantor is keeping rent current;

(f) Net Operating Income will be reduced by the amount of any deduction or withholding for or on account of Tax from that Net Operating Income;

(g) Net Operating Income will be ignored if payable by a tenant or by a guarantor that is subject to any of the events set out in Clause 24.7 (Insolvency proceedings); and

(h) any estimate of projected Net Operating Income denominated in sterling will be converted to the Base Currency using the Agent's Spot Rate of Exchange on that Interest Payment Date,

notwithstanding paragraph (g) above, if a tenant is solvent and keeping the payment of rent current and that tenant has an Affiliate acting as guarantor which is subject to any of the events set out in Clause 24.7 (Insolvency proceedings), the Net Operating Income payable by that tenant shall (to the extent that tenant has paid such rent on the rent payment date immediately preceding that Interest Payment Date) be included for the first six Months of the Cash Trap Measurement Period.

Clean- Up Date means the date falling 90 days after the first Utilisation Date.

Clean- Up Representation means, in respect of the assets of each Targetco, any of the representations and warranties under:

(a) Clause 19.9 (VAT);
(b) Clause 19.11 (Information);
(c) Clause 19.12 (Financial statements);
(d) paragraphs (e)(i), (e)(ii), (e)(vi), (e)(vii), (e)(ix), (e)(x) and (f) of Clause 19.16 (Title to Property and other assets);
(e) Clause 19.18 (Environmental compliance);
(f) Clause 19.19 (No other business); or
(g) Clause 19.22 (Taxation).

Clean- Up Undertaking means, in respect of the assets of each Targetco, any of the undertakings specified in:

(a) Clause 22.2 (Compliance with laws);
(b) Clause 22.3 (Negative pledge) (except to the extent that any other person has a legal mortgage on any Property or any other Security over any Accounts, Existing Accounts, Insurances or material contracts entered into by any Targetco);
(c) Clause 22.5 (Financial Indebtedness) provided that the aggregate principal amount outstanding of such Financial Indebtedness is less than €250,000 (or its currency equivalent) in respect of the Group as a whole;
(d) Clause 22.6 (Lending and guarantees)
(e) Clause 22.8 (Conduct of business);
(f) Clause 22.12 (Other agreements); and
(g) Clause 22.16 (Taxes).

Closing Date means the date on which Completion occurs.

Code means the US Internal Revenue Code of 1986.

Commitment means a Facility A Commitment, a Facility B Commitment, a Facility C Commitment or a French Facility Commitment.

Company Deposit Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

Company General Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

Company Reserve Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

Compensation Prepayment Proceeds means the proceeds of all compensation and damages for the compulsory purchase of, or any blight or disturbance affecting, any Property, and after deducting:

(a) any reasonable expenses incurred by or on behalf of an Obligor to a person who is not an Obligor or an Affiliate of an Obligor;

(b) any Tax incurred and required to be paid by or on behalf of an Obligor (as reasonably determined by that Obligor on the basis of existing rates and taking into account any available credit, deduction or allowance),

in each case in relation to that compulsory purchase, blight or disturbance.

Completion means the date on which the ownership of each Original Property has been transferred (directly or indirectly) to the Company in accordance with the terms of the Acquisition Documents.

Compliance Certificate means a certificate substantially in the form set out in Schedule 10 (Form of Compliance Certificate).

Confidential Information means all information relating to any Transaction Obligor, the Group, any Approved Asset manager, any Approved Managing Agent, the Sponsor, the Finance Documents or the Facility of which a Finance Party becomes aware in its capacity as, or for the purpose of becoming, a Finance Party or which is received by a Finance Party in relation to, or for the purpose of becoming a Finance Party under, the Finance Documents or the Facility from either:

(a) any member of the Group or any of its advisers; or

(b) another Finance Party, if the information was obtained by that Finance Party directly or indirectly from any member of the Group or any of its advisers,

in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes:

(i) information that:

(A) is or becomes public information other than as a direct or indirect result of any breach by that Finance Party of Clause 39.1 (Confidential Information); or

(B) is identified in writing at the time of delivery as non- confidential by any member of the Group or any of its advisers; or

(C) is known by that Finance Party before the date the information is disclosed to it in accordance with paragraphs (a) or (b) above or is lawfully obtained by that Finance Party after that date, from a source which is, as far as that Finance Party is aware, unconnected with the Group and which, in either case, as far as that Finance Party is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality; and

(ii) any Funding Rate or Reference Bank Quotation.

Confidentiality Undertaking means a confidentiality undertaking substantially in a recommended form of the Loan Market Association from time to time or in any other form agreed between the Obligors' Agent and the Agent.

Counterparty means a counterparty to a Hedging Agreement.

CRR means the Council Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.

CTA means the Corporation Tax Act 2009.

Custody Agreement means the custody agreement governed by French law entitled "Convention de Dépositaire" to be entered into by the OPCI and Société Générale Securities Services as custody (dépositaire) of the OPCI.

Debt Purchase Transaction means, in relation to a person, a transaction where such person:

(a) purchases by way of assignment or transfer;

(b) enters into any sub- participation in respect of; or

(c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of,

any Commitment or amount outstanding under this Agreement or a French Term Loan Agreement.

Default means an Event of Default or any event or circumstance specified in Clause 24 (Events of Default) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default.

Defaulting Lender means any Lender (other than a Lender which is a Sponsor Affiliate):

(a) which has failed to make its participation in a Loan available (or has notified the Agent or the Company (which has notified the Agent) that it will not make its participation in a Loan available) by the Utilisation Date of that Loan in accordance with Clause 5.4 (Lenders' participation);

(b) which has otherwise rescinded or repudiated a Finance Document; or

(c) with respect to which an Insolvency Event has occurred and is continuing,

unless, in the case of paragraph (a) above the Lender is disputing in good faith whether it is contractually obliged to make the payment in question.

Default Level Debt Service Cover Ratio means, on any Interest Payment Date, the ratio of the aggregate of:

(a) Default Level Net Operating Income;

to

(b) Default Level Finance Costs.

Default Level Finance Costs means, on any Interest Payment Date in respect of the Default Level Debt Service Cover Ratio to be tested on that Interest Payment Date, the aggregate amount of all interest and periodic fees which have been, and which are projected to be, paid by each Borrower (other than the French Facility Borrowers) to the Finance Parties under the Finance Documents during the Default Level Measurement Period in relation to that Interest Payment Date taking into account the amount to be received by the Borrowers under any applicable Hedging Agreement.

Default Level Measurement Period means, for the purposes of calculating the Default Level Debt Service Cover Ratio, on any Interest Payment Date either:

(a) the period of twelve Months starting on the date falling six Months prior to the Quarter Day falling immediately prior to that Interest Payment Date; and

(b) if any period referred to in paragraph (a) above would include the Final Repayment Date, the period starting on the date falling six Months prior to the Quarter Day falling immediately prior to that Interest Payment Date and ending on the Final Repayment Date.

Default Level Net Operating Income means, on any Interest Payment Date, the aggregate of:

(a) in respect of the first period of six Months in respect of the Default Level Measurement Period relating to that Interest Payment Date, Net Operating Income actually received by the Obligors in that six month period;

(b) in respect of the second period of six Months in respect of the Default Level Measurement Period relating to that Interest Payment Date, the Company's estimate of projected Net Operating Income to be paid to the Obligors which has been approved by the Agent (acting on the instructions of the Majority Lenders (acting reasonably)) for that six month period based on the following assumptions:

(i) any break clause under any Lease Document will be deemed to be exercised at the earliest date available to the relevant tenant and it will be assumed that that part of that Property shall remain vacant thereafter; unless the premises have been re- let;

(ii) Net Operating Income will be ignored if payable by a tenant that is an Obligor or related to an Obligor or an Affiliate of an Obligor;

(iii) Net Operating Income will be ignored if not payable under an unconditional and binding Lease Document;

(iv) potential Net Operating Income increases as a result of rent reviews will be ignored until unconditionally ascertained; other than where there are fixed rental increases pursuant to the relevant Lease Document or pursuant to notified indexation;

(v) Net Operating Income payable by a tenant that is more than three Months in arrears on any of its rental payments will be ignored unless a guarantor is keeping rent current;

(vi) Net Operating Income will be reduced by the amount of any deduction or withholding for or on account of Tax from that Net Operating Income;

(vii) Net Operating Income will be ignored if payable by a tenant or by a guarantor that is subject to any of the events set out in Clause 24.7 (Insolvency proceedings); and

(viii) any estimate of projected Net Operating Income denominated in sterling will be converted to the Base Currency using the Agent's Spot Rate of Exchange on that Interest Payment Date

notwithstanding paragraph (vii) above, if a tenant is solvent and keeping the payment of rent current and that tenant has an Affiliate acting as guarantor which is subject to any of the events set out in Clause 24.7 (Insolvency proceedings), the Net Operating Income payable by that tenant (to the extent that tenant has paid such rent during the period referred to in paragraph (a) above) shall be included for the first six Months of the Default Level Measurement Period.

Delegate means any delegate, agent, attorney or co- trustee appointed by the Security Agent.

Deposit Account means a Company Deposit Account, a French Facility Borrower Deposit Account or the OPCI Deposit Account.

Disruption Event means either or both of:

(a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facility (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or

(b) the occurrence of any other event which results in a disruption (of a technical or systems- related nature) to the treasury or payments operations of a Party preventing that, or any other Party:

(i) from performing its payment obligations under the Finance Documents; or

(ii) from communicating with other Parties in accordance with the terms of the Finance Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted.

Disposal has the meaning given to that term in Clause 22.4 (Disposals).

Disposal Proceeds means the gross disposal proceeds derived from any Disposal which is permitted pursuant to paragraphs (c) or (d) of Clause 22.4 (Disposals) less an amount determined by the Agent (acting reasonably) as the aggregate of any reasonable costs and expenses and provided no Default is

continuing at the time of the relevant Disposal any Tax incurred and required to be paid by or on behalf of an Obligor, in each case, in relation to that Disposal.

Deposit Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement or sub- division or sub- account of that account.

Dutch Borrower means a Dutch Propco or any Borrower incorporated in the Netherlands or holding Dutch Property.

Dutch Civil Code means the Burgerlijk Wetboek.

Dutch Midco means Trias Pool VIII – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated under the laws of Luxembourg with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, Grand Duchy of Luxembourg, being registered with the Register of Commerce and Companies in Luxembourg under number B 194.842 and having a share capital of EUR 12,500.

Dutch Obligor means an Obligor incorporated under Dutch law.

Dutch Propco means each Propco that will acquire a Dutch Property on the Closing Date in accordance with the terms of the Acquisition Documents.

Dutch Property means a Property listed in Part 1 of Schedule 2 (The Properties).

Dutch Share Capital Funding Amount means an amount equal to €10,000 to be deposited into a Rent Collection Account on or before the Utilisation Date from the proceeds of Subordinated Debt or Equity Contributions for the purposes of funding the share capital of the Dutch Obligors.

Duty of Care Agreement means any duty of care agreement entered into or to be entered into by an Approved Managing Agent, an Approved Asset Manager or Approved Cash Manager, one or more Obligors and the Security Agent in an agreed form.

English Propco means each Propco that will acquire an English Property on the Closing Date in accordance with the terms of the Acquisition Documents.

English Property means the Property listed in Part 2 of Schedule 2 (The Properties).

Environment means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

(a) air (including, without limitation, air within natural or man- made structures, whether above or below ground);

(b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and

(c) land (including, without limitation, land under water).

Environmental Claim means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

Environmental Law means any applicable law or regulation in any Relevant Jurisdiction which relates to:

(a) the pollution or protection of the Environment;

(b) the conditions of the workplace; or

(c) the generation, handling, storage, use, release or spillage of any substance (including, without limitation, any waste or any emission of greenhouse gases) which, alone or in combination with any other, is capable of causing harm to the Environment.

Environmental Permits means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of any Obligor conducted on or from the properties owned or used by any Obligor.

Environmental Report means:

(a) each environmental short form desktop review in respect of each Property issued by Arcadis; and

(b) environmental phase I audit in respect of each Property located in France and in Germany issued by Arcadis,

in each case, as supplied to the Agent as a condition precedent under this Agreement on or before the first Utilisation Date.

Equity Contribution means an amount which is contributed to the Parent in cash by way of capital contribution (other than a capital contribution constituting Financial Indebtedness) or subscription for shares in the Parent (as applicable) and contributed or invested (if required) by the Parent (as applicable) directly or indirectly to the relevant Obligor by way of capital contribution (other than a capital contribution constituting Financial Indebtedness) or subscription for Ownership Interests in the relevant Obligor.

Equity Cure Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

EURIBOR means, in relation to any Loan in euro or Unpaid Sum on which interest for a given period is to accrue:

(a) the applicable Screen Rate as of 11.00 a.m. (Brussels time) for euro on the Quotation Day for a period equal in length to that Interest Period; or

(b) as otherwise determined pursuant to Clause 10.1 (Unavailability of Screen Rate),

and if that rate is less than zero, EURIBOR shall be deemed to be zero.

Event of Default means any event or circumstance specified as such in Clause 24 (Events of Default).

Excluded Recovery Proceeds means any proceeds of a Recovery Claim which the Obligors' Agent notifies the Agent are, or are to be, applied:

(a) to satisfy (or reimburse an Obligor which has discharged) any liability, charge or claim upon an Obligor by a person which is not an Obligor or an Affiliate of an Obligor; or

(b) in the replacement, reinstatement and/or repair of assets of an Obligor which have been lost, destroyed or damaged,

in each case as a result of the events or circumstances giving rise to that Recovery Claim, if those proceeds are so applied as soon as possible (but in any event within 120 days, or such longer period as the Majority Lenders may agree) after receipt.

Existing Account means:

(a) in relation to French Targetco Alésia, an account with CommerzBank AG Succursale de Paris, 23 rue de la Paix, F– 75002, Paris with IBAN number FR7617629000010011912040359;

(b) in relation to French Targetco Alésia, an account with CommerzBank AG Succursale de Paris, 23 rue de la Paix, F–75002, Paris with IBAN number FR7617629000010011912040068;

(c) in relation to French Targetco Joubertco, an account with CommerzBank AG Succursale de Paris, 23 Rue de la Paix, F – 75002, Paris with IBAN number FR7617629000010011912460078;

(d) in relation to French Targetco Jourbertco, an account with CommerzBank AG Succursale de Paris, 23 rue de la Paix, F – 75002, Paris with IBAN number FR7617629000010011912460369;

(e) in relation to French Targetco Marceau, an account with CommerzBank AG Succursale de Paris, 23 rue de la Paix, F – 75002, Paris with IBAN number FR7617629000010011915680381; and

(f) in relation to French Targetco Marceau, an account with CommerzBank AG Succursale de Paris, 23 rue de la Paix, F – 75002, Paris with IBAN number FR7617629000010011915680090.

Existing Debt means as at 8 April 2015:

(a) in relation to French Targetco Alésia, intragroup debt for an amount of €9,168,717.50;

(b) in relation to French Targetco Joubertco, intragroup debt for an amount of € 1,400,868, and banking debt for an amount of € 6.625.309,69, i.e. an aggregate amount of €8,026,177.69; or

(c) in relation to French Targetco Marceau, intragroup debt for an amount of € 15.109.362 and banking debt for an amount of €15,042,755.41, i.e. an aggregate amount of €30,152,117.41.

Existing German Land Charges means, each of the land charges encumbering the German Properties which are listed in the Property Report in respect of the German Properties.

Existing Lender has the meaning given to that term in Clause 25 (Changes to Finance Parties).

Exit Fee has the meaning given to it in a Fee Letter.

Facility means a Primary Facility or a French Facility in each case as the context requires, and Facilities shall be used accordingly.

Facility A means the term loan facility made available under this Agreement, as described in paragraph (a)(i) of Clause 2.1 (The Facilities).

Facility A Borrower means a Borrower listed in Part 1 of Schedule 1 (Original Parties) as a Facility A Borrower.

Facility A Commitment means:

(a) in relation to each Original Facility A Lender, the amount in euro set opposite its name under the heading "Facility A Commitment" in Part 4 of Schedule 1 (Original Parties) and the amount of any other Facility A Commitment transferred to it under this Agreement; and

(b) in relation to any other Facility A Lender, the amount in euro of any Facility A Commitment transferred to it under this Agreement,

to the extent not cancelled, reduced or transferred by it under this Agreement or deemed to be zero pursuant to Clause 25.11 (Disenfranchisement of Sponsor Affiliates).

Facility A Lender means

(a) any Original Facility A Lender; and

(b) any bank, financial institution, trust, fund or other entity which has become a Facility A Lender in accordance with Clause 25 (Changes to Finance Parties),

which in each case has not ceased to be a Facility A Lender in accordance with this Agreement.

Facility A Loan means a loan made under Facility A or the principal amount outstanding for the time being of that Loan.

Facility B means the term loan facility made available under this Agreement, as described in paragraph (a)(ii) of Clause 2.1 (The Facilities).

Facility B Commitment means:

(a) in relation to each Original Facility B Lender, the amount in euro set opposite its name under the heading "Facility B Commitment" in Part 4 of Schedule 1 (Original Parties) and the amount of any other Facility B Commitment transferred to it under this Agreement; and

(b) in relation to any other Facility B Lender, the amount in euro of any Facility B Commitment transferred to it under this Agreement,

to the extent not cancelled, reduced or transferred by it under this Agreement or deemed to be zero pursuant to Clause 25.11 (Disenfranchisement of Sponsor Affiliates).

Facility B Lender means:

(a) any Original Facility B Lender; and

(b) any bank, financial institution, trust, fund or other entity which has become a Facility B Lender in accordance with Clause 25 (Changes to Finance Parties),

which in each case has not ceased to be a Facility B Lender in accordance with this Agreement.

Facility B Loan means the loan made under Facility B or the principal amount outstanding for the time being of that Loan.

Facility C means the term loan facility made available under this Agreement, as described in paragraph (a)(iii) of Clause 2.1 (The Facilities).

Facility C Borrower means a Borrower listed in Part 2 of Schedule 1 (Original Parties) as a Facility C Borrower.

Facility C Commitment means:

(a) in relation to each Original Facility C Lender, the amount in sterling set opposite its name under the heading "Facility C Commitment" in Part 4 of Schedule 1 (Original Parties) and the amount of any other Facility C Commitment transferred to it under this Agreement; and

(b) in relation to any other Facility C Lender, the amount in sterling of any Facility C Commitment transferred to it under this Agreement,

to the extent not cancelled, reduced or transferred by it under this Agreement or deemed to be zero pursuant to Clause 25.11 (Disenfranchisement of Sponsor Affiliates).

Facility C Lender means

(a) any Original Facility C Lender; and

(b) any bank, financial institution, trust, fund or other entity which has become a Facility C Lender in accordance with Clause 25 (Changes to Finance Parties),

which in each case has not ceased to be a Facility C Lender in accordance with this Agreement.

Facility C Loan means a loan made under Facility C or the principal amount outstanding for the time being of that Loan.

Facility Office means the office or offices notified by a Lender to the Agent in writing on or before the date it becomes a Lender (or, following that date, by not less than five Business Days' written notice) as the office or offices through which it will perform its obligations under this Agreement and the French Term Loan Agreements.

FATCA means:

(a) sections 1471 to 1474 of the Code or any associated regulations;

(b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or

(c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

FATCA Application Date means:

(a) in relation to a **withholdable payment** described in section 1473(1)(A)(i) of the Code (which relates to payments of interest and certain other payments from sources within the US), 1 July 2014;

(b) in relation to a **withholdable payment** described in section 1473(1)(A)(ii) of the Code (which relates to "gross proceeds" from the disposition of property of a type that can produce interest from sources within the US), 1 January 2017; or

(c) in relation to a **passthru payment** described in section 1471(d)(7) of the Code not falling within paragraphs (a) or (b) above, 1 January 2017,

or, in each case, such other date from which such payment may become subject to a deduction or withholding required by FATCA as a result of any change in FATCA after the date of this Agreement.

FATCA Deduction means a deduction or withholding from a payment under a Finance Document required by FATCA.

FATCA Exempt Party means a Party that is entitled to receive payments free from any FATCA Deduction.

Fee Letter means any letter or letters dated on or about the date of this Agreement between any of the Arranger, the Agent or the Security Agent and the Company setting out any of the fees referred to in Clause 11 (Fees).

Final Repayment Date means the fifth anniversary of the first Utilisation Date.

Finance Document means this Agreement, any Security Document, any Guarantor Accession Deed, the Subordination Agreement, any Subordination Accession Letter, each Margin Letter, any Duty of Care Agreement, any Fee Letter, each Assignment Agreement (other than for the purposes of Clause 12.1 (Tax Definitions) or Clause 12.2 (Tax gross- up)), any Resignation Letter, each Utilisation Request, each Hedging Agreement, each French Term Loan Agreement, any Account Control Agreement or any other document designated as such by the Agent and the Obligors' Agent.

Finance Party means the Agent, the Security Agent, the Arranger, a Lender and (following the Required Counterparty Amendments) a Swap Counterparty.

Financial Indebtedness means any indebtedness for or in respect of:

(a) moneys borrowed;

(b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Principles be treated as a finance or capital lease;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non- recourse basis);
(f) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;
(g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or closeout of that derivative transaction, that amount shall be taken into account);
(h) any counter- indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
(i) any amount raised by the issue of redeemable shares which may be redeemable on or before the date falling six Months after the Final Repayment Date;
(j) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (i) above.

Financial Quarter means each three calendar month period ending respectively on each Quarter Day.

Fitch means Fitch Ratings Ltd.

France means the Republic of France.

French Commercial Code means the Code de commerce.

French Facility means French Facility A, French Facility B, French Facility C or French Facility D.

French Facility A means the French facility made available under the French Term Loan Agreement A, as described in Clause 2.1 (The Facilities).

French Facility B means the French facility made available under the French Term Loan Agreement B, as described in Clause 2.1 (The Facilities).

French Facility Borrower means the French Propco and the Targetcos.

French Facility Borrower Deposit Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

French Facility Borrower Reserve Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

French Facility C means the French facility made available under the French Term Loan Agreement C, as described in Clause 2.1 (The Facilities).

French Facility D means the French facility made available under the French Term Loan Agreement D, as described in Clause 2.1 (The Facilities).

French Facility Commitment means:

(a) in relation to the Original French Facility Lender, the amount set opposite its name under the heading "French Facility Commitment" in Part 4 of Schedule 1 (Original Parties) and the amount of any other French Facility Commitment transferred to it under this Agreement and a French Term Loan Agreement; and

(b) in relation to any New Lender (which is a French Facility Lender), the amount of any French Facility Commitment transferred to it under this Agreement and a French Term Loan Agreement,

to the extent not cancelled, reduced or transferred by it under this Agreement and the French Term Loan Agreement or deemed to be zero pursuant to Clause 25.11 (Disenfranchisement of Sponsor Affiliates).

French Facility Lender means:

(a) the Original French Facility Lender; and

(b) any bank, financial institution, trust, fund or other entity which has become a French Facility Lender in accordance with Clause 25 (Changes to Finance Parties),

which in each case has not ceased to be a French Facility Lender in accordance with this Agreement.

French Facility Loan means any loan made under a French Facility or the principal amount outstanding for the time being of that loan.

French Guarantor means each French Facility Borrower and the OPCI.

French Mandatory Prepayment Shortfall Amount means, in respect of any mandatory prepayment referred to in Clause 7.4 (Mandatory prepayment) made by a French Obligor, an amount equal to:

(a) (i) the Insurance Prepayment Proceeds, (ii) the Compensation Prepayment Proceeds, (iii) the Recovery Prepayment Proceeds or (iv) the Disposal Proceeds, as applicable, received by that French Obligor which, if such amounts had been received by any other Obligor (other than a French Obligor), would have been required to have been applied by such Obligor in prepayment of the Loans in accordance with paragraphs (a) to (c) of Clause 7.6 (Application of Mandatory prepayments); less

(b) the amount paid by that French Obligor in accordance with Clause 7.6 (Application of mandatory prepayments) on the relevant date of prepayment.

French Monetary and Financial Code means the Code monétaire et financier.

French Obligor means an Obligor incorporated under French law.

French Propco means SCI Trias FRA Marly – T a société civile immobilière incorporated under the laws of France, with its registered office at 4 Place de la Défense, La Défense 4, 92974 Paris La Défense Cedex, registered with the Trade and Companies Registry (Registre du Commerce et des Sociétés) of Nanterre under number 809 608 912 that will acquire the French Property on the Closing Date in accordance with the terms of the Acquisition Documents.

French Property means the Property listed in Part 4 of Schedule 2 (The Properties).

French Targetco Alésia means SAS 121 Rue d'Alésia a société par actions simplifiée incorporated under the laws of France, with its registered office at 4 Place de la Défense, La Défense 4, 92974 Paris La Défense Cedex, registered with the Trade and Companies Registry (Registre du Commerce et des Sociétés) of Nanterre under number 478 124 720.
French Targetco Joubert means SAS 20 Rue Joubert a société par actions simplifiée incorporated under the laws of France, with its registered office at 4 Place de la Défense, La Défense 4, 92974 Paris La Défense Cedex, registered with the Trade and Companies Registry (Registre du Commerce et des Sociétés) of Nanterre under number 444 549 794.
French Targetco Marceau means SAS 58 Avenue Marceau a société par actions simplifiée incorporated under the laws of France, with its registered office at 4 Place de la Défense, La Défense 4, 92974 Paris La Défense Cedex, registered with the Trade and Companies Registry (Registre du Commerce et des Sociétés) of Nanterre under number 484 237 573.
French Term Loan Agreement means French Term Loan A Agreement, French Term Loan B Agreement, French Term Loan C Agreement or French Term Loan D Agreement.
French Term Loan A Agreement means the loan and mortgage agreement governed by French law dated on or about the date of this Agreement as a notary deed (acte authentique) before Victor de Verthamon, French notaire, according to which the Original French Facility Lender will grant the French Facility A to the French Propco and the French Propco will create a Lender's Lien over the French Property in favour of the Original French Facility Lender.
French Term Loan B Agreement means the loan and mortgage agreement governed by French law dated on or about the date of this Agreement as a notary deed (acte authentique) before Victor de Verthamon, French notaire, according to which the Original French Facility Lender will grant the French Facility B to the French Targetco Joubert and it will create Security over the relevant French Property in favour of the Original French Facility Lender.
French Term Loan C Agreement means the loan and mortgage agreement governed by French law dated on or about the date of this Agreement as a notary deed (acte authentique) before Victor de Verthamon, French notaire, according to which the Original French Facility Lender will grant the French Facility C to French Targetco Marceau and it will create Security over the relevant French Property in favour of the Original French Facility Lender.
French Term Loan D Agreement means the loan and mortgage agreement governed by French law dated on or about the date of this Agreement as a notary deed (acte authentique) before Victor de Verthamon, French notaire, according to which the Original French Facility Lender will grant the French Facility D to French Targetco Alésia and it will create Security over the relevant French Property in favour of the Original French Facility Lender.
Funding Rate means any individual rate notified by a Lender to the Agent pursuant to paragraph (a)(ii) of Clause 10.4 (Cost of funds).
Funds Flow means a funds flow statement prepared by the Company detailing and showing the anticipated flow of funds in respect of the Loans and French Term Loans at Completion delivered on or prior to the first Utilisation Date pursuant to Part 1 of Schedule 3 (Conditions Precedent and Conditions Subsequent).

General Account means a PropCo General Account, a Midco General Account, a Company General Account or an OPCI General Account.

German Borrower means a German Propco.

German Land Charge means an immediately enforceable single certificated land charge (sofort vollstreckbare Einzelbriefgrundschuld) or any immediately enforceable comprehensive land charge (sofort vollstreckbare Gesamtbriefgrundschuld), in each case in the agreed form and granted in respect of a German Property in favour of the Security Agent in the agreed amount (plus in rem interest of 16 per cent. per. annum. and 10 per cent. one- time ancillary payment (einmalige Nebenleistung)), together with an immediately enforceable (sofort vollstreckbare) assumption of personal liability (persönliche Haftungsübernahme) in the form of an abstract acknowledgement of debt (abstraktes Schuldversprechen) in the same amount (plus in rem interest and one- time ancillary payment), and including an assignment of any claims for restitution (Rückgewähransprüche) in respect of prior- or equal- ranking land charges/mortgages (vor- oder gleichrangige Grundpfandrechte).

German Land Register means, in relation to a German Property, the applicable official register (Grundbuch or Erbbaugrundbuch, respectively) held by the land registry (Grundbuchamt) in which, inter alia, the rights of ownership in, and the encumbrances on, a plot of land are recorded.

German Land Charge Deed means a notarial deed (Grundschuldbestellungsurkunde) under which a German Land Charge is granted.

German Midco means Trias Pool I – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated under the laws of Luxembourg with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, Grand Duchy of Luxembourg, being registered with the Register of Commerce and Companies in Luxembourg under number B 193.460 and having a share capital of EUR 12,500.

German Propco means each Propco that has acquired a German Property in accordance with the terms of the Acquisition Documents.

German Property means a property (including co- ownership (Miteigentum) and fractional ownership (Bruchteilseigentum)) listed in Part 5 of Schedule 2 (The Properties) as described in a Security Document and, where the context so requires, includes the buildings on that German Property.

Government Official means:

(a) an employee, officer or representative of any non- US national government, political subdivision thereof, or local jurisdiction therein, a non- US government agency, instrumentality of a government agency or civilian or military government agency, or a non- US government- owned/government- controlled association, organisation or enterprise;

(b) a non- US legislative, administrative or judicial official, regardless of whether elected or appointed;

(c) an officer or individual who holds a position in a non- US political party;

(d) a candidate for political office outside of the US; or

(e) an officer or employee of a supra- national organisation (including without limitation, the World Bank, United Nations, International Monetary Fund, Organisation for Economic Cooperation and Development).

Group means the Parent and its Subsidiaries from time to time.

Group Structure Chart means the structure chart showing the ultimate beneficial ownership of the shares in each Obligor, each Property and each Target and any Subordinated Debt at the Closing Date (for the avoidance of doubt, excluding the Additional German Propco and the Additional Property) delivered on or prior to the first Utilisation Date pursuant to Part 1 of Schedule 3 (Conditions Precedent and Conditions Subsequent).

Guarantor means an Original Guarantor or any Additional Guarantor unless, in each case (other than in the case of the Company), it has ceased to be a Guarantor in accordance with Clause 26.5 (Resignation of a Guarantor).

Guarantor Accession Deed means a document substantially in the form set out in Schedule 8 (Form of Obligor Accession Deed).

Headlease means a lease under which a Propco holds title to the whole or any part of a Property.

Hedging Agreement means any master agreement, schedule, credit support annex or transaction confirmation in respect thereof, or other agreement entered into between a Borrower (or the Obligors' Agent on behalf of a Borrower) and a Counterparty for the purpose of hedging interest payable in respect of the Loans under the terms of this Agreement.

Holding Company means, in relation to a person, any other person in respect of which it is a Subsidiary.

IFRS means international accounting standards within the meaning of the IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

Impaired Agent means the Agent at any time when:

(a) it has failed to make (or has notified a Party that it will not make) a payment required to be made by it under the Finance Documents by the due date for payment;

(b) the Agent otherwise rescinds or repudiates a Finance Document;

(c) (if the Agent is also a Lender) it is a Defaulting Lender under paragraph (a), (b) or (c) of the definition of "Defaulting Lender"; or

(d) an Insolvency Event has occurred and is continuing with respect to the Agent;

unless, in the case of paragraph (a) above:

(e) its failure to pay is caused by:

(A) administrative or technical error; or

(B) a Disruption Event; and

payment is made within 3 Business Days of its due date; or

(f) the Agent is disputing in good faith whether it is contractually obliged to make the payment in question.

Initial Account Bank means:

(a) in respect of each Account (other than an Account of the OPCI), Bank of America, N. A.; and

(b) in respect of each Account of the OPCI located in France, Société Générale.

Initial Asset Manager means:

(a) in respect of each German Property, Corpus Sireo Asset Management Commercial GmbH;

(b) in respect of the Dutch Properties, Internos;

(c) in respect of the English Property, and the Scottish Property, Internos; and

(d) in respect of the French Properties, Internos.

Initial Business Plan means the Business Plan delivered on or prior to the first Utilisation Date pursuant to Part 1 of Schedule 3 (Conditions Precedent and Conditions Subsequent).

Initial Cash Manager means Internos.

Initial Managing Agent means

(a) in respect of the Dutch Properties, CBRE B.V.;

(b) in respect of the English Property and the Scottish Property, Savills (UK) Limited;

(c) in respect of the French Properties, Cushman&Wakefield SAS and BNP Parisbas Real Estate Property Management France SAS;

(d) in respect of the German Properties, STRABAG Property and Facility Services GmbH, Jones Lang LaSalle GmbH and Tectareal Property Management GmbH.

Initial Projected Net Operating Income means Projected Net Operating Income calculated on the first Utilisation Date.

Initial Valuation means the Valuation of the Properties supplied to the Agent as a condition precedent under this Agreement on or before the first Utilisation Date.

Insolvency Event in relation to an entity means that the entity:

(a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

(b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;

(c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;

(d) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its

incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding- up or liquidation by it or such regulator, supervisor or similar official;

(e) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding- up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:

(i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding- up or liquidation; or

(ii) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;

(f) has a resolution passed for its winding- up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(g) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets (other than, for so long as it is required by law or regulation not to be publicly disclosed, any such appointment which is to be made, or is made, by a person or entity described in paragraph (d) above);

(h) has a secured party take possession of all or substantially all its assets or has a distress, diligence, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;

(i) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (h) above; or

(j) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

Insurance Prepayment Proceeds means any proceeds of Insurances required to be paid into the relevant Deposit Account in accordance with paragraph (i) of Clause 23.12 (Insurances).

Insurances means any contract of insurance required under Clause 23.12 (Insurances).

Intercompany Loan means any intercompany loan, in each case made pursuant to a Subordinated Debt Document.

Interest Payment Date means 20 January, 20 April, 20 July and 20 October in each year and the Final Repayment Date provided that the first Interest Payment Date is not earlier than the date falling three Months after and including the first Utilisation Date.

Interest Period means, in relation to a Loan, each period determined in accordance with Clause 9 (Interest Periods) and, in relation to an Unpaid Sum, each period determined in accordance with Clause 8.4 (Default interest).

Internos means Internos Global Investors Limited, a private company limited by shares incorporated in England and Wales with number 05948858 and whose registered office is at 65 Grosvenor Street, London W1K 3JH.

Interpolated Screen Rate means, in relation to EURIBOR or LIBOR (as applicable) for a Loan, the rate (rounded to the same number of decimal places as the two relevant Screen Rates) which results from interpolating on a linear basis between:

(a) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of that Loan; and

(b) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan,

each as of the Specified Time for the currency of that Loan.

ISDA Master Agreement means a 1992 ISDA Master Agreement or a 2002 ISDA Master Agreement.

ITA means the Income Tax Act 2007.

Joubert Shareholder Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

Lease Document means:

(a) an Agreement for Lease;

(b) an Occupational Lease; or

(c) any other document designated as such by the Agent and the Obligors' Agent.

Lease Prepayment Proceeds means any premium, reverse premium or other amount paid to an Obligor in respect of any agreement to amend, supplement, extend, waive, surrender or release a Lease Document in excess of €100,000 (or its currency equivalent) and in connection with such payment all or part of a Property is vacated.

Legal Reservations means:

(a) the principle that equitable or discretionary remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;

(b) the time barring of claims under the Limitation Acts, the possibility that an undertaking to assume liability for or indemnify a person against non- payment of UK stamp duty may be void and defences of set- off or counterclaim;

(c) the limitation of the enforcement of the terms of leases of real property by laws of general application to those leases;

(d) similar principles, rights, remedies and defences under the laws of any Relevant Jurisdiction; and

(e) any other matters which are set out as qualifications or reservations as to matters of law of general application in any legal opinions supplied to the Agent as a condition precedent under this Agreement on or before the first Utilisation Date or otherwise provided to the Agent in connection with the accession of an Additional Guarantor.

Lender means a Facility A Lender, a Facility B Lender, a Facility C Lender or a French Facility Lender.

Lender's Lien means the lien (privilège de prêteur de deniers) established pursuant to article 2374- 2 of the French Civil Code for the benefit of the Original French Facility Lender under the French Term Loan A Agreement.

LIBOR means, in relation to a Loan:

(a) the applicable Screen Rate as of the Specified Time for sterling and for a period equal in length to the Interest Period of that Loan; or

(b) as otherwise determined pursuant to Clause 10.1 (Unavailability of Screen Rate),

and if, in either case, that rate is less than zero, LIBOR shall be deemed to be zero.

Limitation Acts means the Limitation Act 1980, the Foreign Limitation Periods Act 1984 and the Prescription and Limitation (Scotland) Act 1973.

Loan means a loan made or to be made under any Facility or the principal amount outstanding for the time being of that loan.

Loan to Value means, as at any Interest Payment Date, the ratio (expressed as a percentage) of the aggregate amount of the Net Debt outstanding on that Interest Payment Date to the aggregate Market Value of the Properties at that time (as determined in accordance with the most recent Valuation at that time).

Local Acquisition Agreement means:

(a) in respect of the Dutch Properties, the sale and purchase agreement dated 12 December 2014 enclosed as Schedule IV to the Master Acquisition Agreement and made, among others, between the Company and INTERNOS Spezialfondsgesellschaft mbH;

(b) in respect of the English Properties, the sale and purchase agreement dated 12 December 2014 enclosed as Schedule V to the Master Acquisition Agreement and made, among others, between the Company, IVG Institutional Funds GmbH and INTERNOS Spezialfondsgesellschaft mbH;

(c) in respect of the Scottish Properties, the sale and purchase agreement dated 12 December 2014 enclosed as Schedule X to the Master Acquisition Agreement and made, among others, between the Company, IVG Institutional Funds GmbH and INTERNOS Spezialfondsgesellschaft mbH;

(d) in respect of the French Property, the sale and purchase agreement dated 12 December 2014 enclosed as Schedule VI to the Master Acquisition Agreement and made, among others, between the Company and INTERNOS Spezialfondsgesellschaft mbH;

(e) in respect of French Targetco Joubert, the sale and purchase agreement dated 12 December 2014 enclosed as Schedule VII- A to the Master Acquisition Agreement and made, among others, between the Company and IVG Institutional Funds GmbH;

(f) in respect of French Targetco Alésia, the sale and purchase agreement dated 12 December 2014 enclosed as Schedule VII- B to the Master Acquisition Agreement and made, among others, between the Company and IVG Institutional Funds GmbH;

(g) in respect of French Targetco Marceau, the sale and purchase agreement dated 12 December 2014 enclosed as Schedule VII- C to the Master Acquisition Agreement and made, among others, between the Company and IVG Institutional Funds GmbH; and

(h) in respect of the German Properties, the sale and purchase agreement dated 19 December 2014 enclosed as Exhibit G to the Master Acquisition Agreement and made, among others, between the Company, IVG Institutional Funds GmbH, PMG - Property Management GmbH and Via Bensi S.r.l.

Luxembourg means the Grand- Duchy of Luxembourg.

Luxembourg Guarantor means a Guarantor incorporated under the laws of Luxembourg.

Luxembourg Obligor means an Obligor incorporated under the laws of Luxembourg.

Majority Lenders means, at any time, a Lender or Lenders:

(a) whose participation in the outstanding Loans then aggregate equal to or more than 66 % of all Loans then outstanding;

(b) if there is no Loan then outstanding, whose undrawn Commitments then aggregate equal to or more than 66 % of the Total Commitments;

(c) or, if there is no Loan then outstanding and the Total Commitments have been reduced to zero, whose Commitments aggregated more than 66 % of the Total Commitments immediately prior to the reduction,

provided that for the purpose of this definition, the amount of any Commitment or Loan to be taken into account shall be its relevant Base Currency Amount.

Marceau Shareholder Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

Margin has the meaning given to it in Clause 8.1 (Calculation of interest).

Margin Letter means each margin letter between:

(a) the Agent, the Company and a Lender; and

(b) the Agent, each French Facility Borrower and the Original French Facility Lender under a French Term Loan Agreement.

Market Value means the current market value of the relevant Property determined by the Valuer and with such Valuation being carried out on a market value basis as defined in the then current Royal

Institution of Chartered Surveyors' Appraisal and Valuation Standards (in association with the Institute of Revenue Rating and Valuation) and, upon request by the Agent, section 194 of the German Federal Building Code (Baugesetzbuch) and calculated in accordance with the German Ordinance on the Valuation of Real Estate (Immobilienwertevermittlungsverordnung) or in each case its successors.

Master Acquisition Agreement means the master sale and purchase agreement dated 19 December 2014 (Roll of Notarial Deeds No. 234/2014 of notary public Dr. Hinrich Thieme with his office in Frankfurt a.M. Germany) as amended on 12 February 2015 and as further amended from time to time, between, among others, the Company and the Vendors for the sale and purchase of the Properties and the Targetcos.

Material Adverse Effect means an event of circumstance which, in the Lenders' opinion (acting reasonably), has a material adverse effect on:

(a) the consolidated business, property or financial condition of the Group taken as a whole;

(b) the ability of the Obligors (taken as a whole) to perform their payment obligations under the Finance Documents;

(c) subject to the Legal Reservations and the Perfection Requirements, the validity or enforceability of, or the effectiveness or ranking of any Security granted or purporting to be granted pursuant to any of, the Finance Documents; or

(d) subject to the Legal Reservations and Perfection Requirements, any rights or remedies of any Finance Party under any of the Finance Documents.

MidCo means the Original Facility B Borrower, the German Midco, the UK Midco and the Dutch Midco.

Month means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

(a) (subject to paragraph (c) below) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;

(b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and

(c) if an Interest Period begins on the last Business Day of a calendar month, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end.

The above rules will only apply to the last Month of any period.

Moody's means Moody's Investor Service Limited and any successor to its rating business.

Net Debt means the aggregate principal outstanding balance of the Loans (other than, the French Facility Loans) less an amount equal to (without any double counting):

(a) the amount standing to the credit of the Deposit Accounts (other than any amount standing to the credit of the Deposit Account which represents Lease Prepayment Proceeds);

(b) the amount standing to the credit of each Equity Cure Account; and
(c) the amount standing to the credit of the Reserve Accounts.

Net Rental Income means Rental Income in respect of a Property after deducting (without double counting):
(a) all Tenant Contributions in relation to that Property;
(b) all void and non- recoverable Service Charge Expenses in relation to that Property;
(c) any sum representing any VAT chargeable in respect of Rental Income; and
(d) any ground rent or other payment due under any Headlease.

Net Operating Income means the amount of Rental Income minus (without double counting) Operating Expenses including for the avoidance of doubt in respect of:
(a) rates and insurance premia for that period;
(b) costs and expenses incurred in complying with applicable laws and regulations relating to a Property;
(c) reasonable property management, maintenance, insurance, repair or similar fees, costs and expenses in relation to a Property (as envisaged by the Business Plan); and
(d) any amount in respect of or which represents VAT,

to the extent that any of those items are not funded by the tenants, by way of Tenant Contributions or otherwise, under the Lease Documents).

New Lender includes a new French Facility Lender and has the meaning given to that term in Clause 25 (Changes to Finance Parties).

New Sponsor means NorthStar Realty Europe Corporation.

Non- Consenting Lender has the meaning given to it in Clasue 38.7 (Replacement Lender).

Non- Cooperative Jurisdiction means a "non- cooperative state or territory" (Etat ou territoire noncoopératif) as set out in the list referred to in Article 238- 0 A of the French tax code (code general des impôts), as such list may be amended from time to time.

Non- French Total Commitment means the Total Commitment less the French Facility Commitment.

Notifiable Debt Purchase Transaction has the meaning given to that term in paragraph (b) of Clause 25.11 (Disenfranchisement of Sponsor Affiliates).

Obligor means a Borrower or a Guarantor.

Obligors' Agent means the Company appointed to act on behalf of each Obligor in relation to the Finance Documents pursuant to Clause 2.4 (Obligors' Agent).

Occupational Lease means any lease or licence or other right of occupation or right to receive rent to which a Property may at any time be subject and includes any guarantee of a tenant's obligations under the same.
OFAC means the Office of Foreign Assets Control of the United States Department of Treasury.
OPCI means Trias OPCI an organisme de placement collectif immobilier (société de placement à preponderance immobilière à capital variable) set up as a société par actions simplifiée incorporated under the laws of France, with its registered office at, c/o Swiss Life REIM (France), 13 Avenue de l'Opéra 75001 Paris, France, registered with the Trade and Companies Registry (Registre du Commerce et des Sociétés) of Paris under number 810339671.
OPCI Deposit Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.
OPCI General Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.
OPCI Shareholder Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.
Operating Expenses means:
(a) all Service Charge Expenses; and
(b) any sum representing any VAT chargeable in respect of Rental Income.
Original Borrower means the Facility A Borrower, Facility B Borrower or Facility C Borrower.
Original Facility A Lender means a Lender listed in Part 4 of Schedule 1 (Original Parties) as lending a Facility A Commitment.
Original Facility B Lender means a Lender listed in Part 4of Schedule 1 (Original Parties) as lending a Facility B Commitment.
Original Facility C Lender means a Lender listed in Part 4 of Schedule 1 (Original Parties) as lending a Facility C Commitment.
Original Financial Statements means in relation to:
(a) the Company and each Original Guarantor, its pro forma profit and loss accounts and balance sheet for the period since its formation; and
(b) each other Additional Guarantor, its unaudited (or, if available audited) financial statements for its latest financial year for which financial statements have been prepared.
Original French Facility Lender means Trias Pool III – TLP S.C.A., a partnership limited by shares (société en commandite par actions) incorporated under the laws of Luxembourg with its registered office at 6A, route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg, in the course of being registered with the Register of Commerce and Companies in Luxembourg and having a share capital of EUR 31,000.

Original Jurisdiction means, in relation to any Obligor, the jurisdiction under whose laws that Obligor is incorporated or formed as at the date of this Agreement.
Original Obligor means the Original Borrowers or the Original Guarantors.
Original Property means a Property listed in Part 6 of Schedule 2 (The Properties).
Original Sponsor means NorthStar Realty Finance Corporation.
Ownership Interests means any shares, units in any unit trust or partnership interest in any Obligor.
Participating Member State means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.
Party means a party to this Agreement.
Perfection Requirements means:

(a) the delivery of all certificates of title to securities which are the subject of Transaction Security to the Security Agent, together with signed but otherwise undated transfer forms, undated dividend mandates, undated director's letters of resignation, authorities to date and notices and acknowledgements duly executed in the form required pursuant to each Security Document; and

(b) the making or the procuring of registrations, filings, endorsements, notarisations, translations, stampings, notifications, acknowledgements and/or acceptances of the Finance Documents (and/or the Security created thereunder) necessary for the validity, enforceability (as against the relevant Transaction Obligor as well as any third party) and/or perfection thereof.

Permitted Capex means any reasonable construction, alterations or additions, development or other similar operations (**capex works**):

(a) which are contemplated by the terms of the Business Plan or any updated Business Plan which has been delivered to the Agent in accordance with Clause 20.8 (Business Plan); or

(b) required pursuant to the terms of any Lease Document or to comply with any law or regulation,

provided that: (i) the cost of such capex works is funded from monies standing to the credit of a General Account, from the proceeds of Subordinated Debt or Equity Contributions or from amounts standing to the credit of the Rent Accounts in accordance with paragraph (d)(vii) of Clause 17.4 (Rent Accounts); and (ii) if the projected cost of any capex works exceeds €2,500,000 (or its currency equivalent), the Agent (acting on instructions of the Majority Lenders (acting reasonably)) must have received evidence in form and substance satisfactory to it prior to the commencement of such capex works that the Group has sufficient funds available to meet its liabilities under the relevant capex works (including any related cost overruns).
Permitted Encumbrance means in respect of a German Property:

(a) any encumbrance, easement or other agreement or arrangement having similar effect which is registered in section II of the German Land Register (Abteilung II) after the date of the relevant land register extracts used for the Property Report in respect of that German Property and:

(i) is subordinated in ranking to the German Land Charge encumbering that German Property; or

(ii) (A) does not materially adversely affect (I) the value of that German Property (nicht wertmindernde Belastungen) and (II) the eligibility of the Loan and/or any German land charge and/or any other Transaction Security charging any Property to be registered in the cover pool of a Lender (Deckungsstockfähigkeit); or

(B) such encumbrance is a priority notice of conveyance in connection with a Permitted Property Disposal in respect of that German Property, provided that any such Permitted Property Disposal is completed within six Months of the date of registration of such priority notice;

and

(b) in case of a tenant easement, that easement complies with the criteria for tenant easements set forth by the committee for tenant easements (Arbeitskreis Mieterdienstbarkeiten) of the German association of Pfandbrief banks (Deutscher Pfandbriefbanken) in its publication as of 30 July 2008 (Az. 6.410), as amended from time to time (including without limitation the specification (and due registration) of a maximum amount (Höchstbetrag) for the value of such easement of not more than EUR25,000;

and

(c) any encumbrance, easement or other agreement or arrangement having similar effect which exists on the first Utilisation Date, is registered in section II of the German Land Register (Abteilung II des Grundbuchs) and is disclosed in the Property Report in respect of the German Properties.

Permitted OPCI Distribution means:

(a) any distribution of cash required to be made by the OPCI to the Facility B Borrower (as shareholder of the OPCI) pursuant to Article L.214- 69 of the French Monetary and Financial Code; or

(b) any distributions of cash required to be made by French Targetco Joubert to the OPCI as its shareholder to benefit from the tax regime provided under Article 208 C of the French Tax Code; or

(c) any distributions of cash which French Propco is required to make to enable the OPCI to comply with its distribution requirements vis- à- vis the Facility B Borrower (as shareholder of the OPCI) pursuant to Article L.214- 69 of the French Monetary and Financial Code,

provided in each case, that the amount of such distribution is not greater than the amount necessary to comply with the regime provided by Articles L- 214- 33 and seq. of the French Monetary and Financial Code for the French Propco and the OPCI or the tax regime provided under Article 208 C of the French Tax Code for the French Targetco Joubert.

Permitted Payment means:

(a) the payment of a dividend, distribution of share premium reserve, return of capital, repayment of capital, contribution or other distribution, redemption, repurchase, defeasement, retirement, reduction, or payment in respect of share capital or payments in respect of Subordinated Debt made by the Company from its General Account in accordance with this Agreement provided that at the time such payment, distribution, redemption, repurchase, defeasement, retirement or reduction is made no Default is continuing, no Cash Trap Event is continuing and no Default or Cash Trap Event would occur as a result of the payment, distribution, redemption, repurchase, defeasement, retirement or reduction;

(b) any payment (including any Permitted OPCI Distribution) made by an Obligor to another Obligor consistent with the terms of this Agreement.

Permitted Disposal means any disposal by an Obligor of a Property or of any of its Ownership Interests in an Obligor made in accordance with paragraph (c) or paragraph (d) of Clause 22.4 (Disposals).

Permitted Security means Security which is permitted in accordance with Clause 22.3 (Negative pledge).

Permitted Share Issue means any issue of Ownership Interests by a member of the Group which is a Subsidiary to its immediate Holding Company where (if the existing Ownership Interests of the Subsidiary are the subject of the Transaction Security) the newly- issued Ownership Interests also become subject to the Transaction Security on the same terms.

Primary Facility means a Facility A, a Facility B or a Facility C.

Prohibited Payment means a contribution, payment or gift or otherwise providing any other thing of value to, or for the private use of, any Government Official for the purpose of:

(a) influencing any acts or decision of a Government Official in his/her official capacity;

(b) inducing such Government Official to do or omit to do any act in violation of the lawful duty of such Government Official;

(c) securing any improper advantage in connection with, or in any way relating to, the obtaining of any governmental authorisation or approval; or

(d) directing, obtaining or retaining of any business with respect to the activities to which the Loans relate.

Propco means each Obligor or person that becomes or will become an Additional Obligor under this Agreement that owns or, will own a Property pursuant to the terms of this Agreement.

Propco General Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

Property means:

(a) each German Property;

(b) each other property described in Schedule 2 (The Properties); and

(c) any other present or future freehold and leasehold property and any other interest in land or buildings and all rights relating thereto in which an Obligor has an interest from time to time (including, in respect of properties located in the Netherlands, by way of a right of superficies or an apartment right),

but any such property shall cease to be included in this definition if an Obligor has disposed of that property in accordance with Clause 22.4 (Disposals) and that property has been irrevocably released from the Transaction Security.

Property Protection Loan means a loan made by a Lender to a Borrower to finance:

(a) the payment of rent, ground rent or any other amount, or any cost or expense, under or in connection with a Headlease;

(b) the payment of any premium for insurance, or any cost or expense required to keep any insurance in force, in accordance with this Agreement; or

(c) the payment of any amount which, in the opinion of the Lender concerned, is required to preserve or protect any Security Asset or is necessary to avoid a material adverse effect on the value of, or income generated by, any Property,

in circumstances where an Obligor is obliged under a Finance Document but has failed to pay the relevant amount.

Property Report means in respect of any Property, any certificate of or report on title supplied to the Agent as a condition precedent or otherwise under this Agreement on or before the first Utilisation Date.

Qualifying Lender has the meaning given to it in Clause 12 (Tax Gross- Up and Indemnities).

Quarter Day means 31 March, 30 June, 30 September and 31 December in any year.

Quotation Day means, in relation to any period for which an interest rate is to be determined:

(a) for Facility A Loans, Facility B Loans and a loan under the French Facility the first day of that period; or

(b) for Facility C Loans, two TARGET Days before the first day of that period,

unless, in either case, market practice differs in the Relevant Market for that currency, in which case the Quotation Day for that currency will be determined by the Agent in accordance with market practice in the Relevant Market (and if quotations would normally be given on more than one day, the Quotation Day will be the last of those days).

Rating Agencies means Fitch, Moody's, S&P, or any other credit rating agency from time to time approved by the Agent, and in each case includes any successors to its respective rating business.

Receiver means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets.

Recovery Prepayment Proceeds means the proceeds of a claim (a **Recovery Claim**) against:

(a) the Vendors under the Acquisition Agreements (or any employee, officer or adviser); or

(b) the provider of any Report or the provider of any other due diligence report (in its capacity as provider of the same) in connection with the Acquisitions,

except for Excluded Recovery Proceeds, and after deducting:

(i) any reasonable expenses incurred by or on behalf of an Obligor to a person who is not an Obligor or an Affiliate of an Obligor;

(ii) any Tax incurred and required to be paid by or on behalf of an Obligor (as reasonably determined by that Obligor on the basis of existing rates and taking into account any available credit, deduction or allowance),

in each case in relation to that Recovery Claim.

Reference Bank Quotation means any quotation supplied to the Agent by a Reference Bank.

Reference Bank Rate means the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Agent at its request by the Reference Banks:

(a) in relation to LIBOR:

(i) (other than where sub- paragraph (ii) below applies) as the rate at which the relevant Reference Bank could borrow funds in the London interbank market in sterling for the relevant period were it to do so by asking for and then accepting interbank offers for deposits in reasonable market size in that currency and for that period; or

(ii) if different, as the rate (if any and applied to the relevant Reference Bank and the relevant currency and period) which contributors to the Screen Rate are asked to submit to the relevant administrator; or

(b) in relation to EURIBOR:

(i) (other than where sub- paragraph (ii) below applies) as the rate at which the relevant Reference Bank believes one prime bank is quoting to another prime bank for interbank term deposits in euro within the Participating Member States for the relevant period; or

(ii) if different, as the rate (if any and applied to the relevant Reference Bank and the relevant period) which contributors to the applicable Screen Rate are asked to submit to the relevant administrator.

Reference Banks means such banks as may be appointed by the Agent in consultation with the Obligors' Agent.

Regulation has the meaning given to such term in Clause 19.20 (Centre of main interests and establishments).

Related Fund in relation to a fund (the **first fund**), means a fund which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed by a different

investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund.

Release Price means, in relation to a Disposal:

(a) if, as at the date of such Disposal, the Loan to Value as at the most recent Interest Payment Date falling prior to that date is equal or greater than 60 per cent., an amount which is equal to 115 per cent. of the Allocated Loan Amount in respect of each Property which is the subject of that Disposal; or

(b) if, as at the date of such Disposal, the Loan to Value as at the most recent Interest Payment Date falling prior to that date is less than 60 per cent., an amount which is equal to 110 per cent. of the Allocated Loan Amount in respect of each Property which is the subject of that Disposal.

Release Price Disposal has the meaning given to that term in paragraph (c) of Clause 22.4 (Disposals).

Relevant Jurisdiction means, in relation to an Obligor:

(a) its Original Jurisdiction;

(b) any jurisdiction where any asset subject to or intended to be subject to the Transaction Security to be created by it is situated;

(c) any jurisdiction where it conducts its business; and

(d) the jurisdiction whose laws govern the perfection of any of the Security Documents entered into by it.

Relevant Cash Trap Proceeds has the meaning ascribed to such term in clause 7.5(b).

Relevant Market means, in relation to euro, the European interbank market and, in relation to sterling, the London interbank market.

Rent Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

Rent Collection Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

Rent Collection Account Sweep Date means the fifteenth day in each Month or if that day is not a Business Day the preceding Business Day in that Month.

Rent Deposit Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

Rental Income means the aggregate of all amounts paid or payable to or for the account of any Obligor in connection with the letting, licence or grant of other rights of use or occupation of all or any part of any Property including (without double counting) each of the following amounts:

(a) rent, licence fees and equivalent amounts paid or payable;

(b) any sum received or receivable from any deposit held as security for performance of a tenant's obligations;

(c) a sum equal to any apportionment of rent allowed in favour of any Obligor;

(d) any other moneys paid or payable in respect of occupation and/or usage of that Property and any fixture and fitting on that Property including any fixture or fitting on that Property for display or advertisement, on licence or otherwise;

(e) any sum paid or payable under any policy of insurance in respect of loss of rent or interest on rent;

(f) any sum paid or payable, or the value of any consideration given, for the grant, surrender, amendment, supplement, waiver, extension or release of any Lease Document;

(g) any sum paid or payable in respect of a breach of covenant or dilapidations under any Lease Document and for expenses incurred in relation to any such breach;

(h) any sum paid or payable by or distribution received or receivable from any guarantor of any occupational tenant under any Lease Document;

(i) any Tenant Contributions;

(j) any contribution to a sinking fund paid by an occupational tenant under an Occupational Lease;

(k) any contribution by a tenant of a Property to ground rent due under any Lease Document out of which an Obligor derives its interest in that Property;

(l) any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above less any related fees and expenses incurred (which have not been reimbursed by another person) by or on behalf of any Obligor; and

(m) any amount in respect of or which represents VAT.

Repeating Representations means, each of the representations set out in Clause 19.1 (Status) to 19.6 (Governing law and enforcement), Clause 19.11 (Information), paragraph (c) of Clause 19.12 (Financial statements), Clause 19.13 (Pari passu ranking), Clause 19.15 (Valuation), paragraph (a) of Clause 19.16 (Title to Property and other assets), Clause 19.17 (Information for Reports), Clauses 19.20 (Centre of main interests and establishments), 19.21 (Ranking of Security), Clause 19.26 (Acquisition Documents) and Clause 19.27 (Anti- Money Laundering Laws).

Report Recoveries Side Letter means the letter entered into by, amongst others, NorthStar Realty Finance Corp and the Agent dated on or about the date of this Agreement.

Reports means:

(a) a Property Report;

(b) the Tax Due Diligence Report;

(c) a Tax Structure Report;

(d) each Technical Due Diligence Report or;

(e) each Environmental Report.

Representative means any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian.

Required Counterparty Amendments means the amendments which are required to be made to the Finance Documents in accordance with Clause 8.3 (Hedging) to allow for the Obligors to enter into Hedging Agreements to provide for interest rate swaps.

Requisite Rating means the rating of long or short term (as appropriate) unsecured debt instruments in issue by a person (which are neither subordinated nor guaranteed) which meet the following requirements:

(a) in relation to an Account Bank (**provided that** for the purposes of determining the Requisite Rating of an Account Bank, the ratings held by a Holding Company of such Account Bank may be used), the rating of short term instruments with at least one of the following ratings: F1 by Fitch, P- 1 by Moody's or A- 1 by S&P;

(b) in relation to any insurance company or underwriter, long term instruments with a rating, or an insurer financial strength rating, with a rating of A- (or better) by S&P; and

(c) in relation to a Counterparty, long term debt instruments with at least one of the following ratings: A3 (or better) by Moody's or A- (or better) by S&P.

Reserve Account means the Company Reserve Account or a French Facility Borrower Reserve Account.

Resignation Letter means a letter substantially in the form set out in Schedule 7 (Form of Resignation Letter).

Revised Requisite Rating means the rating of long term unsecured debt instruments in issue by a Counterparty (which are neither subordinated nor guaranteed) with at least one of the following ratings: Baa2 (or better) by Moody's or BBB (or better) by S&P.

S&P means Standard & Poor's, a division of The McGraw- Hill Companies, Inc. or any successor to the rating business of S&P.

Sanctioned Country means any country designated as a State Sponsor of Terrorism by the US Department of State, presently Cuba, Iran, North Korea, Sudan and Syria.

Sanctions means the economic, financial or other sanctions laws (including, but not limited to, U.S. Sanction Laws), regulations or embargoes administered and enforced from time to time by any Sanctions Authority.

Sanctions Authority means:

(a) the United Nations Security Council;

(b) the European Union; or

(c) the governmental institutions and agencies of the United States of America, including, without limitation, the OFAC or the governmental institutions and agencies of the United Kingdom,

including, without limitation, Her Majesty's Treasury (**HMT**) or the governmental institutions and agencies of Canada.

Sanctions List means:

(a) the Specially Designated Nationals List and the Sectoral Sanctions Identifications List each administered and enforced by OFAC;

(b) the Financial Sanctions: Consolidated List of Targets administered and enforced by HMT;

(c) the Blocked Person List; or

(d) any other list maintained or public designation made by any Sanctions Authority or under US Sanctions Laws in respect of the targets or scope of the Sanctions that are administered and enforced by that Sanctions Authority,

in each case as amended, supplemented or substituted from time to time.

Sanctions Restricted Party means a person:

(a) whose name is listed on, or is owned or controlled by a person whose name is listed on, or acting on behalf of a person whose name is listed on, any Sanctions List;

(b) that is incorporated under the laws of, or owned or controlled by, or acting on behalf of, a person incorporated under the laws of, a country or territory that is the target of country- wide or territory- wide Sanctions; or

(c) that is otherwise the target of any Sanction.

Scottish Propco means:

(a) Trias UK Edinburgh – T, S.à r.l. a private limited liability company (société à responsabilité limitée) incorporated under the laws of Luxembourg with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, Grand Duchy of Luxembourg, being registered with the Register of Commerce and Companies in Luxembourg under number B 194.364 and having a share capital of GBP 15,000; and

(b) Trias UK Delta – T, S.à r.l. a private limited liability company (société à responsabilité limitée) incorporated under the laws of Luxembourg with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, Grand Duchy of Luxembourg, being registered with the Register of Commerce and Companies in Luxembourg under number B 194.335 and having a share capital of GBP 15,000.

Scottish Property means the Property listed in Part 3 of Schedule 2 (The Properties).

Screen Rate means:

(a) in relation to EURIBOR, the euro interbank offered rate administered by the Banking Federation of the European Union (or any other person which takes over the administration of that rate) for the relevant period, displayed on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of

such other information service provider which publishes that rate from time to time in place of Thomson Reuters; and

(b) in relation to LIBOR, the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant currency and period displayed on pages LIBOR01 or LIBOR02 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters,

in either case, provided that if such page or service ceases to be available, the Agent may specify another page or service displaying the relevant rate after consultation with the Company.

Secured Liabilities means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever and whether originally incurred by an Obligor or by some other person) of each Obligor to any Finance Party under each Finance Document, each as amended, varied, supplemented or novated from time to time, including without limitation the parallel debt obligation, any increase of principal or interest and any extension of maturity, novation, deferral or extension of such liabilities, in each case together with any and all liabilities arising out of unjust enrichment and tort and other liabilities for damages or restitution in relation to the foregoing.

Securitisation means any securitisation or transaction of broadly equivalent economic effect relating to, or using as a reference, the whole or part of the Loans (whether alone or in conjunction with other loans) through the issue of notes on the capital markets.

Security means a mortgage, land charge in respect of a German Property registered in section III of a German Land Register, charge, pledge, lien, assignment or transfer for security purposes, retention of title arrangements, hypothecation, assignation in security, standard security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

Security Asset means all of the assets of the Transaction Obligors which from time to time are, or are expressed to be, the subject of the Transaction Security.

Security Document means:

(a) each of the documents set out in Schedule 4 (Security Documents);

(b) any other document evidencing or creating Security over any asset, or supplemental to any Security Document, securing any obligation of any Transaction Obligor to a Finance Party under the Finance Documents; or

(c) any other document designated as such by the Security Agent and the Obligors' Agent.

Security Property means:

(a) the Transaction Security expressed to be granted in favour of the Security Agent as agent and trustee for the Finance Parties and all proceeds of that Transaction Security;

(b) all obligations expressed to be undertaken by a Transaction Obligor to pay amounts in respect of any Secured Liabilities to the Security Agent as agent and trustee for the Finance Parties and secured by the Transaction Security together with all representations and warranties

expressed to be given by a Transaction Obligor or any other person in favour of the Security Agent as agent and trustee for the Finance Parties; and

(c) any other amounts or property, whether rights, entitlements, choses in action or otherwise, actual or contingent, which the Security Agent is required or expressed by the terms of the Finance Documents to hold as agent and trustee on trust for the Finance Parties.

Service Charge Account means an account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

Service Charge Expenses means, without double counting in relation to any Property:

(a) head rent or ground rent;

(b) insurance premia;

(c) the cost of an insurance valuation;

(d) a service or other charge in respect of an Obligor's costs in connection with any management, repair, maintenance or similar obligation or in providing services to a tenant of, or with respect to, a Property (including, without limitation, with respect to a German Property any amount which is recoverable (umlagefähig) from a tenant;

(e) a reserve or sinking fund; and/or

(f) any expenses incurred in respect of a breach of covenant of any Lease Document where such contribution is to be applied in remedying such breach or discharging such expenses,

but excluding for the avoidance of doubt any asset management fees.

Shareholder Account means an OPCI Shareholder Account, an Alésia Shareholder Account, a Marceau Shareholder Account or a Joubert Shareholder Account.

Specified Time means a day or time determined in accordance with Schedule 9 (Timetable).

Sponsor means the Original Sponsor and, provided the Agent has confirmed each Finance Party has received all necessary and satisfactory "know your customer" or similar checks under all applicable laws and regulation in relation to it, the New Sponsor.

Sponsor Affiliate means:

(a) each Sponsor and each of its Affiliates;

(b) any trust of which a Sponsor or any of its Affiliates is the sole trustee;

(c) any partnership of which a Sponsor or any of its Affiliates is the general partner (or equivalent); and

(d) any trust, fund or other entity which is under the control of a Sponsor or any of its Affiliates,

provided that for the purposes of Clause 25.11 (Disenfranchisement of Sponsor Affiliates), any such trust, fund or other entity which has been established for at least six Months solely for the purpose of making, purchasing or investing in loans or debt securities and which is controlled independently from

all other trusts, funds or other entities controlled by a Sponsor or any of its Affiliates which have been established for the primary or main purpose of investing in the share capital of companies shall not constitute a Sponsor Affiliate.

Sterling Reserve Account means the account designated as such under Clause 17.1 (Designation of Accounts) and includes any replacement of that account.

Subordinated Creditor means:

(a) an Obligor;

(b) the Parent; or

(c) any other person who becomes a Subordinated Creditor in accordance with this Agreement.

Subordinated Debt, in relation to a Subordinated Creditor, has the meaning given to it in the Subordination Agreement entered into by that Subordinated Creditor.

Subordinated Debt Document means any document creating or evidencing Subordinated Debt entered into by a Subordinated Creditor.

Subordination Accession Letter has the meaning given to the term **Accession Letter** in a Subordination Agreement.

Subordination Agreement means a subordination agreement entered into or to be entered into by a Subordinated Creditor, an Obligor and the Security Agent in an agreed form.

Subsidiary means in relation to any partnership, company, corporation, unit trust or an unincorporated corporation (in this definition, an entity), an entity:

(a) which is controlled, directly or indirectly, by the first mentioned entity;

(b) more than half of the issued shares of which is beneficially owned, directly or indirectly by the first mentioned entity; or

(c) which is a Subsidiary of another Subsidiary of the first mentioned entity,

and for this purpose, an entity shall be treated as being controlled by another if that other entity is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

Swap Counterparty means a Counterparty party to Hedging Agreements providing for interest rate swaps and entered into after the date on which the Required Counterparty Amendments have been made.

Targetco means each of French Targetco Alésia, French Targetco Joubert and French Targetco Marceau.

TARGET Day means any day on which TARGET2 is open for the settlement of payments in euro.

TARGET2 means the Trans- European Automated Real- time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

Tax Due Diligence Report means the tax due diligence report dated 29 January 2015 issued by Deloitte LLP as supplied to the Agent as a condition precedent under this Agreement on or before the first Utilisation Date.

Tax Structure Report means:

(a) the tax structure report dated on or about the date of this Agreement issued by Deloitte LLP; and

(b) the tax structure report dated on or about the date of this Agreement issued by Arendt & Medernach SA,

in each case, as supplied to the Agent as a condition precedent under this Agreement on or before the first Utilisation Date.

Technical Due Diligence Report means the technical due diligence report in relation to each Property prepared by Arcadis and supplied to the Agent as a condition precedent under this Agreement on or before the first Utilisation Date.

Tenant Contributions means any amount paid or payable to an Obligor by any tenant under a Lease Document or any other occupier of a Property, by way of:

(a) contribution to Service Charge Expenses;

(b) operating expenses (Betriebskosten) including, without limitation, the expenses defined in section 2 of the German Regulation on Operating Expenses (Betriebskostenverordnung) dated 25 November 2003; and

(c) VAT.

Total Commitments means the aggregate of the Total Facility A Commitments, the Total Facility B Commitments and the Total Facility C Commitments and the Total French Facility Commitments.

Total Facility A Commitments means the aggregate of the Facility A Commitments being equal to €128,003,781 at the date of this Agreement.

Total Facility B Commitments means the aggregate of the Facility B Commitments being equal to €72,386,694 at the date of this Agreement.

Total Facility C Commitments means the aggregate of the Facility Commitments, being equal to £26,080,076 at the date of this Agreement and which, for the purposes of the definition of Majority Lenders, will be converted into euro at the Agent's Spot Rate of Exchange.

Total French Facility A Commitments means the aggregate of the French Facility A Commitments being equal to €25,294,694 at the date of this Agreement.

Total French Facility B Commitments means the aggregate of the French Facility B Commitments being equal to €7,992,000 at the date of this Agreement.

Total French Facility C Commitments means the aggregate of the French Facility C Commitments being equal to €30,100,000 at the date of this Agreement.

Total French Facility D Commitments means the aggregate of the French Facility D Commitments being equal to €9,000,000 at the date of this Agreement.
Total Prepayment Disposal has the meaning given to that term in paragraph (d) of Clause 22.4 (Disposals).
Transaction Document means:
(a) a Finance Document;
(b) a Headlease;
(c) a document appointing an Approved Managing Agent;
(d) a document appointing an Approved Asset Manager;
(e) a document appointing an Approved Cash Manager;
(f) each Occupational Lease;
(g) each Acquisition Document;
(h) any other document designated as such by the Agent and the Obligors' Agent.
Transaction Obligor means:
(a) an Obligor;
(b) the Parent; or
(c) a Subordinated Creditor.
Transaction Security means the Security created or evidenced or expressed to be created or evidenced under the Security Documents.
Transfer Date means, in relation to a transfer or, as the case may be, an assignment, the later of:
(a) the proposed Transfer Date specified in the relevant Assignment Agreement; and
(b) the date on which the Agent executes the relevant Assignment Agreement.
Treaty Lender has the meaning given to it in Clause 12.1(a) (Tax Definitions).
UK Borrower means a UK Propco or any Borrower incorporated in the United Kingdom or holding UK Property.
UK Midco means Trias Pool VI – T S.à r.l. a private limited liability company (société à responsabilité limitée) incorporated under the laws of Luxembourg with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, Grand Duchy of Luxembourg, being registered with the Register of Commerce and Companies in Luxembourg under number B 194.833 and having a share capital of EUR 12,500.
UK Propco means an English Propco or a Scottish Propco.

Unpaid Sum means any sum due and payable but unpaid by an Obligor under the Finance Documents.
Updated Group Structure Chart means the structure chart showing the ultimate beneficial ownership of the shares in each Obligor and each Target and any Subordinated Debt at the second Utilisation Date (for the avoidance of doubt, including the Additional German Propco and the Additional Property) delivered on or prior to the second Utilisation Date to paragraph (a)(ii) of Clause 4.1 (Initial conditions precedent).
US means the United States of America.
US Sanctions Laws means the Trading With the Enemy Act, the International Emergency Economic Powers Act and all other US laws imposing or authorising the use of economic sanctions and any executive orders or implementing regulations thereunder, including the regulations of OFAC.
US Tax Obligor means:
(a) a Borrower which is resident for tax purposes in the US; or
(b) an Obligor some or all of whose payments under the Finance Documents are from sources within the US for US federal income tax purposes.
Utilisation means a utilisation of the Facility.
Utilisation Date means the date of a Utilisation, being the date on which a Loan is to be made under this Agreement or under a French Term Loan Agreement.
Utilisation Request means a notice substantially in the form set out in Schedule 5 (Utilisation Request).
Valuation means:
(a) the Initial Valuation; and
(b) any subsequent valuation instructed by the Agent in accordance with and subject to Clause 16.4 (Valuations) and in form and substance satisfactory to the Agent,
in each case, prepared and issued by a Valuer, confirmed and verified (plausibilisiert) by internal experts (interne Sachverständige) of the Agent and addressed to, amongst others, each Finance Party valuing the relevant Propco's interests in the Property and which:
(i) is carried out on a "market value" basis (as defined in the then current Statements of Assets Valuation Practice and Guidance Notes issued by the Royal Institution of Chartered Surveyors' (or its successors)); or
(ii) upon request by the Agent (acting at its sole discretion), includes a determination of the mortgage lending value in accordance with section 16 of the German Act on Covered Bonds (Pfandbriefgesetz) and the German Regulation for the Assessment of Mortgage Lending Values (Beleihungswertverordnung) (provided that such mortgage lending value will not be used for the purposes of calculating the Loan To Value).
Valuer means:
(a) each of Cushman Wakefield, JLL, Knight Frank and Savills PLC;

(b) if CBRE (or any of CBRE's Affiliates) are not acting as Agent or Security Agent, CBRE; or
(c) if all of the valuers listed in paragraph (a) above are conflicted in a jurisdiction, CBRE,
in each case as designated and appointed (beauftragt) by the Agent to act as valuer for the purposes of this Agreement.

VAT means:

(a) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) (as amended); and
(b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above, or imposed elsewhere.

Vendors means each of:

(a) IVG Institutional Funds GmbH with business address at THE SQUAIRE 18, Am Flughafen, 60549 Frankfurt am Main and its seat in Frankfurt am Main, registered in the commercial register of Frankfurt am Main under number HRB 91062, acting for the special AIF- fund (Spezial- AIF- Sondervermögen) "EuroWest";
(b) PMG - Property Management GmbH with business address at THE SQUAIRE 18, Am Flughafen, 60549 Frankfurt am Main and its seat in Frankfurt, registered in the commercial register of the local court of Frankfurt am Main under number HRB 96246;
(c) Via Bensi S.à r.l. a limited liability company incorporated under the laws of Italy with registered office at via Olmetto 17, Milan Italy;
(d) INTERNOS Spezialfondsgesellschaft mbH, with business address at Goetheplatz 4, 60311 Frankfurt am Main and its seat in Frankfurt am Main, registered in the commercial register of Frankfurt am Main under number HRB 98593, acting for the special AIF- fund (Spezial- AIF- Sondervermögen) "ProCommerz"; and
(e) WestInvest Gesellschaft für Investmentfonds mbH with business address at Hans- Böckler- Straße 33, 40476 Düsseldorf and its seat in Düsseldorf, registered in the commercial register of Düsseldorf under number HR B 24304, acting for the special AIF- fund (Spezial- AIF- Sondervermögen) "WestInvest Spezial 1".

1.2 Construction

(a) Unless a contrary indication appears, a reference in a Finance Document to:
(i) the **Agent**, the **Arranger**, any **Finance Party**, any **Counterparty**, any **Lender**, any **Obligor**, any **Party**, the **Security Agent** or any **Transaction Obligor** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents and, in the case of the Security Agent, any person for the time being appointed as Security Agent or Security Agents in accordance with the Finance Documents;

(ii) a document in **agreed form** is a document which is previously agreed in writing by or on behalf of the Obligors' Agent and the Agent or, if not so agreed, is in the form specified by the Agent;

(iii) **apartment right** means appartementsrecht;

(iv) **assets** includes present and future properties, revenues and rights of every description;

(v) a **disposal** includes a sale, transfer, assignment, grant, lease, licence, declaration of trust, participation or other transfer of economic ownership, compulsory acquisition, compulsory sale or other disposal or agreement for the disposal of, or the grant or creation of any interest derived from, any asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions) and **dispose** will be construed accordingly;

(vi) a **Finance Document** or **Transaction Document** or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended, replaced or restated;

(vii) **freehold** means eigendom;

(viii) **ground rent** includes any canon or retributie;

(ix) a **group of Lenders** includes all the Lenders;

(x) **guarantee** means (other than in Clause 18 (Guarantee and Indemnity) any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;

(xi) **indebtedness** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

(xii) **leasehold** means erfpacht;

(xiii) **land registry** means in respect of any property, any land registry or any other equivalent registry anywhere in the world exercising a registration function in respect of that property;

(xiv) a **person** includes any individual, firm, company, corporation, unincorporated corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality) or two or more of the foregoing;

(xv) a **regulation** includes any regulation, order, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self- regulatory or other authority or organisation;

(xvi) **sole signing rights** of a Finance Party in respect of an Obligor's bank account held in Germany means that the Finance Party operates the relevant account based on an authorisation by the relevant Obligor (Kontoführungsbefugnis) with its employees or delegates being the sole registered signatory/authorised person (Kontoführungsberechtigter) for the relevant account; it being understood that (i) the granting of sole signing rights to a Finance Party does not legally

prevent the relevant Obligor vis- á- vis the relevant account bank from exercising its rights as holder of the relevant account (keine verdrängende Vollmacht), but (ii) the Obligor is not permitted under the terms of this Agreement to exercise its rights as holder of the relevant account or grant authorisation (Kontoführungsbefugnis) to any person other than the Finance Party intended to have sole signing rights;

(xvii) **title** when used in relation to a German Property means the sole legal and beneficial ownership (uneingeschränktes Alleineigentum), partial ownership (Teileigentum), co- ownership (Miteigentum);

(xviii) **right of superficies** means opstalrecht;

(xix) **constitutional documents** includes, in relation to any person, as the context so requires, the certificate of incorporation, limited partnership agreement, articles of association, by laws, charter, trust instrument or deed of that person and/or other document(s) defining the existence and regulating the control of that person as between it and its shareholders (but not between its shareholders only);

(xx) **share** or **share capital** includes, as the context so requires, a share, stock, limited or other partnership interest, unit, warrant, and any other interest in, or related to, the equity of a person (other than a natural person) and **shareholder** shall be construed accordingly;

(xxi) a provision of law is a reference to that provision as amended or re- enacted; and

(xxii) a time of day is a reference to London time.

(b) The determination of the extent to which a rate is **for a period equal in length** to an Interest Period shall disregard any inconsistency arising from the last day of that Interest Period being determined pursuant to the terms of this Agreement.

(c) Section, Clause and Schedule headings are for ease of reference only.

(d) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement.

(e) A Default is **continuing** if it has not been remedied or waived or an Event of Default is **continuing** if it has not been waived.

(f) A Cash Trap Event is **continuing** if, at any time, such Cash Trap Event had occurred on the most recent Interest Payment Date occurring prior to such time.

1.3 Dutch terms

In each Finance Document, where it relates to a Dutch Obligor, a reference to:

(a) a **necessary action to authorise** where applicable, includes without limitation:

(i) any action required to comply with the Works Councils Act of the Netherlands (Wet op de ondernemingsraden); and

(ii) obtaining an unconditional positive advice (advies) from the competent works council(s);

(b) **financial assistance** means any act not permitted by article 2:98c of the Dutch Civil Code;

(c) a **security interest** includes any mortgage (hypotheek), pledge (pandrecht), retention of title arrangement (eigendomsvoorbehoud), right of retention (recht van retentie), right to reclaim goods (recht van reclame), and, in general, any right in rem (beperkt recht), created for the purpose of granting security (goederenrechtelijk zekerheidsrecht);

(d) a **winding- up**, **administration** or **dissolution** includes a bankruptcy (faillissement) or dissolution (ontbinding);

(e) a **moratorium** includes surseance van betaling and **a moratorium is declared** or **occurs** includes surseance verleend;

(f) any **step** or **procedure** taken in connection with insolvency proceedings includes a Dutch entity having filed a notice under section 36 of the Tax Collection Act of the Netherlands (Invorderingswet 1990);

(g) a **liquidator** includes a curator;

(h) an **administrator** includes a bewindvoerder; and

(i) an **attachment** includes a beslag.

1.4 French terms

In each Finance Document, where it relates to a French Obligor, a reference to:

(a) a **winding- up, administration** or **dissolution** includes a redressement judiciaire, a cession totale de l'entreprise, a liquidation judiciaire, a sauvegarde, a sauvegarde accélérée or a sauvegarde financière accélérée under articles L. 620-1 to L.644- 6 of the French Commercial Code;

(b) a **composition, assignment** or **similar arrangement with any creditor** includes a procédure de conciliation or a mandate ad hoc under articles L.611- 3 to L.611- 15 of the French Commercial Code;

(c) a **compulsory manager, receiver** or **administrator** includes an administrateur judiciaire, a mandataire ad hoc, a conciliateur, a mandataire liquidateur or any other person appointed as a result of any proceedings described in paragraphs (a) and (b) above;

(d) a **guarantee** means any guarantee, bond, indemnity, letter of credit, a cautionnement, an aval and any garantie which is independent from the debt to which it relates, or other legally binding insurance against loss granted by one person in respect of any obligation(s) of another person, or any legally binding agreement by one person to assume any obligation(s) of (or any legally binding arrangement by or under which obligation(s) is/are assumed in respect of) any other person, or any legally binding agreement under which two or more persons assume joint and several liability in respect of any obligation(s) of any person and **guaranteed** shall be construed accordingly;

(e) a **reconstruction** includes any contribution of part of its business in consideration of shares (apport partiel d'actifs) and any demerger (scission) implemented in accordance with articles L.236- 1 to L. 236- 24 of the French Commercial Code;

(f) a **Security** includes any type of security (sreté réelle) and transfer by way of security;

(g) a lease includes an opération de crédit- bail;
and

(h) a person being **unable to pay its debts** includes that person being in a state of cessation des paiements as defined in article L. 631- 1 of the French Commercial Code or with respect to credit institutions (établissements de credit) as defined in article L. 613- 26 of the French Monetary and Financial Code.

1.5 Luxembourg terms

In each Finance Document, where it relates to a Luxembourg Obligor, and unless the contrary intention appears, a reference to:

(a) **moratorium of any indebtedness**, **winding- up**, **dissolution administration**, **reorganisation**, **composition**, or **arrangement with any creditor** includes, without limitation, bankruptcy (faillite), insolvency, voluntary or judicial liquidation (liquidation volontaire ou judiciaire), composition with creditors (concordat préventif de faillite), moratorium or reprieve from payment (sursis de paiement), controlled management (gestion contrôlée), fraudulent conveyance (action pauliana), general settlement with creditors, reorganisation or similar laws affecting the rights of creditors generally;

(b) **liquidator**, **receiver**, **administrative receiver**, **administrator** or the like includes, without limitation, a juge délégué, commissaire, juge- commissaire, liquidateur or curateur;

(c) a Luxembourg Obligor being **unable or admits inability to pay its debts as they fall due**, a Luxembourg Obligor being **deemed to be unable to pay its debts under applicable law**, includes, without limitation, that Luxembourg Obligor being in a state of cessation of payments (cessation de paiements) or having lost its creditworthiness (ébranlement de credit);

(d) a reference to **director** includes, without limitation, a reference to a **manager** (gérant);
and

(e) **constitutional documents** includes, without limitation, its up- to- date (restated) articles of association (statuts consolidés).

1.6 Scottish Terms

In this Agreement, in relation to a Scottish Obligor or any property, asset or right situated in Scotland or governed by Scots law, unless the contrary intention appears, a reference to:

(a) the **Land Registry** shall include a reference to the Registers of Scotland;

(b) **assignment** and “assigns” shall include assignation and assignees” respectively;

(c) **transfer** shall mean (i) dispone when expressed as a verb and where it relates to a heritable interest; (ii) Disposition when expressed as a noun and where it relates to a heritable interest; (iii) assign when expressed as a verb; and (iv) Assignation when expressed as a noun and where it relates to a leasehold or security interest;

(d) **surety** shall mean guarantor;
(e) **freehold** shall mean heritable proprietorship;
(f) **counterpart** shall (in the context of Finance Documents executed under Scots Law) be disregarded;
(g) **surrender** shall include a renunciation where it relates to an interest held under a lease;
(h) **premium** shall include a premium, grassum or other financial incentive;
(i) **covenant** shall include any obligation or undertaking by either a tenant or landlord under a lease; and in the context of undertakings given by the Obligors to any Finance Parties **covenants** shall mean obligations when expressed as a noun; and **covenant** shall mean oblige itself when expressed as a verb;
(j) **forfeiture** shall mean irritancy; and
(k) **judgment** shall mean decree.

1.7 Currency symbols and definitions

(a) **£, GBP** and **sterling** denotes the lawful currency of the United Kingdom.
(b) **EUR and euro** denote the single currency of the Participating Member States.

1.8 Third party rights

(a) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the **Third Parties Act**) or otherwise to enforce or to enjoy the benefit of any term of any Finance Document.
(b) Subject to Clause 38.3 (Other exceptions) but otherwise notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary any Finance Document at any time.
(c) Any Receiver, Delegate or any person described in paragraph (b) of Clause 27.10 (Exclusion of liability) may, subject to this Clause 1.8 and the Third Parties Act, rely on any Clause of this Agreement which expressly confers rights on it.

2. THE FACILITIES

2.1 The Facilities

(a) Subject to the terms of this Agreement:
(i) the Facility A Lenders make available to the Facility A Borrowers a euro term loan facility in an aggregate amount equal to the Total Facility A Commitments;
(ii) the Facility B Lenders make available to the Facility B Borrower a euro term loan facility in an aggregate amount equal to the Total Facility B Commitments; and

(iii) the Facility C Lenders make available to the Facility C Borrowers a sterling term loan facility in an aggregate amount equal to the Total Facility C Commitments.

(b) Subject to the terms of this Agreement and subject to the terms of the applicable French Term Loan Agreement:

(i) the Original French Facility Lender make available to the French Propco a euro term loan facility in an aggregate amount equal to the Total French Facility A Commitments;

(ii) the Original French Facility Lender make available to the French Targetco Joubert a euro term loan facility in an aggregate amount equal to the Total French Facility B Commitments;

(iii) the Original French Facility Lender make available to the French Targetco Marceau a euro term loan facility in an aggregate amount equal to the Total French Facility C Commitments; and

(iv) the Original French Facility Lender make available to the French Targetco Alésia a euro term loan facility in an aggregate amount equal to the Total French Facility D Commitments.

(c) It is expressly agreed that each French Term Loan Agreement is the only document under which the French Facility Lender have agreed to make the relevant French Facility available to the relevant French Facility Borrower. For the avoidance of doubt, this Agreement shall not be construed as a loan agreement to the extent related to any French Facility.

(d) Each Facility will be made available to the relevant Borrower in the manner specified in the Funds Flow.

2.2 Property Protection Loans

(a) A Lender (other than the Original French Facility Lender) may, with the consent of the Majority Lenders, make one or more Property Protection Loans whether requested by an Obligor or not. For as long as the French Facility Lender is the Original French Facility Lender, if a Property Protection Loan is to be made to a French Facility Borrower, the relevant Lender first has to make such Property Protection Loan available to the Original French Facility Lender for it to on- lend the proceeds of the Property Protection Loan to the relevant French Facility Borrower.

(b) Each Property Protection Loan will:

(i) be repayable on the next Interest Payment Date following the date on which such Property Protection Loan was made; and

(ii) be treated as a Loan and bear interest in accordance with Clause 8.4 (Default interest) as if it were an overdue amount.

2.3 Finance Parties' rights and obligations

(a) The obligations of each Finance Party under the Finance Documents are several. Failure by a Finance Party to perform its obligations under the Finance Documents does not affect the obligations of any other Party under the Finance Documents. No Finance Party is responsible for the obligations of any other Finance Party under the Finance Documents.

(b) The rights of each Finance Party under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to a Finance Party from an Obligor shall be a separate and independent debt.

(c) A Finance Party may, except as otherwise stated in the Finance Documents, separately enforce its rights under the Finance Documents.

2.4 Obligors' Agent

(a) Each Obligor (other than the Obligors' Agent) by its execution of this Agreement or a Guarantor Accession Deed irrevocably appoints the Obligors' Agent to act on its behalf as its agent in relation to the Finance Documents and irrevocably authorises and instructs:

(i) the Obligors' Agent on its behalf to:

(A) execute any Guarantor Accession Deed;

(B) supply all information concerning itself contemplated by this Agreement to the Finance Parties;

(C) give all notices and instructions;

(D) make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Obligor notwithstanding that they may affect the Obligor, without further reference to or the consent of that Obligor;

(E) sign, despatch and receive as its agent (without prior consultation or agreement) all documents and notices to be signed, despatched or received by that Obligor;

(F) sign or agree any amendment or waiver in relation to any Finance Document on behalf of that Obligor;

(G) take as its agent any other action necessary or desirable under or in connection with the Finance Documents; and

(ii) each Finance Party to give any notice, demand or other communication to that Obligor pursuant to the Finance Documents to the Obligors' Agent on its behalf,

and in each case the Obligor shall be bound as though the Obligor itself had given the notices and instructions or executed or made the agreements or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication.

(b) Every act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication given or made by the Obligors' Agent or given to the Obligors' Agent under any Finance Document on behalf of another Obligor or in connection with any Finance Document (whether or not known to any other Obligor and whether occurring before or after such other Obligor became an Obligor under any Finance Document) shall be binding for all purposes on that Obligor as if that Obligor had expressly made, given or concurred with it. In the event of any conflict between any notices or other communications of the Obligors' Agent and any other Obligor, those of the Obligors' Agent shall prevail.

(c) Notwithstanding any other term of the Finance Documents, any amendment to Clause 18.12 (Limitations: Luxembourg Guarantors) or Clause 18.13 (Limitations: French Guarantors) which would impose any additional obligation on or increase the obligation of any Guarantor incorporated in Luxembourg or in France will require the prior written consent of each such Guarantor incorporated in Luxembourg or in France (as applicable).

(d) The respective liabilities of each of the Obligors (other than the Obligors' Agent) under the Finance Documents shall not be in any way affected by:

(i) any act done or any irregularity (or purported irregularity) in any act done by or any failure (or purported failure) by the Obligors' Agent;

(ii) the Obligors' Agent acting (or purporting to act) in any respect outside any authority conferred upon it by any Obligor; or

(iii) the failure (or purported failure) by, or inability (or purported inability) of, the Obligors' Agent to inform any Obligor of receipt by it of any notification under the Finance Documents.

(e) The Obligors' Agent is herewith released from any restriction pursuant to section 181 of the German Civil Code and any other similar restrictions applicable to it pursuant to any other applicable law, in each case, to the extent legally possible.

3. PURPOSE

3.1 Purpose

(a) Each Facility A Borrower must apply all amounts borrowed by it under Facility A towards financing the purchase price payable to the relevant Vendor for the acquisition of the relevant Dutch Property or German Property to be acquired by that Facility A Borrower and the payment of Acquisition Costs (other than periodic fees), each as described in the Funds Flow and not otherwise provided that the amounts borrowed on the first Utilisation Date must not be used to acquire the Additional Property.

(b) The Facility B Borrower must apply all amounts borrowed by it under Facility B towards making the French Facilities available to the French Facility Borrowers in the manner set out in this Agreement and the relevant French Term Loan Agreement as described in the Funds Flow and not otherwise.

(c) Each Facility C Borrower must apply all amounts borrowed by it under Facility C towards financing the purchase price payable to the relevant Vendor for the acquisition of the relevant English Property or Scottish Property to be acquired by that Facility C Borrower and the payment of the Acquisition Costs (other than periodic fees), each as described in the Funds Flow and not otherwise.

(d) The French Propco must apply all amounts borrowed by it under French Facility A towards financing the purchase price payable to the relevant Vendor for the acquisition of the relevant French Property to be acquired by the French Propco, each as described in the Funds Flow and not otherwise.

(e) The French Targetco Joubert, the French Targetco Marceau and the French Targetco Alésia must each apply amounts borrowed by them under the applicable French Facility made available to them towards the refinancing of their Existing Debt as described in the Funds Flow and not otherwise.

3.2 **Monitoring**

No Finance Party is bound to monitor or verify the application of any amount borrowed pursuant to this Agreement or pursuant to any French Term Loan Agreement.

4. CONDITIONS OF UTILISATION

4.1 Initial conditions precedent

(a) The Lenders (other than the Original French Facility Lender) will only be obliged to comply with Clause 5.4 (Lenders' participation) in relation to:

(i) any Utilisation in respect of the Original Properties if on or before the first Utilisation Date the Agent has received all of the documents and other evidence listed in Part 1 and Part 3 of Schedule 3 (Conditions Precedent and Conditions Subsequent) unless waived by the Agent on such terms as the Lenders (other than the Original French Facility Lender) consider fit; and

(ii) any Utilisation in respect of the Additional Property if on or before the second Utilisation Date the Agent has received all of the documents and other evidence listed in Part 3of Schedule 3 (Conditions Precedent and Conditions Subsequent) unless waived by the Agent on such terms as the Lenders (other than the Original French Facility Lender) consider fit,

in each case the Agent shall notify the Obligors' Agent and the Lenders promptly upon being so satisfied.

(b) Other than to the extent that the Majority Lenders notify the Agent in writing to the contrary before the Agent gives the notification described in paragraph (a) above, the Lenders (other than the Original French Facility Lender) authorise (but do not require) the Agent to give that notification. The Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.

(c) The Original French Facility Lender must make the French Facilities available to the French Facility Borrowers pursuant to the French Term Loan Agreements, immediately upon receipt of the Agent's notification referred to in paragraph (a) above in respect of Facility B.

4.2 Further conditions precedent

The Lenders will only be obliged to comply with Clause 5.4 (Lenders' participation) if on the date of the Utilisation Request and on the proposed Utilisation Date:

(a) no Default (other than a Default resulting from a breach of a Clean- Up Undertaking or a misrepresentation in respect of a Clean- Up Representation which in each case occurred in the period from and including the first Utilisation Date to and including the Clean- Up Date) is continuing or would result from the proposed Loan; and

(b) the Repeating Representations (other than a misrepresentation in respect of a Clean- Up Representation which occurred in the period from and including the first Utilisation Date to and including the Clean- Up Date) to be made by each Obligor are true in all material respects.

4.3 Conditions subsequent

(a) The Obligors will deliver to the Agent each of the documents and other evidence listed in Part 2 of Schedule 3 (Conditions Precedent and Conditions Subsequent) in form and substance satisfactory to

the Agent within the time frame set out therein. The Agent shall notify the Obligors and the Lenders promptly upon being so satisfied.

(b) Other than to the extent that the Majority Lenders notify the Agent in writing to the contrary before the Agent gives the notification described in paragraph (a) above, the Lenders authorise (but do not require) the Agent to give that notification. The Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.

4.4 Maximum number of Loans

(a) The Obligors' Agent may not deliver a Utilisation Request if, as a result of the proposed Utilisation:

(i) more than twenty- one Facility A Loans would be outstanding and any Facility A Borrower would have borrowed more than one Facility A Loan; and

(ii) more than six Facility C Loans would be outstanding and any Facility C Borrower would have borrowed more than one Facility C Loan.

(b) Only one Loan may be outstanding under each of Facility B, French Facility A, French Facility B, French Facility C and French Facility D.

5. UTILISATION

5.1 Delivery of a Utilisation Request

(a) Each Facility A Borrower may utilise Facility A by delivery to the Agent of a duly completed Utilisation Request not later than the Specified Time applicable to the Facility A Loans.

(b) The Facility B Borrower may utilise Facility B by delivery to the Agent of a duly completed Utilisation Request not later than the Specified Time applicable to the Facility B Loan.

(c) Each Facility C Borrower may utilise Facility C by delivery to the Agent of a duly completed Utilisation Request not later than the Specified Time applicable to the Facility C Loans.

(d) Each French Facility Borrower may utilise the French Facility made available to it by delivery to Agent of a duly completed Utilisation Request not later than the Specified Time applicable to the French Facility Loans.

5.2 Completion of a Utilisation Request

(a) A Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:

(i) it identifies the Facility to be utilised;

(ii) it specifies the purpose of the Loan;

(iii) the proposed Utilisation Date is a Business Day within the Availability Period;

(iv) the first Utilisation Date specified in the first Utilisation Request for a Facility A Loan is the same as the first Utilisation Date specified in the first Utilisation Request for a Facility B Loan, a Facility C Loan and a French Facility;

(v) the Utilisation Request in connection with the acquisition of the Additional Property is submitted by a Facility A Borrower in respect of Facility A;

(vi) in respect of the German Properties it specifies that proceeds of a Loan made available for the purposes of paragraph (a) of Clause 3.1 (Purpose) must be credited to an account of:

(A) the Vendors of the respective German Property or any other person or entity designated under a Local Acquisition Agreement and the Master Acquisition Agreement; or

(B) the creditor of such Vendor (with a view to discharge and release Existing Land Charges); or

(C) such other account approved by the Original Lender and the Company for this purpose,

in each case, as specified in and in accordance with the Local Acquisition Agreement; and

(vii) the currency and amount of the Utilisation comply with Clause 5.3 (Currency and amount).

(b) No Borrower may (or the Company on behalf of a Borrower may not) submit Utilisation Requests for more than three different Utilisation Dates.

5.3 Currency and amount

(a) The currency specified in a Utilisation Request for:

(i) the Facility A Loans, must be euro;

(ii) the Facility B Loan, must be euro;

(iii) the Facility C Loans, must be sterling; and

(iv) the French Facilities, must be euro.

(b) The amount of the proposed Facility A Loans must be an amount which is in aggregate not more than the lower of:

(i) the amount set out in the Funds Flow; and

(ii) the Total Facility A Commitments.

(c) The amount of the proposed Facility B Loan must be an amount which is in aggregate not more than the lower of:

(i) the amount set out in the Funds Flow; and

(ii) the Total Facility B Commitments.

(d) The amount of the proposed Facility C Loans must be an amount which is in aggregate not more than the lower of:

(i) the amount set out in the Funds Flow; and

(ii) the Total Facility C Commitments.

(e) The amount of the proposed French Facilities must be an amount which is in aggregate not more than the lower of:
(i) the amount set out in the Funds Flow; and
(ii) the French Facility Commitments.

5.4 Lenders' participation

(a) If the conditions set out in this Agreement have been met, each Lender (other than the Original French Facility Lender) will make its participation in each Loan available by the Utilisation Date through its Facility Office.
(b) If the conditions set out in this Agreement and each French Term Loan Agreement have been met, the Original French Facility Lender will make its participation in each French Facility available by the Utilisation Date.
(c) The amount of each Lender's participation in each Loan will be equal to the proportion borne by its Available Commitment to the Available Facility immediately prior to making the Loan.
(d) The Agent shall notify each Lender (other than the Original French Facility Lender) of the amount of the Loan and the amount of its participation in that Loan, in each case by the Specified Time.

5.5 Cancellation of Commitment

The Commitments which, at that time, are unutilised shall be immediately cancelled at the end of the Availability Period.

6. REPAYMENT

6.1 Repayment of Loans

(a) Each Borrower (other than the French Facility Borrowers) must repay the aggregate outstanding amount of all Loans granted to it and all other amounts outstanding under the Finance Documents on the Final Repayment Date.
(b) Each French Facility Borrower must repay the outstanding amount of the French Facility Loan owed by it and all other amounts outstanding under the relevant French Term Loan Agreement and any other amounts which the relevant French Facility Borrower has undertaken to pay under any Finance Documents to any Finance Party on the Final Repayment Date.
(c) The Agent must apply all amounts received under paragraph (b) above from a French Facility Borrower in immediate repayment of the Facility B Loans and such repayment will be deemed to prepay the French Facility Loan owed by such French Facility Borrower for the same amount.

6.2 Reborrowing

No Borrower may reborrow any part of a Facility which is repaid.

7. PREPAYMENT AND CANCELLATION

7.1 Illegality

(a) If, in any applicable jurisdiction, it becomes unlawful for any Lender to perform any of its obligations as contemplated by this Agreement or to fund or maintain its participation in any Loan:

(i) that Lender must promptly notify the Agent upon becoming aware of that event;

(ii) upon the Agent notifying the Obligors' Agent, each Available Commitment of that Lender will be immediately cancelled; and

(iii) each Borrower must repay that Lender's participation in the Loans made to it on the last day of the Interest Period for each Loan occurring after the Agent has notified the Obligors' Agent or, if earlier, the date specified by the Lender in the notice delivered to the Agent (being no earlier than the last day of any applicable grace period permitted by law) and that Lender's corresponding Commitment(s) shall be cancelled in the amount of the participation repaid.

(b) If the relevant Lender in paragraph (a) above is the Original French Facility Lender, then each French Facility Borrower must pay any amounts owed to the Original French Facility Lender under the relevant French Facility Loan into the Midco Blocked Account in accordance with the conditions described in paragraph (a) above and such amounts will be immediately applied by the Original French Facility Lender (in its capacity as Facility B Borrower) in prepayment of the Facility B Loan. The Facility B Lender's and the Original French Facility Lender's corresponding Commitment(s) shall accordingly be cancelled in the amount of the participation repaid or prepaid.

(c) If the relevant Lender in paragraph (a) above is a Facility B Lender, then upon notification by that Lender in accordance with paragraph (a) above, the Facility B Loan as well as the French Facility Loans will become immediately due and payable and each French Facility Borrower must repay the Original French Facility Lender's participation in the French Facility Loan made to it on the last day of the Interest Period for each French Facility Loan occurring after the Agent has notified the Obligors' Agent pursuant to paragraph (a) above or, if earlier, the date specified by the Facility B Lender in the notice delivered to the Agent (being no earlier than the last day of any applicable grace period permitted by law) and the Original French Facility Lender's corresponding Commitment(s) shall be cancelled in the amount of the participation repaid. Any amounts paid by a French Facility Borrower pursuant to this paragraph (c) must be paid into the Midco Blocked Account and such amounts will be immediately applied by the Original French Facility Lender (in its capacity as Facility B Borrower) in prepayment of the Facility B Loan. The Facility B Lender's corresponding Commitment(s) shall accordingly be cancelled in the amount of the participation repaid or prepaid.

7.2 Change of control and minimum parameter mandatory prepayment events

(a) For the purpose of this Clause 7.2:

(i) **Change of Control** means the Sponsor, a Sponsor Affiliate or a Related Entity ceases to control any Obligor (unless in the context of a Permitted Disposal);

(ii) **control** means (whether directly or indirectly):

(A) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:

I. cast, or control the casting of more than 50 per cent. of voting share capital of an Obligor;
II. appoint or remove all, or the majority, of the directors, managers or other equivalent officers of an Obligor; and
III. give directions with respect to the operating and financial policies of an Obligor with which the directors, managers or other equivalent officers of that Obligor are obliged to comply; and

(B) the holding beneficially of more than 50 per cent. of the issued share capital of an Obligor (excluding, in each case, any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital); and

(iii) **Related Entity** means any entity which is advised or managed by NorthStar Asset Management Group Inc. or an Affiliate thereof.

(b) If:

(i) a Change of Control occurs; or

(ii) at any time, the only Properties remaining in the Group are Dutch Properties,

the Agent will immediately cancel the Commitments and declare all outstanding Loans, together with accrued interest and all other amounts accrued under the Finance Document immediately due and payable, whereupon the Commitments will be cancelled and all such outstanding Loans and amounts will become immediately due and payable.

7.3 Mandatory prepayment – remaining loan

If on the earlier of the date of a Disposal or any Interest Payment Date, the aggregate amount of all Loans outstanding under the Finance Documents (excluding the French Facility Loans) are equal to or less than €30,000,000 (and, for these purposes, any loans in sterling will be nominally converted at that time into euro at the Agent's Spot Rate of Exchange at that time) the Agent will, by not less than 30 Business Days' notice to the Obligor's Agent, cancel the Commitments and declare all outstanding Loans, together with accrued interest, and all other amounts accrued under the Finance Documents immediately due and payable, whereupon the Commitments will be cancelled and all such outstanding Loans and amounts will become immediately due and payable.

7.4 Mandatory prepayment

The Company must (and must procure that the other Obligors must) apply the following amounts in prepayment of the Loans, and payment of prepayment fees and other amounts referred to in paragraph (b) of Clause 7.11 (Restrictions) at the time and in the order of application contemplated by Clause 7.6 (Application of mandatory prepayments):

(a) the amount of any Disposal Proceeds;

(b) the amount of any Insurance Prepayment Proceeds;

(c) the amount of any Compensation Prepayment Proceeds; and

(d) the amount of any Recovery Prepayment Proceeds.

7.5 Cash Trap Event mandatory prepayment

(a) If, on any Interest Payment Date, a Cash Trap Event occurs and no Cash Trap Event had occurred on the immediately preceding Interest Payment Date, no Obligor will be required to apply any Cash Trap Proceeds in prepayment of the Loans on that Interest Payment Date.

(b) If, on any Interest Payment Date, a Cash Trap Event occurs and a Cash Trap Event had occurred on the immediately preceding Interest Payment Date, the Security Agent shall (and is irrevocably authorised by the Company and the French Facility Borrowers to) withdraw such Cash Trap Proceeds from the relevant Reserve Accounts and apply such proceeds in prepayment of the relevant Loans on that Interest Payment Date in accordance with provisions of Clause 7.6(f) (Application of mandatory prepayments) until no Cash Trap Event (calculated on a pro forma basis on that Interest Payment Date, taking into account the Loans so prepaid) is continuing (the **Relevant Cash Trap Proceeds**). Any Cash Trap Proceeds standing to the credit of a Reserve Account after such prepayment of the Relevant Cash Trap Proceeds on the relevant Interest Payment Date will remain in such Reserve Account until released and transferred in accordance with paragraph (c) below.

(c) If, on any Interest Payment Date, no Cash Trap Event occurs and Cash Trap Proceeds are continuing to stand to the credit of any Reserve Account and no Cash Trap Event occurred on the previous Interest Payment Date, then provided that no Default is continuing (and provided that no Default or Cash Trap Event will occur as a result) the Security Agent shall (and is irrevocably authorised by the Company to) withdraw such Cash Trap Proceeds from the Reserve Account and transfer them:

(i) with respect to any Cash Trap Proceeds standing to the credit of the Company Reserve Accounts, to the Company's General Account; and

(ii) with respect to any Cash Trap Proceeds standing to the credit of a French Facility Borrower Reserve Account, to the General Account of such French Facility Borrower.

7.6 Application of mandatory prepayments

(a) An amount referred to in paragraph (a) of Clause 7.4 (Mandatory prepayment)) which is paid into a Deposit Account as a result of a Release Price Disposal must be applied on the date provided for in accordance with paragraph (b) of Clause 17.7 (Deposit Account) as follows:

(i) **first**, in an amount equal to the Release Price of the Property or Properties the subject of, or owned by the Obligor the Ownership Interests of which were the subject of, the relevant Release Price Disposal:

(A) in or towards prepayment of the Loan made to the relevant Borrower that owned that Property; and

(B) except for any French Obligor, after prepayment of the Loan referred to in sub- paragraph (A) above (i) first, in or towards prepayment of the other Loans (other than, as applicable, the French Facility Loans) which are made in the same currency as the Loan referred to in sub- paragraph (A) above pro rata and (ii) secondly, in or towards prepayment of the other Loans (other than, as applicable, the French Facility Loans) which are made in a different currency to the currency of the Loan referred to in sub- paragraph (A) above pro rata; and

(ii) **secondly**, in or towards payment of any amount that is or will become due and payable in accordance with paragraph (b) of Clause 7.11 (Restrictions) arising as a result of the prepayments referred to in sub- paragraph (i) above provided that any relevant French Obligor shall only be required to pay amounts in accordance with paragraph (b) of Clause 7.11 (Restrictions) as a result of the prepayments of Loans made to that French Obligor; and

(iii) **thirdly**, in payment of any surplus to the relevant General Account.

(b) An amount referred to in paragraph (a) of Clause 7.4 (Mandatory prepayment)) which is paid into a Deposit Account as a result of a Total Prepayment Disposal must be applied on the date provided for in accordance with paragraph (b) of Clause 17.7 (Deposit Account) as follows:

(i) **first**:

(A) in or towards prepayment of the Loan made to the relevant Borrower that owned that Property; and

(B) except for any French Obligor, after prepayment of the Loan referred to in sub- paragraph (A) above (i) first, in or towards prepayment of the other Loans (other than, as applicable, the French Facility Loans) which are made in the same currency as the Loan referred to in sub- paragraph (A) above pro rata and (ii) secondly, in or towards prepayment of the other Loans (other than, as applicable, the French Facility Loans) which are made in a different currency to the currency of the Loan referred to in sub- paragraph (A) above pro rata; and

(ii) **secondly**, in or towards payment of any amount that is or will become due and payable in accordance with paragraph (b) of Clause 7.11 (Restrictions) arising as a result of the prepayments referred to in sub- paragraph (i) above provided that any relevant French Obligor shall only be required to pay amounts in accordance with paragraph (b) of Clause 7.11 (Restrictions) as a result of the prepayments of Loans made to that French Obligor.

(iii) **thirdly**, in payment of any surplus to the relevant General Account.

(c) An amount referred to in paragraphs 7.4(b) to (d) of Clause 7.4 (Mandatory prepayment)) must be applied on the date provided for in accordance with paragraph (b) of Clause 17.7 (Deposit Account) as follows:

(i) **first**:

(A) in or towards prepayment of the Loan made to the relevant Borrower referred to in paragraph (e) below; and

(B) except for any French Obligor, after prepayment of the Loan referred to in sub- paragraph (A) above (i) first, in or towards prepayment of the other Loans (other than, as applicable, the French Facility Loans) which are made in the same currency as the Loan referred to in sub- paragraph (A) above pro rata and (ii) secondly, in or towards prepayment of the other Loans (other than, as applicable, the French Facility Loans) which are made in a different currency to the currency of the Loan defined to in sub- paragraph (A) above pro rata; and

(ii) **secondly**, in or towards payment of prepayment fees arising as a result of the prepayments referred to in sub-paragraph (i) above (except for any French Obligor, it being specified that

any relevant French Obligor should only pay the fees arising as a result of the prepayments referred to in sub- paragraph (i)(A) above) and any other amount that is or will become due and payable in accordance with paragraph (a) of Clause 7.11 (Restrictions) as a result of the prepayments referred to in sub- paragraph (i) above (except for any French Obligor, it being specified that any relevant French Obligor should only pay the amount in accordance with paragraph (a) of Clause 7.11 (Restrictions) as a result of the prepayments referred to in sub- paragraph (i)(A) above).

(iii) **thirdly**, in payment of any surplus to the relevant General Account.

(d) For the purposes of paragraph (c)(i)(A) above, the relevant Borrower is:

(i) insofar as the relevant amount to be applied in prepayment is derived from or relates to an Borrower or the Ownership Interests of any Borrower, that Borrower;

(ii) otherwise, such Borrower as the Majority Lenders elect.

(e) For the purposes of allocating any amounts which are required to be prepaid in accordance with paragraph (b)(i)(B) or paragraph (c)(i)(B) above between the Borrowers:

(i) **first**, any such amounts in sterling will be nominally converted into euro at the Agent's Spot Rate of Exchange on the relevant prepayment date;

(ii) **secondly**, following any nominal conversion made pursuant to sub- paragraph (i) above, the total amount to be prepaid will be allocated between all the Borrowers (other than the French Facility Borrowers) by reference for each of such Borrowers to the proportion that the outstanding amount of a such Borrower's Loan at that time bears to the amount of all Loans (other than the French Facility Loans and the Facility B Loan) owed by all Borrowers at that time (and, for this purpose, any Facility C Loans will be nominally converted from sterling into euro at the Agent's Spot Ratio of Exchange at that time); and

(iii) **thirdly**, in order to discharge the prepayment obligations set out in paragraph (b)(i)(B) or paragraph (c)(i)(B) above, each Borrower (other than the French Facility Borrowers) will apply an amount equal to its pro- rated amount calculated in accordance with sub- paragraph (ii) above, provided that any Facility C Borrower shall first nominally convert its pro- rated amount into sterling at the Agent's Spot Rate of Exchange (which shall be the inverse of the exchange rates referred to in sub- paragraphs (i) and (ii) above) on the relevant prepayment date.

(f) Any amount of Cash Trap Proceeds which is required to be prepaid in accordance with paragraph (b) of Clause 7.5 (Cash Trap Event mandatory prepayment) will be applied as follows:

(i) **first**, any amount of Cash Trap Proceeds in sterling will be nominally converted to euro at the Agent's Spot Rate of Exchange on the date on which such Cash Trap Proceeds are required to be applied in prepayment of the Loans;

(ii) **secondly**, following any nominal conversion made pursuant to sub- paragraph (i) above, the total amount of Cash Trap Proceeds standing to the credit of the Company Reserve Account in euro up to the Relevant Cash Trap Proceeds reduced by the whole amount credited to the French Facility Borrower Reserve Accounts will be allocated between all the Borrowers (other than the Facility B Borrower and the French Facility Borrowers) by reference to the proportion that the outstanding amount of any such Borrowers' Loan at that time bears to the amount of

all Loans owed by such Borrowers at that time (and, for this purpose, any Facility C Loans will be nominally converted from sterling into euro at the Agent's Spot Ratio of Exchange at that time), the amount of each such Borrower's pro rata amount its **Cash Trap Prepayment Allocation**; and

(iii) **thirdly**, the Security Agent will apply:

(A) on behalf of each Borrower (other than the Facility B Borrower and the French Facility Borrowers) an amount of Cash Trap Proceeds standing to the credit of the Company's Euro Reserve Account which is equal to any such Borrower's Cash Trap Prepayment Allocation in prepayment of the Loan(s) made to such Borrower, provided that any Facility C Borrower shall first nominally convert its Cash Trap Prepayment Allocation into sterling at the Agent's Spot Rate of Exchange (which shall be the inverse of the exchange rates referred to in sub- paragraphs (i) and (ii) above) on the date on which such Cash Trap Proceeds are required to be applied in prepayment of the relevant Loans; and

(B) on behalf of:

I. each French Facility Borrower, the amount of Cash Trap Proceeds standing to the credit of its French Facility Borrower Reserve Account in prepayment of its French Facility Loan into the Midco Blocked Account;

II. the French Facility B Lender in prepayment of the Facility B Loan for an amount corresponding to the aggregate amount of the prepayments made under the French Facility Loans credited to the Midco Blocked Account.

(g) At any time when the Facility B Loan remains outstanding, any amounts which are prepaid by or on behalf of a French Facility Borrower pursuant to Clause 7.4 (Mandatory prepayment) and pursuant to Clause 7.5 (Cash Trap Event mandatory prepayment) must be paid into the Midco Blocked Account and such amounts must be immediately applied by the Original French Facility Lender (in its capacity as Facility B Borrower) in prepayment of the Facility B Loan

(h) At any time a French Facility Borrower makes a prepayment pursuant to the Clause 7.4 (Mandatory prepayment), the Company must ensure (and must procure that the other Obligors (other than the French Obligors) must ensure) that an amount equal to the French Mandatory Prepayment Shortfall Amount is paid to the Agent to be applied:

(i) **first**, in or towards prepayment of the Loans which are made in Euros pro rata;

(ii) **secondly**, in or towards prepayment of the other Loans which are not made in Euros pro rata.

7.7 Facility B Loan mandatory prepayment

Following an assignment of all of the Original French Facility Lender’s rights in respect of each French Facility in accordance with Clause 25.3(b), the Original French Facility Lender must apply, in its capacity as the Facility B Borrower, the proceeds received from such assignment in immediate prepayment of the Facility B Loan.

7.8 Voluntary cancellation

(a) Subject to Clause 7.11 (Restrictions), the Obligors' Agent may, if it gives the Agent not less than five Business Days' (or such shorter period as the Majority Lenders may agree) prior notice, cancel the whole or any part, being:

(i) in respect of a Facility A, Facility B and any French Facility, €1,000,000; and

(ii) in respect of a Facility C, £1,000,000,

of the relevant Available Facility.

(b) Any cancellation under this Clause 7.8 shall reduce the Commitments of the Lenders rateably under that Available Facility.

(c) At any time when the Facility B Loan is still outstanding, the Obligors' Agent may only voluntarily cancel all or any part of the Facility B Loan if, at the same time, a corresponding part of the French Facility is also cancelled.

7.9 Voluntary prepayment of Loans

(a) Subject to Clause 7.11 (Restrictions), a Borrower may, if it gives the Agent not less than five Business Days' (or such shorter period as the Majority Lenders may agree) prior notice, prepay the whole or any part of the Loans, but. if in part, being an amount that reduces the amount of the Loans by a minimum of:

(i) in respect of a Facility A Loan, the Facility B Loan and any French Facility Loan, €1,000,000; and

(ii) in respect of a Facility C Loan, £1,000,000.

(b) A Loan may only be prepaid after the last day of the Availability Period (or, if earlier, the day on which the Available Facility is zero).

7.10 Right of repayment and cancellation in relation to a single Lender

(a) If:

(i) any sum payable to any Lender by an Obligor is required to be increased under paragraph (c) of Clause 12.2 (Tax gross-up); or

(ii) any Lender claims indemnification under Clause 12.3 (Tax indemnity) or Clause 13.1 (Increased Costs); or

(iii) any amount payable to any Lender (other than the Original French Facility Lender or any affiliated successor) by a French Obligor is not, or will not be (when the relevant corporate income tax is calculated) treated as a deductible charge or expense for French tax purposes by reason of that amount being (i) paid or accrued to a Lender incorporated, domiciled, established or acting through a Facility Office situated in a Non- Cooperative Jurisdiction, or (ii) paid to an account opened in the name of or for the benefit of that Lender (including, for the avoidance of doubt an account opened by the Security Agent) in a financial institution situated in the Non-Cooperative Jurisdiction,

the Obligors' Agent may, whilst the circumstance giving rise to the requirement for that increase, indemnification or non-deductibility continues, give the Agent notice of cancellation of the Commitments of that Lender and its intention to procure the repayment of that Lender's participation in the Loans.

(b) On receipt of a notice of cancellation referred to in paragraph (a) above, the Commitments of that Lender shall immediately be reduced to zero.

(c) On the last day of each Interest Period which ends after the Obligors' Agent has given notice of cancellation under paragraph (a) above (or, if earlier, the date specified by the Obligors' Agent in that notice), the Borrowers shall repay that Lender's participation in that Loan.

7.11 Restrictions

(a) Any notice of cancellation or prepayment given by any Party under this Clause 7 shall be irrevocable and, unless a contrary indication appears in this Agreement or any French Term Loan Agreement, shall specify the date or dates upon which the relevant cancellation or prepayment is to be made and the amount of that cancellation or prepayment.

(b) Any prepayment under this Agreement and any French Term Loan Agreement shall be made together with (without double counting):

(i) accrued interest (excluding Margin unless in the context of a securitisation of the Facilities) and, if that repayment or prepayment is made on a day which is not an Interest Payment Date, interest (including Margin) which (but for the relevant repayment or prepayment) would accrue on the amount repaid or prepaid during the period up to and including the next Interest Payment Date;

(ii) any applicable prepayment fees which are due and payable pursuant to Clause 11.4 (Prepayment Fee);

(iii) any applicable Break Costs; and

(iv) any other amounts due under the Finance Documents which become due and payable as a result of the prepayment.

(c) No Borrower may reborrow all or any part of the Facilities which is prepaid.

(d) No Borrower may repay or prepay all or any part of the Loans or cancel all or any part of the Commitments except at the times and in the manner expressly provided for in this Agreement.

(e) No amount of the Total Commitments cancelled under this Agreement and any French Term Loan Agreement may be subsequently reinstated.

(f) If the Agent receives a notice under this Clause 7 it shall promptly forward a copy of that notice to either the Obligors' Agent or the affected Lenders, as appropriate.

(g) If all or part of any Lender's participation in a Loan is repaid or prepaid, an amount of that Lender's Commitment (equal to the amount of the participation which is repaid or prepaid) will be deemed to be cancelled on the date of repayment or prepayment.

(h) Any prepayment of a Loan (other than a prepayment to a single Lender pursuant to Clause 7.1 (Illegality), Clause 7.2 (Change of control and minimum parameter mandatory prepayment events) or Clause 7.10 (Right of repayment and cancellation in relation to a single Lender)) shall be applied pro rata to each Lender's participation in that Loan.

7.12 Right of cancellation in relation to a Defaulting Lender

(a) If any Lender becomes a Defaulting Lender, the Company may, at any time whilst the Lender continues to be a Defaulting Lender, give the Agent 5 Business Days' notice of cancellation of each Available Commitment of that Lender.

(b) On the notice referred to in paragraph (a) above becoming effective, each Available Commitment of the Defaulting Lender shall immediately be reduced to zero.

(c) The Agent shall as soon as practicable after receipt of a notice referred to in paragraph (a) above, notify all the Lenders.

7.13 German Property restrictions – mandatory prepayment

If an Obligor is notified that:

(a) any restrictions resulting from monument protection (Denkmalschutz), ordinances for urban design or preservation (Gestaltungs- oder Erhaltungssatzungen) or urban development contracts (städtebauliche Verträge) apply to a German Property; or

(b) an agreement, interest, right or easement or other matter whatsoever adversely affects a German Property in any material respect,

the Company shall promptly notify the Agent of the applicable restriction, agreement, interest, right or easement. Following receipt of that notice, the Agent may, instruct a Valuer in accordance with and subject to Clause 16.4 (Valuations) to provide a Valuation (in form and substance satisfactory to the Agent) in respect of the relevant German Property. If that Valuation evidences a material impairment to the value of that German Property as a result of such restriction, agreement, interest, right or easement applying to it, the Company shall procure that an amount equal to that impairment in value is prepaid within 20 Business Days of the date of the Valuation.

8. INTEREST

8.1 Calculation of interest

The rate of interest on each Lender's participation in a Loan for each Interest Period is the percentage rate per annum which is the aggregate of the applicable:

(a) margin for that Lender applicable to that Lender's participation in the Loans (the **Margin**); and

(b) in relation to:

(i) any Loan in euro, EURIBOR; or

(ii) any Loan in sterling, LIBOR,

provided that the rate of interest in respect of the first Interest Period shall be calculated to include one additional day of funding costs for the Lenders equal to one day EURIBOR on 7 April 2015 (in relation to each Loan in euro) and one day LIBOR on 7 April 2015 (in relation to each Loan in sterling) for that day.

8.2 Payment of interest

Each Borrower to which a Loan has been made shall pay accrued interest on that Loan on each Interest Payment Date.

8.3 Hedging

(a) The Company and/or the Borrowers must:

(i) enter into Hedging Agreements on or before the first Utilisation Date which must be maintained at all times in accordance with this Clause 8.3; and

(ii) promptly (and in any event within five Business Days of entering into a Hedging Agreement) provide the Agent with copies of each Hedging Agreement which the Company and/or the Borrowers are party to.

(b) At all times the aggregate notional amount of the transactions entered into under any Hedging Agreement must be at least equal to 100 per cent. of the value of the aggregate amount of outstanding Loans.

(c) Subject to paragraph (j) below, all Hedging Agreements must:

(i) provide for interest rate caps with a strike rate in respect of all of the hedging arrangements hedging the Loans denominated in euro at any time:

(A) in respect of the period from (and including) the first Utilisation Date to (but excluding) the first anniversary of the Utilisation Date, of 2.00 per cent. per annum; and

(B) in respect of the period from (and including) the first anniversary of the first Utilisation Date to (but excluding) the Final Repayment Date, that would generate a Default Level Debt Service Cover Ratio of 1.25:1 (for the avoidance of doubt taking into account the Margin) (calculated as at the Interest Payment date falling immediately prior to the entry into of the relevant Hedging Agreement);

(ii) provide for interest rate caps with a strike rate in respect of all of the hedging arrangements hedging the Loans denominated in sterling at any time:

(A) in respect of the period from (and including) the first Utilisation Date to (but excluding) the first anniversary of the first Utilisation Date, of 2.00 per cent. per annum; and

(B) in respect of the period from (and including) the first anniversary of the first Utilisation Date to (but excluding) the Final Repayment Date, that would generate a Default Level Debt Service Cover Ratio of 1.25:1 (for the avoidance of doubt taking into account the Margin) (calculated as at the Interest Payment date falling immediately prior to the entry into of the relevant Hedging Agreement);

(iii) in respect of the period from (and including) the first Utilisation Date to (but excluding) the first anniversary of the Utilisation Date be for successive terms which are not shorter than six Months;

(iv) in respect of the period from (and including) the first anniversary of the Utilisation Date to (and including) the Final Repayment Date be for a term ending on the Final Repayment Date;

(v) be with a Counterparty whose rating complies with the Requisite Rating;

(vi) be with a Counterparty acceptable to the Agent (acting reasonably);

(vii) have settlement dates coinciding with the Interest Payment Dates; and

(viii) be based on an ISDA Master Agreement (including where an ISDA Master Agreement is incorporated by reference) and otherwise in form and substance satisfactory to the Agent.

(d) The rights of the Obligors under any Hedging Agreement must, without prejudice to, and after giving effect to, any contractual netting provision contained in that Hedging Agreement, be charged and/or assigned by way of security under a Security Document.

(e) The parties to each Hedging Agreement must comply with the terms of that Hedging Agreement.

(i) Neither a Counterparty nor the Company may amend or waive the terms of any Hedging Agreement without the consent of the Agent (acting reasonably).

(ii) Sub- paragraph (i) above does not apply to an amendment or waiver that is administrative or mechanical in nature and does not give rise to a conflict with any provision of the Finance Documents.

(f) The Company may not terminate or close out any hedging arrangements entered into pursuant to any Hedging Agreement except:

(i) if it becomes illegal for it to continue to comply with its obligations under the Hedging Agreement or those hedging arrangements;

(ii) if following such termination or close out the Company enters into hedging arrangements which are or will be evidenced by Hedging Agreements which comply with the provisions of this Clause 8.3;

(iii) if the Secured Liabilities have unconditionally and irrevocably been paid and discharged in full; or

(iv) with the prior written consent of the Agent.

(g) If a Counterparty ceases to have a Requisite Rating (a **Hedge Downgrade Trigger**), the Company shall procure that either:

(i) each Hedging Agreement entered into with such Counterparty is terminated or closed- out and new Hedging Agreements are entered into which comply with this Clause; or

(ii) such Counterparty grants Security in favour of the Company (and over which Transaction Security is granted in favour of the Finance Parties) over an account into which it deposits an

amount equal to the mark to market value of such Counterparty's obligations under each Hedging Agreement to which it is a party,

in each case as soon as reasonably practicable but in any event by no later than 30 days after the occurrence of such Hedge Downgrade Trigger.

(h) If any Hedging Agreement is terminated under paragraph (g)(i), the Company must, as soon as practicable and in any event within 30 days of the termination of the relevant Hedging Agreement (or procure that the Borrowers enter into Hedging Agreements), enter into Hedging Agreements which comply with this Clause 8.3.

(i) If a Counterparty grants Security in favour of the Company under paragraph (g)(ii) above and that Counterparty ceases to have a Revised Requisite Rating the Company must terminate the or close out the Hedging Agreements with that Counterparty and enter into Hedging Agreements which comply with this Clause 8.3 as soon as reasonably practicable but in any event by no later than 30 days after the Counterparty ceases to have a Revised Requisite Rating.

(j) The Company and all the Lenders may amend the terms of the Finance Documents to allow for interest rate swaps to be provided on such terms as the Lenders and the Company may agree.

(k) In relation to any Hedging Agreement entered into by the Company:

(i) each Borrower will take the benefit of the Hedging Agreement in a notional principal amount equal to and in the same currency as the Loan in respect of which it is a Borrower;

(ii) each Borrower will pay or account to the Company for its pro rata share of the premium payable or paid by the Company for the interest rate caps; and

(iii) the Company will pay or account to each Borrower for any amount received under the Hedging Agreements pro rata to each Borrower' s notional principal amount and currency in respect of the Loans advanced to those Borrowers.

(l) All amounts payable to a Borrower under paragraph (k) above must be transferred directly into that Borrower’s Rent Account.

8.4 Default interest

(a) If an Obligor fails to pay any amount payable by it under a Finance Document on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which, subject to paragraph (c) below, is two per cent. per annum higher than the rate which would have been payable if the overdue amount had, during the period of non- payment, constituted a Loan in the currency of the overdue amount for successive Interest Periods, each of a duration selected by the Agent (acting reasonably).

(b) Any interest accruing under this Clause 8.4 shall be immediately payable by that Obligor on demand by the Agent.

(c) If any overdue amount consists of all or part of a Loan which became due on a day which was not the last day of an Interest Period relating to that Loan:

(i) the first Interest Period for that overdue amount shall have a duration equal to the unexpired portion of the current Interest Period relating to that Loan; and

(ii) the rate of interest applying to the overdue amount during that first Interest Period shall be two per cent. per annum higher than the rate which would have applied if the overdue amount had not become due.

(d) Except for a French Obligor, default interest (if unpaid) arising on an overdue amount will be compounded with the overdue amount at the end of each Interest Period applicable to that overdue amount but will remain immediately due and payable.

(e) For a French Obligor, default interest (if unpaid) on an overdue amount due by a French Obligor will be compounded with that overdue amount only if, in accordance with article 1154 of the French Civil Code, that interest is due for a period of at least one year, but will remain immediately due and payable.

8.5 Notification of rates of interest

The Agent shall promptly notify the relevant Lenders and the Borrowers of the determination of a rate of interest under this Agreement and a French Term Loan Agreement.

9. INTEREST PERIODS

9.1 Length of Interest Periods

Each Interest Period for a Loan shall start on its Utilisation Date or (if already made) on the last day of its preceding Interest Period and end on the next Interest Payment Date.

9.2 Non- Business Days

If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

10. CHANGES TO THE CALCULATION OF INTEREST

10.1 Unavailability of Screen Rate

(a) **Interpolated Screen Rate**

If no Screen Rate is available for LIBOR or, if applicable, EURIBOR for the Interest Period of a Loan, the applicable LIBOR or EURIBOR shall be the Interpolated Screen Rate for a period equal in length to the Interest Period of that Loan.

(b) **Reference Bank Rate**

If paragraph (a) above applies but it is not possible to calculate the Interpolated Screen Rate, the applicable LIBOR or EURIBOR for the Interest Period of a Loan shall be the Reference Bank Rate as of the Specified Time for the Currency of that Loan and for a period equal in length to the Interest Period of that Loan.

(c) **Cost of funds**

If paragraph (b) above applies but no Reference Bank Rate is available for the relevant currency or the relevant Interest Period there shall be no LIBOR or EURIBOR for that Loan and Clause 10.4 (Cost of funds) shall apply to that Loan for that Interest Period.

10.2 Calculation of Reference Bank Rate

(a) Subject to paragraph (b) below, if LIBOR or EURIBOR is to be determined on the basis of a Reference Bank Rate but a Reference Bank does not supply a quotation by the Specified Time, the Reference Bank Rate shall be calculated on the basis of the quotations of the remaining Reference Banks.

(b) If at or about noon on the Quotation Day none or only one of the Reference Banks supplies a quotation, there shall be no Reference Bank Rate for the relevant Interest Period.

10.3 Market disruption

If LIBOR or EURIBOR is determined otherwise than on the basis of a Reference Bank Rate and before close of business in London on the Quotation Day for the relevant Interest Period the Agent receives notifications from a Lender or Lenders (whose participations in a Loan exceed 35% of that Loan) that the cost to it of funding its participation in that Loan from whatever source it may reasonably select for that Interest Period would be in excess of LIBOR or, if applicable EURIBOR then Clause 10.4 (Cost of funds) shall apply to that Loan for the relevant Interest Period.

10.4 Cost of funds

(a) If this Clause 10.4 applies, the rate of interest on each Lender's share of the relevant Loan for the relevant Interest Period shall be the percentage rate per annum which is the sum of:

(i) the Margin; and

(ii) the rate notified to the Agent by that Lender as soon as practicable and in any event before interest is due to be paid in respect of that Interest Period to be that which expresses as a percentage rate per annum the cost to the relevant Lender of funding its participation in that Loan from whatever source it may reasonably select.

(b) If this Clause 10.4 applies and the Agent or the Obligors' Agent so requires, the Agent and the Obligors' Agent shall enter into negotiations (for a period of not more than 30 days) with a view to agreeing a substitute basis for determining the rate of interest.

(c) Any alternative basis agreed pursuant to paragraph (b) above shall, with the prior consent of all the Lenders and the Obligors' Agent, be binding on all Parties.

(d) In respect of the French Facility Loans, the applicable cost of funds of the Original French Facility Lender under this Clause 10.4 will be the interest rate applicable under the Facility B Loan following application of the provisions of this Clause 10.4.

10.5 Break Costs

(a) Each Borrower shall, within three Business Days of demand by a Finance Party, pay to that Finance Party its Break Costs attributable to all or any part of a Loan or Unpaid Sum being paid by that Borrower on a day other than the last day of an Interest Period for that Loan or Unpaid Sum.

(b) Each Lender shall, as soon as reasonably practicable after a demand by the Agent, provide a certificate confirming the amount of its Break Costs for any Interest Period in which they accrue.

11. FEES

11.1 Arrangement fee

The Company must pay to the Arranger (for its own account) an arrangement fee in the amount and at the times agreed in a Fee Letter.

11.2 Agency fee

The Company must pay to the Agent (for its own account) an agency fee in the amount and at the times agreed in a Fee Letter.

11.3 Security Agency Fee

The Company must pay to the Security Agent (for its own account) a security agent fee in the amounts and at the times agreed in a Fee Letter.

11.4 Prepayment Fee

(a) Subject to paragraph (b) below, on the date (such date a **Prepayment Date**) of any mandatory or voluntary prepayment of all or any part of any Loan pursuant to Clause 7 (Prepayment and Cancellation), the Company must (or must procure that the Borrowers) pay to the Agent for the account of each relevant Lender a prepayment fee (a **Prepayment Fee**) as follows:

(i) if the prepayment occurs before (and including) the first anniversary of the first Utilisation Date (the **First Anniversary Date**), an amount equal to 1.5 per cent. of the aggregate amount of principal prepaid;

(ii) if the prepayment occurs after the First Anniversary Date but before (and including) the second anniversary of the first Utilisation Date (the **Second Anniversary Date**), an amount equal to 1.0 per cent. of the aggregate amount of principal prepaid; and

(iii) if the prepayment occurs after the Second Anniversary Date but before (and including) the third anniversary of the first Utilisation Date (the **Third Anniversary Date**), an amount equal to 0.75 per cent. of the aggregate amount of principal prepaid.

(b) Paragraph (a) above does not apply if a prepayment of all or part of a Loan is made:

(i) under Clause 7.1 (Illegality);

(ii) from a Cure Amount (where such Cure Amount has been applied in prepayment of such Loan in accordance with this Agreement);

(iii) from Insurance Prepayment Proceeds (where such Insurance Prepayment Proceeds have been applied in prepayment of such Loan in accordance with this Agreement); or

(iv) under Clause 7.10 (Right of repayment and cancellation in relation to a single Lender); or

(v) at any time after (and excluding) the Third Anniversary Date.

(c) Notwithstanding paragraphs (a) and (b) above but subject to paragraph (d) below, no Prepayment Fee will be payable on a prepayment of part of a Loan made under, and in accordance with, the Finance Documents if such prepayment, when aggregated with any other prepayment of a Loan made under,

and in accordance with, the Finance Documents on or before the relevant prepayment date does not exceed an aggregate amount which is equal to 25 per cent. of all Loans made on the Utilisation Dates.

(d) If any Lender becomes a Non- Consenting Lender and its participations in the Loans are prepaid in accordance with Clause 38.7 (Replacement of a Lender), the Prepayment Fee payable to that Lender shall be calculated on the basis of an assumption (for the purposes of this paragraph (d) only) that all outstanding Loans are prepaid on the same date as the date on which the participations in the Loans are prepaid to the relevant Non- Consenting Lender.

12. TAX GROSS- UP AND INDEMNITIES

12.1 Tax Definitions

(a) In this Agreement:

Borrower DTTP Filing means an HM Revenue & Customs Form DTTP2 duly completed and filed by the Borrower, which:

(i) where it relates to a UK Treaty Lender that is an Original Lender, contains the scheme reference number and jurisdiction of tax residence stated opposite that Lender's name in Part 2 of Schedule 1 (Original Parties), and is filed with HM Revenue & Customs within 30 days of the date of this Agreement; or

(ii) where it relates to a UK Treaty Lender that is a New Lender, contains the scheme reference number and jurisdiction of tax residence stated in respect of that Lender in the relevant Assignment Agreement and is filed with HM Revenue & Customs within 30 days of that Transfer Date.

Borrower's Jurisdiction means in relation to the French Facility Borrowers, France, in relation to the UK Borrowers, the UK, in relation to the German Borrowers, Germany and Luxembourg, and in relation to the Dutch Borrowers, the Netherlands.

Dutch Qualifying Lender means, in respect of payments made by a Dutch Obligor, a Lender which:

(i) is an Other Treaty Lender; or

(ii) a Lender which is otherwise exempt from any Dutch Tax imposed on interest payments due to that Lender under a Finance Document.

French Qualifying Lender means, in respect of payments made by a French Facility Borrower, a Lender which:

(i) is an Other Treaty Lender; or

(ii) fulfils the conditions imposed by French law, in order for an interest payment not to be subject to (or as the case may be, to be exempt from) any Tax Deduction; or

(iii) the Original French Facility Lender or any affiliated successor.

German Qualifying Lender means a Lender which is:

(i) tax resident in Germany or lending through a Facility Office in Germany; or

(ii) an Other Treaty Lender.

Non- Bank Lender means where a Lender becomes a Party after the day on which this Agreement is entered into, a Lender which gives a Tax Confirmation in the Assignment Agreement which it executes on becoming a Party.

Protected Party means a Finance Party which is or will be subject to any liability, or required to make any payment, for or on account of Tax in relation to a sum received or receivable (or any sum deemed for the purposes of Tax to be received or receivable) under a Finance Document.

Qualifying Lender means:

(i) in relation to a payment made by a UK Borrower under a Finance Document, a UK Qualifying Lender;

(ii) in relation to a payment made by a French Facility Borrower under a Finance Document, a French Qualifying Lender;

(iii) in relation to a payment made by a German Borrower under a Finance Document, a German Qualifying Lender;

(iv) in relation to a payment made by a Dutch Borrower under a Finance Document, a Dutch Qualifying Lender

Tax Confirmation means a confirmation by a Lender that the person beneficially entitled to interest payable to that Lender in respect of an advance under a Finance Document is either:

(i) a company resident in the United Kingdom for United Kingdom tax purposes;

(ii) a partnership each member of which is:

(A) a company so resident in the United Kingdom; or

(B) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the CTA; or

(iii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the CTA) of that company.

Tax Credit means a credit against, relief or remission for, or repayment of any Tax.

Tax Deduction means a deduction or withholding for or on account of Tax from a payment under a Finance Document other than a FATCA Deduction.

Tax Payment means either the increase in a payment made by an Obligor to a Finance Party under Clause 12.2 (Tax gross- up) or a payment under Clause 12.3 (Tax indemnity).

Treaty Lender means:

(a) in respect of a payment by a UK Borrower, a Lender which:

(i) is treated as a resident of a Treaty State for the purposes of the Treaty;

(ii) does not carry on a business in the United Kingdom through a permanent establishment with which that Lender's participation in the Loan is effectively connected; and

(iii) fulfils any conditions which must be fulfilled under the double taxation agreement for residents of that Treaty State to obtain full exemption from taxation on interest imposed by the United Kingdom except that for this purpose it is assumed that the following are fulfilled:

(A) any condition contained in the Treaty which relates to the amount or terms of that advance or to there not being a special relationship between the Obligor and the Lender or between both of them and another person by reason of which the amount of interest paid exceeds the amount which would have been paid in the absence of such relationship; and

(B) any necessary procedural formalities (a **UK Treaty Lender**); and

(b) in respect of a payment by a Borrower other than a UK Borrower, a Lender which:

(i) is treated as a resident of a Treaty State for the purposes of the Treaty;

(ii) does not carry on a business in the Borrower's Jurisdiction through a permanent establishment with which that Lender's participation in the Loan is effectively connected;

(iii) fulfils any conditions which must be fulfilled under the double taxation agreement for residents of that Treaty State to obtain full exemption from taxation on interest imposed by the Borrower's Jurisdiction except that for this purpose it is assumed that the following are fulfilled:

(A) any condition contained in the Treaty which relates to the amount or terms of that advance or to there not being a special relationship between the Obligor and the Lender or between both of them and another person by reason of which the amount of interest paid exceeds the amount which would have been paid in the absence of such relationship; and

(B) any necessary procedural formalities; and

(iv) if such payment is by a French Facility Borrower, a Lender which is acting from a Facility Office situated in its jurisdiction of incorporation (an **Other Treaty Lender**).

Treaty State means a jurisdiction having a double taxation agreement (a **Treaty**) with the Borrower's Jurisdiction of the relevant Obligor which makes provision for full exemption from tax imposed by the relevant Borrower's Jurisdiction on interest.

UK Qualifying Lender means, in respect of an advance made to a UK Borrower:

(i) a Lender which is beneficially entitled to interest payable to that Lender in respect of an advance under a Finance Document and is:

(A) a Lender:

(1) which is a bank (as defined for the purpose of section 879 of the ITA) making an advance under a Finance Document and is within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that advance or would be within such charge as respects such payments apart from section 18A of the CTA; or

(2) in respect of an advance made under a Finance Document by a person that was a bank (as defined for the purpose of section 879 of the ITA) at the time that that advance was made and within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that advance; or

(B) a Lender which is:

(1) a company resident in the United Kingdom for United Kingdom tax purposes;

(2) a partnership each member of which is:

(aa) a company so resident in the United Kingdom; or

(bb) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the CTA;

(3) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the CTA) of that company; or

(C) a UK Treaty Lender; or

(ii) a Lender which is a building society (as defined for the purpose of section 880 of the ITA) making an advance under a Finance Document.

(b) Unless a contrary indication appears, in this Clause 12 (Tax Gross- Up and Indemnities) a reference to **determines** or **determined** means a determination made in the absolute discretion of the person making the determination, acting in good faith.

12.2 Tax gross- up

(a) Each Obligor shall make all payments to be made by it without any Tax Deduction, unless a Tax Deduction is required by law.

(b) The Obligors' Agent shall promptly upon becoming aware that an Obligor must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Agent accordingly. Similarly, a Lender shall promptly notify the Agent on becoming so aware in respect of a payment payable to that Lender. If the Agent receives such notification from a Lender it shall notify the Obligors' Agent and that Obligor.

(c) If a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from that Obligor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

(d) A payment shall not be increased under clause 12.2(c) by reason of a Tax Deduction on account of Tax imposed by a Borrower's Jurisdiction, if on the date on which the payment falls due:

(i) the payment could have been made to the relevant Lender without a Tax Deduction if the Lender had been a Qualifying Lender, but on that date that Lender is not or has ceased to be a Qualifying Lender other than as a result of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or Treaty or any published practice or published concession of any relevant taxing authority; or

(ii) the relevant Lender is a Treaty Lender and the Obligor making the payment is able to demonstrate that the payment could have been made to the Lender without any Tax Deduction had that Lender complied with its obligations under paragraph (i) or (j) below; or

(iii) the German Borrower is required by the relevant Tax office to make a Tax Deduction on account of German Tax based on section 50a paragraph 7 German Income Tax Act (Einkommensteuergesetz) or any law amending or replacing section 50a paragraph 7 German Income Tax Act having the same effect.

(e) A French Obligor shall not be required to make an increased payment under Clause 12.2(c) above to a Lender (other than the Original French Facility Lender or any affiliated successor) by reason of any Tax Deduction for or on account of Tax imposed by France on a payment made to a Lender if such Tax Deduction is imposed solely because this payment is made to an account opened in the name of or for the benefit of that Lender (including, for the avoidance of doubt an account opened by the Security Agent) in a financial institution situated in a Non- Cooperative Jurisdiction.

(f) A Guarantor will not be obliged to make an increased payment under Clause 12.2(c) above with respect to a payment by it in respect of a liability due for payment by a Borrower to the extent that, had the relevant payment been made by that Borrower, Tax would have been imposed on such payment for which that Borrower would not have been obliged to make an increased payment under Clause 12.2(c) above.

(g) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(h) Within 30 days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Obligor making that Tax Deduction shall deliver to the Agent for the Finance Party entitled to the payment a statement under Section 975 of ITA (where the Tax Deduction is in respect of tax imposed by the United Kingdom) or other evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

(i) (i) Subject to subparagraph (ii) below, a Treaty Lender and each Obligor which makes a payment to which that Treaty Lender is entitled shall co- operate in completing any procedural formalities necessary for that Obligor to obtain authorisation to make that payment without a Tax Deduction.

(ii)

(A) A UK Treaty Lender which becomes a Party on the day on which this Agreement is entered into that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall confirm its scheme reference number and its jurisdiction of tax residence opposite its name in Part 2 of Schedule 1 (Original Parties); and

(B) a New Lender that is a UK Treaty Lender that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall confirm its scheme reference number and its jurisdiction of tax residence in the Assignment Agreement which it executes,

and, having done so, that UK Treaty Lender shall be under no obligation pursuant to subparagraph (i) above in relation to completing any procedural formalities necessary for that Obligor to obtain authorisation to make a United Kingdom sourced interest payment without a Tax Deduction.

(j) If a UK Treaty Lender has confirmed its scheme reference number and its jurisdiction of tax residence in accordance with subparagraph (i)(ii) above and:

(i) the Borrower making a payment to that Lender has not made a Borrower DTTP Filing in respect of that Lender; or

(ii) the Borrower making a payment to that Lender has made a Borrower DTTP Filing in respect of that Lender but:

(A) that Borrower DTTP Filing has been rejected by HM Revenue & Customs; or

(B) HM Revenue & Customs has not given the Borrower authority to make payments to that Lender without a Tax Deduction within 60 days of the date of the Borrower DTTP Filing,

and in each case, the Borrower has notified that Lender in writing, that Lender and the Borrower shall co- operate in completing any additional procedural formalities necessary for the Borrower to obtain authorisation to make that payment without a Tax Deduction.

(k) If a Lender has not confirmed its scheme reference number and jurisdiction of tax residence in accordance with subparagraph (i)(ii) above , no Obligor shall make a Borrower DTTP Filing or file any other form relating to the HMRC DT Treaty Passport scheme in respect of that Lender's Commitment or its participation in any Loan unless the Lender otherwise agrees.

(l) The Borrower shall, promptly on making a Borrower DTTP Filing, deliver a copy of that Borrower DTTP Filing to the Agent for delivery to the relevant Lender.

(m) A Non- Bank Lender which becomes a Party after the date on which this Agreement is entered into gives a Tax Confirmation to each Obligor by entering into an Assignment Agreement.

(n) A Non- Bank Lender shall promptly notify the Obligors' Agent and the Agent if there is any change in the position from that set out in the Tax Confirmation.

(o) Any Lender which is a Treaty Lender and which ceases, for whatever reason, to be a Qualifying Lender shall promptly notify the Borrower and the Agent of that change in status.

12.3 Tax indemnity

(a) Each Obligor shall (within three Business Days of demand by the Agent) pay to a Protected Party an amount equal to the loss, liability or cost which that Protected Party determines will be or has been (directly or indirectly) suffered for or on account of Tax by that Protected Party in respect of a Finance Document.

(b) Paragraph (a) shall not apply:

(i) with respect to any Tax assessed on a Finance Party:

(A) under the law of the jurisdiction in which that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes; or

(B) under the law of the jurisdiction in which that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction; or

(C) under the laws of the Netherlands to the extent such Tax becomes payable as a result of such Protected Party having a substantial interest (aanmerkelijk belang) in an Obligor as laid down in the Netherlands Income Tax Act 2001 (Wet inkomstenbelasting 2001);

if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Finance Party; or

(ii) with respect to any Tax assessed on a Finance Party under the laws of Germany solely due to the fact that the Loans are secured (directly or indirectly) by real estate located in Germany (inländischem Grundbesitz) or by German rights subject to the civil code provisions relating to real estate (inländische Rechte, die den Vorschriften des bürgerlichen Rechts über Grundstücke unterliegen), unless the relevant Finance Party has been a Treaty Lender when it became a Party and the reason it has ceased to be a Treaty Lender is the introduction of, or a change in, any law or regulation, or a change in the interpretation or application of any law, treaty or regulation or in any published practice or published concession of any tax authority, after it became a Party; or

(iii) to the extent a loss, liability or cost:

(A) is compensated for by an increased payment under Clause 12.2 (Tax gross- up);

(B) would have been compensated for by an increased payment under Clause 12.2 (Tax gross- up) but was not so compensated solely because one of the exclusions in that clause applied;

(C) relates to a FATCA Deduction required to be made by a Party.

(c) A Protected Party making, or intending to make a claim under paragraph (a) shall promptly notify the Agent of the event which will give, or has given, rise to the claim, following which the Agent shall notify the Obligors' Agent.
(d) A Protected Party shall, on receiving a payment from an Obligor under this Clause 12.3 (Tax indemnity), notify the Agent.

12.4 Tax Credit

If an Obligor makes a Tax Payment and the relevant Finance Party determines that:
(a) a Tax Credit is attributable to an increased payment of which that Tax Payment forms part, to that Tax Payment or to a Tax Deduction in consequence of which that Tax Payment was required; and
(b) that Finance Party has obtained and utilised that Tax Credit or part of that Tax Credit,

the Finance Party shall pay an amount to the Obligor which that Finance Party determines will leave it (after that payment) in the same after- Tax position as it would have been in had the Tax Payment not been required to be made by the Obligor.

12.5 Lender status confirmation

Each Lender which becomes a Party to this Agreement after the date of this Agreement shall indicate, in the Assignment Agreement which it executes on becoming a Party, for the benefit of the Agent and without liability to any Obligor, which of the following categories it falls in:
(a) In respect of a payment made by a UK Borrower under a Finance Document:
(i) not a UK Qualifying Lender;
(ii) a UK Qualifying Lender (other than a UK Treaty Lender); or
(iii) a UK Treaty Lender.
(b) In respect of a payment made by a French Facility Borrower under a Finance Document:
(i) not a French Qualifying Lender;
(ii) a French Qualifying Lender (other than an Other Treaty Lender); or
(iii) an Other Treaty Lender.
(c) In respect of a payment made by a German Borrower under a Finance Document:
(i) not a German Qualifying Lender;
(ii) a German Qualifying Lender (other than an Other Treaty Lender); or
(iii) an Other Treaty Lender.
(d) In respect of a payment made by a Dutch Borrower under a Finance Document:

(i) not a Dutch Qualifying Lender;
(ii) a Dutch Qualifying Lender (other than an Other Treaty Lender); or
(iii) an Other Treaty Lender

Such Lender shall also specify, in the Assignment Agreement which it executes upon becoming a Party to this Agreement, whether it is incorporated, domiciled, established, or acting through a Facility Office situated in a Non- Cooperative Jurisdiction.

If a New Lender fails to indicate its status in accordance with this Clause 12.5 then such New Lender shall be treated for the purposes of this Agreement (including by each Obligor as if it is not a Qualifying Lender until such time as it notifies the Agent which category applies (and the Agent, upon receipt of such notification, shall inform the Obligors' Agent). For the avoidance of doubt, an Assignment Agreement shall not be invalidated by any failure of a Lender to comply with this Clause 12.5.

12.6 Stamp taxes

(a) The Company shall pay and, within three Business Days of demand, indemnify each Finance Party against any cost, loss or liability that Finance Party incurs in relation to all stamp duty, land and buildings transaction tax, registration and other similar Taxes payable in respect of any Finance Document.

(b) Clause 12.6(a) shall not apply to any cost, loss or liability any Finance Party incurs in relation to stamp duty, registration and other similar Taxes payable in respect of an assignment, transfer or other alienation of any kind by that Finance Party of any of its rights and/or obligations under any Finance Document, other than:

(i) an assignment or transfer made as a result of an Obligor exercising its right under Clause 7.10 (Right of repayment and cancellation in relation to a single Lender) solely due to a change in any law or regulation;

(ii) an assignment or transfer which a Finance Party is required to make, solely as a result of a change in any law or regulation, in order for that Finance Party to observe its obligations under Clause 15 (Mitigation by the Lenders); or

(iii) an assignment or transfer required in order to enforce the Security Documents.

12.7 Value added tax

(a) All amounts expressed to be payable under a Finance Document by any Party to a Finance Party which (in whole or in part) constitute the consideration for any supply for VAT purposes are deemed to be exclusive of any VAT which is chargeable on that supply, and accordingly, subject to paragraph (b) below, if VAT is or becomes chargeable on any supply made by any Finance Party to any Party under a Finance Document, and that Finance Party is required to account to the relevant tax authority for the VAT, that Party must pay to that Finance Party (in addition to and at the same time as paying any other consideration for such supply) an amount equal to the amount of that VAT (and such Finance Party must promptly provide an appropriate VAT invoice to that Party).

(b) If VAT is or becomes chargeable on any supply made by any Finance Party (the **Supplier**) to any other Finance Party (the **Recipient**) under a Finance Document, and any Party other than the Recipient (the **Relevant Party**) is required by the terms of any Finance Document to pay an amount equal to the

consideration for that supply to the Supplier (rather than being required to reimburse or indemnify the Recipient in respect of that consideration):

(i) (where the Supplier is the person required to account to the relevant tax authority for the VAT) the Relevant Party must also pay to the Supplier (at the same time as paying that amount) an additional amount equal to the amount of the VAT. The Recipient must (where this subparagraph (i) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply; and

(ii) (where the Recipient is the person required to account to the relevant tax authority for the VAT) the Relevant Party must promptly, following demand from the Recipient, pay to the Recipient an amount equal to the VAT chargeable on that supply but only to the extent that the Recipient reasonably determines that it is not entitled to credit or repayment from the relevant tax authority in respect of that VAT.

(c) Where a Finance Document requires any Party to reimburse or indemnify a Finance Party for any cost or expense, that Party shall reimburse or indemnify (as the case may be) such Finance Party for the full amount of such cost or expense, including such part thereof as represents VAT, save to the extent that such Finance Party reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.

(d) Any reference in this Clause 12.7 to any Party shall, at any time when such Party is treated as a member of a group for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the person who is treated as making the supply, or (as appropriate) receiving the supply under the grouping rules (as provided for) in Article 11 of Council Directive 2006/112/EC (or as implemented by the relevant member state of the European Union) or any other similar provision in any jurisdiction which is not a member state of the European Union) so that a reference to a Party shall be construed as a reference to that Party or the relevant group or unity (or fiscal unity) of which that Party is a member for VAT purposes at the relevant time or the relevant representative member (or head) of that group or unity (or fiscal unity) at the relevant time (as the case may be).

(e) In relation to any supply made by a Finance Party to any Party under a Finance Document, if reasonably requested by such Finance Party, that Party must promptly provide such Finance Party with details of that Party's VAT registration and such other information as is reasonably requested in connection with such Finance Party's VAT reporting requirements in relation to such supply.

12.8 FATCA Information

(a) Subject to paragraph (c) below, each Party shall, within ten Business Days of a reasonable request by another Party:

(i) confirm to that other Party whether it is:

(A) a FATCA Exempt Party; or

(B) not a FATCA Exempt Party; and

(ii) supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA.

(b) If a Party confirms to another Party pursuant to subparagraph (a)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.

(c) Paragraph (a) above shall not oblige any Party to do anything which would or might in its reasonable opinion constitute a breach of:

(i) any law or regulation;

(ii) any fiduciary duty; or

(iii) any duty of confidentiality.

(d) If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with subparagraph (a)(i) or (ii) above (including, for the avoidance of doubt, where paragraph (c) above applies), then such Party shall be treated for the purposes of the Finance Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

12.9 FATCA Deduction

(a) Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.

(b) Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), notify the Party to whom it is making the payment and, in addition, shall notify the Obligors' Agent and the Agent, and the Agent shall notify the other Finance Parties.

12.10 Other Information

(a) Subject to paragraph (b) below, each Party shall, within ten Business Days of a reasonable request by another Party, supply to that other Party such forms, documentation and other information relating to its status as that other Party requests to enable that other Party to comply with any regulations made under section 222 of the Finance Act 2013 or any other applicable law or regulation in any jurisdiction implementing similar international arrangements for the exchange of Tax or financial information between jurisdictions.

(b) No Party is obliged to do anything under paragraph (a) above which would or might in its reasonable opinion constitute a breach of any applicable:

(i) law or regulation;

(ii) fiduciary duty; or

(iii) duty of confidentiality.

13. INCREASED COSTS

13.1 Increased Costs

(a) Subject to Clause 13.3 (Exceptions), each Borrower shall, within three Business Days of a demand by the Agent, pay for the account of a Finance Party the amount of any Increased Costs incurred by that Finance Party or any of its Affiliates as a result of:

(i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation after the date of this Agreement; or

(ii) compliance with any law or regulation made after the date of this Agreement.

(b) In this Clause 13, **Increased Costs** means:

(i) a reduction in the rate of return from a Facility or on a Finance Party's (or its Affiliate's) overall capital;

(ii) an additional or increased cost; or

(iii) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by a Finance Party or any of its Affiliates to the extent that it is attributable to that Finance Party having entered into its Commitment or funding or performing its obligations under any Finance Document.

(c) If a Finance Party (other than the Original French Facility Lender) incurs or suffers any Increased Costs in accordance with paragraph (a) above, the amount of such Increased Costs payable under a French Facility by a French Facility Borrower to the French Facility Lender is equal to the amount of the Increased Costs payable by the Facility B Borrower under a Facility B Loan calculated by reference to the proportion that the outstanding amount of any such French Facility Loan at that time bears to the amount of all French Facility Loans owed to the French Facility Lender.

13.2 Increased Cost claims

(a) A Finance Party intending to make a claim pursuant to Clause 13.1 (Increased Costs) shall notify the Agent of the event giving rise to the claim, following which the Agent shall promptly notify the Obligors' Agent.

(b) Each Finance Party shall, as soon as practicable after a demand by the Agent, provide a certificate confirming the amount of its Increased Costs.

13.3 Exceptions

(a) Clause 13.1 (Increased Costs) does not apply to the extent any Increased Cost is:

(i) attributable to a Tax Deduction required by law to be made by an Obligor;

(ii) attributable to a FATCA Deduction required to be made by a Party;

(iii) compensated for by Clause 12.3 (Tax indemnity) (or would have been compensated for under Clause 12.3 (Tax indemnity) but was not so compensated solely because any of the exclusions in paragraph (b) of Clause 12.3 (Tax indemnity) applied);

(iv) attributable to the wilful breach by the relevant Finance Party or its Affiliates of any law or regulation;

(v) attributable to the implementation or application of, or compliance with, Basel II (but excluding any amendment arising out of Basel III); or

(vi) a Basel III Cost or a CRD IV Cost except to the extent that:

(A) the relevant Finance Party confirms to the Agent and the Company that it is seeking to recover those costs to a similar extent from its comparable borrowers generally; and

(B) the relevant Finance Party can demonstrate to the Agent and the Company that it was not able to determine the amount of those costs as at the date of this Agreement.

(b) Clause 13.1 (Increased Costs) does not apply to the extent the Increased Cost is incurred by a Counterparty in its capacity as such.

(c) In this Clause 13, a reference to:

(i) **Basel II** means the "International Convergence of Capital Measurement and Capital Standards, a Revised Framework" published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the date of this Agreement or any other law or regulation which implements Basel II (whether such implementation, application or compliance is by a government, regulator, Finance Party or any of its Affiliates);

(ii) **Basel III** means:

(A) the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision on 16 December 2010, each as amended, supplemented or restated; and

(B) the rules for global systemically important banks contained in "Global systemically important banks: assessment methodology and the additional loss absorbency requirement – Rules text" published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated; and

(C) any further guidance or standards published by the Basel Committee on Banking Supervision relating to "Basel III"; and

(iii) **Basel III Costs** means any Increased Cost attributable to the implementation or application of or compliance with Basel III.

(iv) **CRD IV** means:

(A) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms; and

(B) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit

institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.

(v) **CRD IV Costs** means any Increased Cost attributable to the implementation or application of or compliance with CRD IV.

(d) In this Clause 13.3, a reference to a **Tax Deduction** has the same meaning given to the term in Clause 12.1 (Tax Definitions).

14. OTHER INDEMNITIES

14.1 Currency indemnity

(a) If any sum due from an Obligor under the Finance Documents (a **Sum**), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the **First Currency**) in which that Sum is payable into another currency (the **Second Currency**) for the purpose of:

(i) making or filing a claim or proof against that Obligor; or

(ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

that Obligor must as an independent obligation, within three Business Days of demand, indemnify each Finance Party to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

(b) Each Obligor waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.

14.2 Other indemnities

Each Obligor must within three Business Days of demand, indemnify each Finance Party against any cost, loss or liability incurred by that Finance Party as a result of:

(a) the occurrence of any Event of Default;

(b) a failure by an Obligor to pay any amount due under a Finance Document on its due date, including without limitation, any cost, loss or liability arising as a result of Clause 31 (Sharing Among the Finance Parties);

(c) funding, or making arrangements to fund, its participation in a Loan requested by a Borrower in a Utilisation Request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence by that Finance Party alone), it being expressly agreed that if the first Utilisation Date does not take place on 8 April 2015 the Company shall promptly pay to the Original Lender the funding costs of the Original Lender equal to one day EURIBOR on 7 April 2015 (in relation to each Loan in euro which is proposed to be made on 8 April 2015) and one day LIBORon 7 April 2015 (in relation to each Loan in sterling which is proposed to be made on 8 April 2015);

(d) any Finance Party converting the proceeds of any proposed Loan which is standing to the credit of the Clifford Chance LLP London client account or the Linklaters LLP London client account (but only to the extent such proceeds are held to the order of the Original Lender or counsel on their behalf) into the currency of the relevant Facility under which it was proposed the Loan was to be advanced, for the purposes of returning such proposed proceeds to the Original Lender in the relevant currency;

(e) a Loan (or part of a Loan) not being prepaid in accordance with a notice of prepayment given by a Borrower or the Obligors' Agent;

(f) any litigation commenced by any person (other than a Transaction Obligor) against a Finance Party or any Obligor or a Shareholder in connection with any transaction contemplated by the Finance Documents.

14.3 Obligors' Indemnity to the Agent

Each Obligor must promptly indemnify the Agent against:

(a) any cost, loss or liability incurred by the Agent (acting reasonably) as a result of:

(i) investigating any event which it reasonably believes is an Event of Default;

(ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; or

(iii) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under the Finance Documents; and

(b) any cost, loss or liability incurred by the Agent (otherwise than by reason of the Agent's gross negligence or wilful misconduct) (or, in the case of any cost, loss or liability pursuant to Clause 32.11 (Disruption to payment systems etc.) (otherwise than by reason of the Agent's gross negligence, wilful misconduct or fraud), in acting as Agent under the Finance Documents.

14.4 Obligors' Indemnity to the Security Agent

(a) Each Obligor must promptly indemnify the Security Agent and every Receiver and Delegate against any cost, loss or liability incurred by any of them as a result of:

(i) any failure by the Company to comply with its obligations under Clause 16 (Costs and Expenses);

(ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;

(iii) the taking, holding, protection or enforcement of the Transaction Security;

(iv) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Security Agent and each Receiver and Delegate by the Finance Documents, the Transaction Security or by law;

(v) any default by any Obligor or any other Transaction Obligor in the performance of any of the obligations expressed to be assumed by it in any of the Finance Documents;

(vi) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under the Finance Documents; or

(vii) acting as Security Agent, Receiver or Delegate under the Finance Documents or which otherwise relates to any of the Security Property (otherwise, in each case, than by reason of the relevant Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct).

(b) The Security Agent and every Receiver and Delegate may, in priority to any payment to the Finance Parties, indemnify itself out of the Security Assets in respect of, and pay and retain all sums necessary to give effect to the indemnity in this Clause 14.4 and shall have a lien on the Transaction Security and the proceeds of enforcement of the Transaction Security for all moneys payable to it.

14.5 French Facility Borrowers' Indemnity to the Original French Facility Lender

(a) This Clause 14 applies to the French Obligors, without any double counting with any amount to be paid in accordance with paragraph (b) below, provided that any costs, liabilities and loss payable by such French Obligor under this Clause 14, (i) if such amount relates to the relevant French Term Loan Agreement and the relevant French Facility Loan, shall be borne exclusively by such French Obligor and (ii) otherwise shall be borne by the French Obligor as Guarantor subject to Clause 18.13 (Limitations: French Guarantors).

(b) Each French Facility Borrower shall indemnify the Original French Facility Lender, at its first request, against any cost, loss or liability the Original French Facility Lender (as Facility B Borrower) has to pay at any time to any other Finance Party pursuant to the Finance Documents, on a pro rata basis by reference to the proportion that the outstanding amount of such French Borrower's French Facility Loan at that time bears to the amount of all French Facility Loans owed by the French Borrowers at that time, to the extent that such French Facility Borrower is not already obliged to indemnify, pay or reimbursed such cost, loss or liability to the Original French Facility Lender (as Facility B Borrower) pursuant to any other provisions of a Finance Documents.

15. MITIGATION BY THE LENDERS

15.1 Mitigation

(a) Each Finance Party must, in consultation with the Obligors' Agent, take all reasonable steps to mitigate any circumstances which arise and which would result in any Facility ceasing to be available or any amount becoming payable under or pursuant to, or cancelled pursuant to, any of Clause 7.1 (Illegality), Clause 12 (Tax Gross- Up and Indemnities), Clause 13 (Increased Costs) or in any amount payable under a Finance Document by a French Obligor becoming not deductible from its taxable income for French tax purposes by reason of that amount being (i) paid or accrued to a Finance Party incorporated, domiciled, established or acting through a Facility Office situated in a Non-Cooperative Jurisdiction or (ii) paid to an account opened in the name of or for the benefit of that Finance Party in a financial institution situated in a Non- Cooperative Jurisdiction, in each case including (but not limited to) transferring its rights and obligations under the Finance Documents to an Affiliate of that Finance Party or to another Facility Office, it being specified, for the avoidance of doubt, that the substitution of such Facility Office by a Facility Office that is not located in a Non- Cooperative Jurisdiction or of such bank account by a bank account that is not opened in a financial institution situated in a Non- Cooperative Jurisdiction, will be considered as reasonable steps for the purpose hereof.

(b) Paragraph (a) above does not in any way limit the obligations of any Obligor under the Finance Documents but does not apply in respect of any part of any Loan which has been transferred as part of a Securitisation.

15.2 Limitation of liability

(a) Each Obligor must promptly indemnify each Finance Party for all costs and expenses reasonably incurred by that Finance Party as a result of steps taken by it under Clause 15.1 (Mitigation), provided that any costs and expenses payable by a French Obligor under this Clause 15, (i) if such amount relates to the relevant French Term Loan Agreement and the relevant French Facility Loan, shall be borne exclusively by such French Obligor and (ii) otherwise shall be borne by that French Obligor as Guarantor subject to Clause 18.13 (Limitations: French Guarantors).

(b) A Finance Party is not obliged to take any steps under Clause 15.1 (Mitigation) if, in the opinion of that Finance Party (acting reasonably), to do so might be prejudicial to it.

16. COSTS AND EXPENSES

16.1 Transaction expenses

Each Obligor must promptly on demand, but in any event within three Business Days of demand, pay each of the Agent, the Arranger and the Security Agent the amount of all reasonable costs and expenses (including but not limited to reasonable legal fees, land registry fees, mortgage registration fees and notarial fees subject to any agreed caps) reasonably incurred by any of them (and by any Receiver or Delegate) in connection with the negotiation, preparation, printing, execution and perfection (including the holding of any Transaction Security by a nominee on behalf of the Security Agent) of:

(a) this Agreement and any other documents referred to in this Agreement or in a Security Document; and

(b) any other Finance Documents executed after the date of this Agreement.

16.2 Amendment costs

If:

(a) an Obligor requests an amendment, waiver or consent or

(b) an amendment is required pursuant to Clause 32.10 (Change of currency),

each Obligor must promptly on demand, but in any event within three Business Days of demand, reimburse each of the Agent and the Security Agent and the Finance Parties for the amount of all reasonable costs and expenses (including reasonable legal fees subject to any agreed caps) reasonably incurred by the Agent or the Security Agent or the Finance Parties (and by any Receiver or Delegate) in responding to, evaluating, negotiating or complying with that request or requirement.

16.3 Enforcement costs

Each Obligor must promptly on demand, pay to each Finance Party the amount of all costs and expenses (including legal fees) incurred by that Finance Party in connection with the enforcement of, or the preservation of any rights under, any Finance Document or the Transaction Security and with any

proceedings instituted by or against the Security Agent or that Finance Party as a consequence of it entering into a Finance Document, taking or holding the Transaction Security, or enforcing those rights.

16.4 Valuations

(a) The Agent may request a Valuation (and instruct a Valuer) at any time.

(b) Each Obligor must promptly on demand pay to the Agent the costs of:

(i) the Initial Valuation;

(ii) a Valuation obtained by the Agent on an annual basis prior to the Final Repayment Date;

(iii) a Valuation obtained by the Agent in connection with the compulsory purchase of all or part of any Property; and

(iv) a Valuation obtained by the Agent at any time when a Default is continuing or the Agent reasonably believes that a Default is likely to occur as a result of obtaining that Valuation.

(c) Any Valuation not referred to in paragraph (b) above will be at the cost of the Lenders (other than the Original French Facility Lender), provided that if the Agent requests a Valuation pursuant to paragraph (b)(iv) above and that Valuation does not result in a Default, such Valuation will also be at the cost of the Lenders (other than the Original French Facility Lender).

16.5 Security Agent's ongoing costs

In the event of (a) the occurrence of a Default or (b) the Security Agent being requested by an Obligor or the Majority Lenders to undertake duties which the Security Agent and the Obligors' Agent agree to be of an exceptional nature and/or outside the scope of the normal duties of the Security Agent under the Finance Documents, each Obligor will pay to the Security Agent any additional remuneration (together with any applicable VAT) as shall be reasonably determined by the Security Agent as being a fair reflection of those additional duties.

16.6 French Facility Borrowers' costs and expenses duty

This Clause 16 applies to the French Obligors provided that any costs and expenses payable by a French Obligor under this Clause 16, (i) if such amount relates to the relevant French Term Loan Agreement and the relevant French Term Loan, shall be borne exclusively by such French Obligor and (ii) otherwise shall be borne by that French Obligor as Guarantor subject to Clause 18.13 (Limitations: French Guarantors).

17. BANK ACCOUNTS

17.1 Designation of Accounts

(a) Each Propco (with the exception of the UK Propcos) must, on or before the first Utilisation Date (or, in the case of each Targetco, on or before the Account Backstop Date), open and maintain an account designated the **Rent Collection Account** denominated in euro.

(b) Each UK Propco must, on or before the first Utilisation Date, open and maintain an account designated the **Rent Collection Account** denominated in sterling.

(c) Each Propco (with the exception of the UK Propco) must, on or before the Account Backstop Date, open and maintain the following bank accounts, each denominated in euro:

(i) an account designated the **Service Charge Account**;

(ii) an account designated the **Rent Account**; and

(iii) an account designated the **Propco General Account**.

(d) Each UK Propco must, on or before the Account Backstop Date, open and maintain the following bank accounts, each denominated in sterling:

(i) an account designated the **Service Charge Account**;

(ii) an account designated the **Rent Account**; and

(iii) an account designated the **Propco General Account**.

(e) Each French Propco must, on or before the Account Backstop Date, open and maintain the following bank accounts, denominated in euro:

(i) an account designated the **French Facility Borrower Reserve Account**;

(ii) an account designated the **French Facility Borrower Deposit Account**.

(f) Each Midco (other than the Original Facility B Borrower and the OPCI) must, on or before the Account Backstop Date, open and maintain an account designated the **Midco General Account** denominated in euro.

(g) The Original Facility B Borrower must on or before the Account Backstop Date, open and maintain the following bank accounts, each denominated in euro:

(i) an account designated the **Midco Blocked Account**;

(ii) an account designated the **Midco General Account**;

(iii) an account designated the **OPCI Shareholder Account**;

(iv) an account designated the **Alésia Shareholder Account**; and

(v) an account designated the **Marceau Shareholder Account**.

(h) The OPCI must on or before the Account Backstop Date, open and maintain the following bank accounts each denominated in euro:

(i) an account designated the **OPCI General Account**; and

(ii) an account designated the **OPCI Deposit Account**; and

(iii) an account designated the **Joubert Shareholder Account** .

(i) The Company must, on or before the Account Backstop Date, open and maintain the following bank accounts:

(i) an account designated the **Euro Company Account** denominated in euro;
(ii) an account designated the **Sterling Company Account** denominated in sterling (together with the Euro Company Account referred to as the **Company General Accounts**);
(iii) an account designated the **Euro Equity Cure Account** denominated in euro;
(iv) an account designated the **Sterling Equity Cure Account** denominated in sterling (together with the Euro Equity Cure Account referred to as the **Equity Cure Accounts**);
(v) an account designated the **Euro Deposit Account** denominated in euro;
(vi) an account designated the **Sterling Deposit Account** denominated in sterling (together with the Euro Deposit Account referred to as the **Company Deposit Accounts**);
(vii) an account designated the **Euro Reserve Account** denominated in euro;
(viii) an account designated the **Sterling Reserve Account** denominated in sterling (together with the Euro Reserve Account referred to as the **Reserve Accounts**);
(j) No Obligor may, without the prior consent of the Agent, maintain any other account with any bank or financial institution save for any rent deposit accounts in which tenant rent deposits are held (a **Rent Deposit Account**) and any Existing Account which is not required or permitted to be maintained in accordance with this Clause 17 and is closed by the Account Backstop Date.

17.2 Account Bank

(a) Subject to paragraph (b) below, each Account must be held at an Account Bank.
(b) All Accounts must be subject to Transaction Security on terms satisfactory to the Security Agent.
(c) An Account must be replaced with an account at the same or another bank or financial institution at any time if:
(i) the relevant Account Bank ceases to have a Requisite Rating and the Agent so requires; or
(ii) the Obligors' Agent so requests and the Agent consents, **provided that** such other financial institution shall have a Requisite Rating or shall otherwise be approved in writing by the Majority Lenders (acting reasonably).

In respect of sub- paragraph (i) above, such accounts must be replaced within 30 days of the Company notifying the Agent that the relevant Account Bank has ceased to have a Requisite Rating.

(d) The replacement of an Account only becomes effective when the relevant bank agrees with the Agent and the Obligors' Agent, in a manner satisfactory to the Agent, to fulfil the role of the bank holding that Account and acknowledges that such Account shall be the subject of the Transaction Security.
(e) Each Obligor must, on or before the Account Backstop Date, provide to the Agent a duly signed copy of each Account Control Agreement to which it is party.

17.3 Rent Collection Accounts

(a) Except as provided in paragraph (f) below, the Approved Cash Manager has signing rights to each Rent Collection Account.

(b) Each Propco must ensure that all Rental Income owed to it (other than rent deposits to be paid into its Rent Deposit Account) is directly paid into its Rent Collection Account and on each Rent Collection Account Sweep Date all Net Rental Income standing to the credit of its Rent Collection Account on the last Business Day of the Month immediately preceding that Rent Collection Account Sweep Date is transferred from the Rent Collection Account into the Rent Account of that Propco.

(c) Each Propco must ensure that:

(i) all Tenant Contributions (excluding VAT);

(ii) all void and non- recoverable Service Charge Expenses; and

(iii) any ground rent or other payment due under any Headlease,

in each case, in respect of the Properties owned by the relevant Propco) are paid promptly into its Service Charge Account.

(d) Each Propco must ensure that any sum representing any VAT chargeable in respect of Rental Income (in respect of the Properties owned by the relevant Propco) are paid promptly into its General Account.

(e) No Propco may withdraw funds from its Rent Collection Account for any other purpose.

(f) At any time when an Event of Default is continuing, the Security Agent may, and is irrevocably authorised by each Propco to:

(i) operate the Rent Collection Accounts;

(ii) notify any Propco that its rights to operate its Rent Collection Account are suspended, such notice to take effect in accordance with its terms; and

(iii) withdraw from, and apply amounts standing to the credit of, any Rent Collection Account in or towards any purpose for which moneys in that Account may be applied.

provided that:

(A) any operation of French Targetco Joubert's Rent Collection Account, French Targetco Alésia's Rent Collection Account, French Targetco Marceau's Rent Collection Account and French Propco's Rent Collection by the Security Agent pursuant to paragraph (f) above shall be limited to the application of amounts standing to the credit of the relevant Rent Collection Account in or towards any purpose for which moneys in that Account of the relevant French Facility Borrower may be applied; and

(B) any operation of French Targetco Joubert's Rent Collection Account or French Propco’s Rent Collection Account by the Security Agent pursuant to paragraph (f) above shall not prevent any Permitted OPCI Distribution by French Targetco Joubert or by French Propco.

(g) Provided that no Event of Default is continuing and the Dutch Share Capital Funding Amount has been deposited into the Rent Collection Accounts, the Approved Cash Manager may withdraw the Dutch Share Capital Funding Amount and transfer it to the General Accounts of the Dutch Propcos.

17.4 Rent Accounts

(a) The Security Agent has sole signing rights in relation to the Rent Accounts.

(b) (i) Each Propco must ensure that:

(A) all Net Rental Income (other than the rent deposits to be paid into its Rent Deposit Account) is paid directly from its Rent Collections Account;

(B) all proceeds of any Insurances in respect of loss of rent which are to be treated as Rental Income in accordance with paragraph (k) of Clause 23.12 (Insurances) are paid;

(C) any amount payable to it in accordance with paragraph (l) of Clause 8.3 (Hedging) is paid; and

(D) any amount which is transferred to that Propco on any Interest Payment Date from any other member of the Group for the purposes of covering any shortfall of interest, fees and other amounts due and payable under the Finance Documents on that Interest Payment Date is paid,

into its Rent Account.

(ii) Sub- paragraph (i) above shall not apply to Lease Prepayment Proceeds.

(c) If any payment of any amount referred to in paragraph (b) above is paid into an Account other than a Rent Account, that payment must be paid immediately into a Rent Account.

(d) Except as provided in Clause 32.6 (Partial payments) and paragraph (e) below, on each Interest Payment Date, the Security Agent shall (and is irrevocably authorised by the Propcos to) withdraw from, and apply amounts standing to the credit of, the Rent Account of a Propco in order to pay or transfer the amounts below owed by such Propco, in the following order:

(i) **first**, to the extent not already paid by a tenant or otherwise funded out of the proceeds credited to the Rent Collection Account or the Service Charge Account of that Propco, in or towards any reasonable amounts due under any Headlease or ground lease or reasonable insurance premia as set out in the Business Plan, or any other amounts reasonably required in respect of the Properties on account of void and non- recoverable Services Charge Expenses, in each case as set out in the Business Plan;

(ii) **secondly**, in or towards payment pro rata of any unpaid amounts owing to the Agent, the Arranger or the Security Agent (including any amount due to any Receiver or Delegate) due but unpaid under the Finance Documents;

(iii) **thirdly**, in or towards payment pro rata to the Agent (or to the Midco Blocked Account in respect of the French Facility Borrowers) for the relevant Lenders of any accrued interest on any Property Protection Loans due but unpaid under the Finance Documents;

(iv) **fourthly**, in or towards payment pro rata to the Agent (or to the Midco Blocked Account in respect of the French Facility Borrowers) for the relevant Lenders of any principal of Property Protection Loans due but unpaid under the Finance Documents;

(v) **fifthly**, in or towards payment to the Agent (or to the Midco Blocked Account in respect of the French Facility Borrowers) for the relevant Lenders of any accrued interest, fees and expenses in respect of the Facilities due but unpaid under the Finance Documents;

(vi) **sixthly**, in or towards payment to the Agent (or to the Midco Blocked Account in respect of the French Facility Borrowers) for the relevant Lenders of any principal in respect of the Facilities due but unpaid under the Finance Documents;

(vii) **seventhly**, in or towards payment to the Agent (or to the Midco Blocked Account in respect of the French Facility Borrowers) pro rata of any other sum due but unpaid to the Finance Parties under the Finance Documents;

(viii) **eighthly**, provided no Default is continuing, in or towards payment into the General Account of that Propco for the purposes of meeting tax liabilities (as estimated in good faith by that Propco, and as approved by the Agent by reference to the Business Plan);

(ix) **ninthly**, in or towards payment into the General Account for the purposes of paying for any Permitted Capex for the immediately following quarter in accordance with the Business Plan; and

(x) **tenthly**:

(A) if on that Interest Payment Date a Cash Trap Event is continuing, in or towards payment of (i) any surplus standing to the credit of the Rent Accounts of all Propcos other than the French Facility Borrowers to the relevant Company Reserve Account and (ii) any surplus standing to the credit of the Rent Account of a French Facility Borrower to its French Facility Borrower Reserve Account; or

(B) if on that Interest Payment Date no Cash Trap Event is continuing, in or towards payment of any surplus to its General Account.

(e) The Parties hereby agree that any amount which is paid into the Rent Account of a Propco on any Interest Payment Date by any other member of the Group for the purposes of covering any shortfall of interest, fees and other amounts due and payable under the Finance Documents on that Interest Payment Date must not be applied in accordance with sub- paragraph (d)(i) above and must instead be applied in accordance with sub- paragraphs (d)(ii) to (d)(vii) above (as applicable).

(f) If any Obligor is unable to make a payment to a Reserve Account in accordance with paragraph (d)(x)(A) above from funds which are available to that Obligor but which (for whatever reason) cannot be transferred to a Reserve Account, each other Obligor (other than a French Obligor) must ensure that an amount equal to the payment due from that Obligor is transferred to the relevant Reserve Account on the relevant Interest Payment Date (a **Reserve Account Shortfall Payment**).

(g) The Company must notify the Agent by no later than five Business Days prior to the date of any Reserve Account Shortfall Payment.

(h) The Security Agent is obliged to make a withdrawal from a Rent Account in accordance with paragraph (d) above only if no Event of Default is continuing.

(i) On any day on which an amount is due but unpaid under a Headlease, the Security Agent may, and is irrevocably authorised by each Obligor to:

(i) withdraw from the relevant Rent Account an amount necessary to meet that due amount; and

(ii) apply that amount in payment of that due amount,

provided that promptly following any such withdrawal the Security Agent shall give notice to the Company of that withdrawal.

(j) Any operation of French Targetco Joubert's Rent Account by the Security Agent under this Clause 17.4 shall not prevent any Permitted OPCI Distribution which French Targetco Joubert is required to make pursuant to paragraph (b) under the definition of Permitted OPCI Distribution.

(k) Any operation of French Propco's Rent Account by the Security Agent under this Clause 17.4 shall not prevent any permitted OPCI Distribution which French Propco is required to make pursuant to paragraph (c) under the definition of Permitted OPCI Distribution.

17.5 Midco Blocked Account

(a) The Security Agent has sole signing rights in relation to the Midco Blocked Account.

(b) At any time when the Facility B Loan remains outstanding, any amounts which are paid by a French Facility Borrower to the Original French Facility Lender must be paid directly to the Midco Blocked Account and such amounts shall be promptly applied by the Security Agent in accordance with paragraphs (d)(ii) to (d)(vii) of Clause 17.4 (Rent Accounts).

(c) The Security Agent is obliged to make a withdrawal from a Midco Blocked Account in accordance with paragraph (b) above only if no Event of Default is continuing.

(d) If at any time the Original French Facility Lender is unable to make a payment under this Agreement from funds which are available to that Obligor but which (for whatever reason) is not sufficient, each other Obligor (other than the French Obligors) must ensure that an amount equal to the payment due from the Original French Facility Lender is transferred to the Midco Blocked Account on the relevant Interest Payment and such amounts shall be promptly applied by the Security Agent in accordance with paragraphs (d)(ii) to (d)(vii) of Clause 17.4 (Rent Accounts) (a **Midco Blocked Account Shortfall Payment**).

(e) The Company must notify the Agent by no later than five Business Days prior to the date of any Midco Blocked Account Shortfall Payment.

17.6 Rent Deposit Accounts

(a) Except as provided in paragraph (c) below, each Propco has signing rights in relation to its Rent Deposit Account.

(b) Each Propco must ensure that:

(i) each Rent Deposit Account is solely maintained for the purpose of holding rent deposits in respect of Occupational Leases; and

(ii) to the extent that the relevant Propco is entitled to withdraw any amount standing to the credit of any Rent Deposit Account for its own account, it will withdraw such amount and apply it in or towards any purpose for which moneys in an Account may be applied.

(c) At any time when an Event of Default is continuing, the Security Agent may:

(i) operate any Rent Deposit Account;

(ii) notify the relevant Obligor that its rights to operate its Rent Deposit Account are suspended, such notice to take effect in accordance with its terms; and

(iii) to the extent that the relevant Propco is entitled to withdraw any amount standing to the credit of any Rent Deposit Account for its own account, it will withdraw from, and apply amounts standing to the credit of, a Rent Deposit Account in accordance with the terms of the Occupational Leases which relate to the rent deposits.

17.7 Deposit Accounts

(a) The Security Agent has sole signing rights in relation to each Deposit Account.

(b) Each Obligor must ensure that:

(i) any Disposal Proceeds are, unless immediately applied in accordance with Clause 7.4 (Mandatory prepayment), paid into (i) except for the French Obligors, the relevant Company Deposit Account, (ii) for each French Facility Borrower, its French Facility Borrower Deposit Account and (iii) for the OPCI, its OPCI Deposit Account in accordance with Clause 22.4 (Disposals);

(ii) any amount payable to the Company under any Hedging Agreement to which it is a party is paid directly by the Counterparty to the relevant Hedging Agreement into a Deposit Account;

(iii) all Lease Prepayment Proceeds, Insurance Prepayment Proceeds, Compensation Prepayment Proceeds and Recovery Prepayment Proceeds owed or paid to it are, promptly upon receipt, paid into the relevant Deposit Account.

(c) Except as provided in Clause 32.6 (Partial payments) and paragraph (i) below, on each Interest Payment Date, or earlier at the request of the Company if it gives the Agent not less than two Business Days' notice, the Security Agent must withdraw from, and apply amounts standing to the credit of, the relevant Deposit Accounts (but excluding any Lease Prepayment Proceeds) in accordance with Clause 7.4 (Mandatory prepayment) and Clause 7.6 (Application of mandatory prepayments).

(d) Except as provided in paragraph (i) below, if any Lease Prepayment Proceeds are deposited into the relevant Deposit Account (i.e. the relevant French Facility Borrower Deposit Account or the relevant Company Deposit Account) and the Company or the relevant French Facility Borrower holding this Account subsequently provides evidence in form and substance satisfactory to the Agent that the vacant space at the relevant Property (which was vacated in connection with the payment of such Lease Prepayment Proceeds) has been re- let pursuant to the terms of an Occupational Lease in accordance with Clause 23.2 (Occupational Leases), the Security Agent shall transfer an amount equal to such Lease Prepayment Proceeds (or if part of the relevant vacant space has been re- let a pro rata amount of such Lease Prepayment Proceeds) from the relevant Deposit Account to the General Account of the relevant Propco.

(e) If any amount standing to the credit of a Deposit Account cannot be applied by the Security Agent in accordance with paragraph (c) above (for whatever reason), each Obligor (other than the French Obligor) must ensure that an amount equal to the shortfall which was required to be paid from that Deposit Account in prepayment of the Loans by an Obligor on the relevant date is paid to the Agent to be applied in prepayment of the Loans (a **Deposit Account Shortfall Payment**).

(f) The Company must notify the Agent by no later than five Business Days prior to the date of any Deposit Account Shortfall Payment.

(g) The Security Agent will (and is duly authorised by the Company and the French Obligors to) transfer any amount of Disposal Proceeds which are not applied in accordance with paragraph (c) above from its Deposit Account to (i) with respect to the Disposal Account of the Company, the General Account of the relevant Obligor(s) (other than the French Obligors) pro rata provided that such transfer does not include any amounts of Equity Contribution paid into that Deposit Account in accordance with paragraph (d)(ii) of Clause 22.4 (Disposals) and (ii) with respect to any French Obligor, to its General Account.

(h) The Security Agent will (and is duly authorised by the Company to) transfer such amount payable to the Company under any Hedging Agreement to which it is a party as referred to in paragraph (b)(ii) above from the relevant Deposit Account into the Rent Accounts of the Propcos pro rata in the same currency and in accordance with the Loans borrowed by the relevant Propco. For the avoidance of doubt, each Propco will take the benefit of the interest rate caps under the Hedging Agreement in a notional principal amount equal to and in the same currency as that Propco's Loan in respect of which it is a Borrower.

(i) The Security Agent is obliged to make a withdrawal from a Deposit Account:

(i) in accordance with paragraphs (c) above only if no Event of Default is continuing; and

(ii) in accordance with paragraph (d) above only if no Default is continuing.

17.8 Service Charge Accounts

(a) Except as provided in paragraph (d) below, each Approved Managing Agent has signing rights in relation to its Propco's Service Charge Account.

(b) Each Propco must ensure that any amounts which are permitted to be paid from its Rent Collection Account to its Service Charge Account are paid promptly into its Service Charge Account.

(c) Except as provided in paragraph (d), a Propco may withdraw any amount from its Service Charge Account for the particular purpose for which it was paid into its Service Charge Account.

(d) At any time when an Event of Default is continuing, the Security Agent may:

(i) operate any Service Charge Account;

(ii) notify the relevant Propco that its rights to operate its Service Charge Account are suspended, such notice to take effect in accordance with its terms; and

(iii) withdraw from, and apply amounts standing to the credit of, a Service Charge Account in or towards any purpose for which moneys in that Account may be applied.

17.9 Reserve Accounts

(a) The Security Agent has sole signing rights in relation to each Reserve Account.

(b) The Security Agent must pay, on each Interest Payment Date, all amounts into the relevant Reserve Accounts from each Rent Account in accordance with sub- paragraph (x)(A) of Clause 17.4 (Rent Accounts).

(c) If a Borrower is required to apply any Cash Trap Proceeds in prepayment of the Loan(s) in accordance with paragraph (b) of Clause 7.5 (Cash Trap Event mandatory prepayment), the Security Agent must withdraw an amount of such Cash Trap Proceeds from the relevant Reserve Account(s) in accordance with the requirements of paragraph (b) of Clause 7.5 (Cash Trap Event mandatory prepayment) and Clause 7.6(f) (Application of mandatory prepayments) and apply such amount in prepayment of the relevant Loan(s) in accordance with the same provisions.

(d) If any Cash Trap Proceeds are standing to the credit of a Reserve Account and the Security Agent is instructed to withdraw such proceeds from the Reserve Account and pay them into the relevant General Account(s) in accordance with paragraph (c) of Clause 7.5 (Cash Trap Event mandatory prepayment), the Security Agent must withdraw such Cash Trap Proceeds in accordance with the requirements of paragraph (c) of Clause 7.5 (Cash Trap Event mandatory prepayment) and pay them into the relevant General Account(s).

(e) The Security Agent is obliged to make a withdrawal from a Reserve Account in accordance with paragraph (d) above only if no Event of Default is continuing.

17.10 Equity Cure Accounts

(a) The Security Agent has sole signing rights in relation to each Equity Cure Account.

(b) The Company may pay into the Equity Cure Accounts any amount in accordance with paragraph (c)(ii) of Clause 21.3 (Equity Cure).

(c) Provided that no Event of Default is continuing, the Security Agent shall, at the request of the Company withdraw any amount from the Equity Cure Accounts for application in voluntary prepayment of the Loans in accordance with the terms of this Agreement.

(d) Provided that:

(i) no Default or Cash Trap Event is continuing;

(ii) the Agent has been provided with evidence (in form and substance satisfactory to the Majority Lenders) that the tests in Clause 21.1 (Loan to Value Ratio) and Clause 21.2 (Default Level Debt Service Cover Ratio) are satisfied for two consecutive Interest Payment Dates without taking into account any amount standing to the credit of the Equity Cure Accounts; and

(iii) the release of the amount standing to the credit of the Equity Cure Accounts would not result in a Default or Cash Trap Event,

the Agent shall release the amount standing to the credit of the Equity Cure Accounts to the relevant General Account of the Company.

(e) If any amount has been deposited into the Equity Cure Accounts pursuant to paragraph (c)(ii) of Clause 21.3 (Equity Cure) (the **Relevant Cure Payment**) and any of the tests in Clause 21.1 (Loan to Value Ratio) or Clause 21.2 (Default Level Debt Service Cover Ratio) are not satisfied for two consecutive Interest Payment Dates without taking into account the amount standing to the credit of the Equity Cure Accounts, the Security Agent shall withdraw an amount equal to the Relevant Cure Payment from the Equity Cure Accounts for application in voluntary prepayment of the Loans in accordance with the terms of this Agreement.

17.11 General Accounts

(a) Except as provided in paragraphs (c) and (d) below, each Obligor has signing rights in relation to its General Account.

(b) Each Obligor must ensure that any other amount received or receivable by it, other than any amount specifically required under this Agreement to be paid into any other Account, is paid into its relevant General Account.

(c) Except as provided in paragraph (d) below, paragraph (e) of Clause 22.14 (Shares, units, dividends and share redemption) and subject to any restriction in any Subordination Agreement and the requirement that amounts paid into a General Account for a particular purpose must be used for that purpose, an Obligor may withdraw any amount from its General Account for any purpose consistent with the Finance Documents.

(d) At any time when an Event of Default is continuing, the Security Agent may:

(i) operate any General Account other than the OPCI General Account;

(ii) notify the relevant Obligor that its rights to operate its General Account (other than the OPCI General Account) are suspended, such notice to take effect in accordance with its terms;

(iii) withdraw from, and apply amounts standing to the credit of, a General Account (other than the OPCI General Account) in or towards any purpose for which moneys in any Account may be applied; and

(iv) with respect to the OPCI General Account, address to the relevant Account Bank any blocking notice in accordance with the terms and conditions of the Security Document creating a Transaction Security over the OPCI General Account,

provided that:

(A) any operation of any of the French Facility Borrower's General Account by the Security Agent pursuant to paragraph (d) above shall be limited to the application of amounts standing to the credit of the relevant General Account in or towards any purpose for which moneys in any Account of the holder of the relevant General Account may be applied;

(B) any operation of French Targetco Joubert's General Account by the Security Agent pursuant to paragraph (d) above shall not prevent any Permitted OPCI Distribution which the French Targetco Joubert is required to make pursuant to paragraph (b) under the definition of Permitted OPCI Distribution;

(C) any operation of the French Propco’s General Account by the Security Agent pursuant to paragraph (d) above shall not prevent any Permitted OPCI Distribution which French Propco

is required to make pursuant to paragraph (c) under the definition of Permitted OPCI Distribution.;
notwithstanding a notice addressed to the relevant Account Bank in accordance with paragraph (d)(iv) above, the OPCI shall be authorised to withdraw any amount from the OPCI General Account to proceed to any Permitted OPCI Distributions which the OPCI is required to make pursuant to paragraph (a) under the definition of Permitted OPCI Distribution.

17.12 Shareholder Accounts

(a) Except as provided in paragraphs (d) and (f) below, the French Facility B Lender and the OPCI (each a **French Shareholder**) have signing rights to their respective Shareholder Accounts.

(b) The French Facility B Lender must ensure that:

(i) the only payments to be made into the OPCI Shareholder Account are Permitted Payments which constitute a distribution to the French Facility B Lender in its capacity as shareholder of the OPCI;

(ii) the only payments to be made into the Alésia Shareholder Account are Permitted Payments which constitute a distribution to the French Facility B Lender in its capacity as shareholder of French Targetco Alésia; and

(iii) the only payments to be made into the Marceau Shareholder Account are Permitted Payments which constitute a distribution to the French Facility B Lender in its capacity as shareholder of French Targetco Marceau.

(c) The OPCI must ensure that the only payments to be made into the Joubert Shareholder Account are Permitted Payments which constitute a distribution to the OPCI in its capacity as shareholder of French Targetco Joubert.

(d) Except as provided in paragraph (c) above, paragraph (e) of Clause 22.14 (Shares, units, dividends and share redemption) and subject to any restriction in any Subordination Agreement, a French Shareholder may withdraw any amount from its Shareholder Account for any purpose consistent with the Finance Documents.

(e) At any time when an Event of Default is continuing, the Security Agent may:

(i) operate any Shareholder Account (other than the Joubert Shareholder Account);

(ii) notify the relevant French Shareholder that its rights to operate its Shareholder Accounts (other than the Joubert Shareholder Account) are suspended, such notice to take effect in accordance with its terms;

(iii) withdraw from, and apply amounts standing to the credit of, a Shareholder Account (other than the Joubert Shareholder Account) in or towards any purpose for which moneys in any Account may be applied, provided that this should not prevent the payment of any Permitted OPCI Distributions into the OPCI Shareholder Account;

(iv) with respect to the Joubert Shareholder Account, address to the relevant Account Bank any blocking notice in accordance with the terms and conditions of the Security Document creating a Transaction Security over the Joubert Shareholder Account, provided that this should not

prevent the payment of any Permitted OPCI Distributions into the Joubert Shareholder Account and/or from the Joubert Shareholder Account into the OPCI Shareholder Account.

17.13 Existing Accounts

Each Obligor must ensure that:

(a) on or before the Account Backstop Date, the Agent is provided with evidence in form and substance satisfactory to it (acting on the instruction of the Majority Lenders) that each Existing Account has been closed and the balance of each Existing Account has been transferred to the relevant Rent Collection Account(s);

(b) no Existing Account shall become overdrawn; and

(c) except for:

(i) the transfers to the Rent Collection Account(s) referred to in paragraph (a) above; and

(ii) any transfers in or towards any purpose for which moneys in a Rent Account or Service Charge Account may be applied,

no amount is transferred from any Existing Account.

17.14 Miscellaneous Accounts provisions

(a) The Obligors must ensure that no Account goes into overdraft.

(b) Any amount received or recovered by any Obligor otherwise than by credit to an Account must be held subject to the security created by the Finance Documents and immediately be paid to the relevant Account or to the Agent in the same funds as received or recovered.

(c) If any payment is made into an Account in relation to which the Security Agent has sole signing rights which should have been paid into another Account, then, unless an Event of Default is continuing, the Security Agent must, at the request of the Obligors and on receipt of evidence satisfactory to the Security Agent that the payment should have been made to that other Account, pay that amount to that other Account.

(d) The moneys standing to the credit of an Account (other than a Rent Deposit Account or prior to the occurrence of an Event of Default which is continuing a Service Charge Amount) may be applied by the Security Agent in payment of any amount due but unpaid to a Finance Party under the Finance Documents provided that any amount standing to the credit of a French Obligor's Account can only be allocated to the amount owed by such French Obligor under the Finance Documents.

(e) No Finance Party is responsible or liable to any Obligor for:

(i) any non- payment of any liability of any Obligor which could be paid out of moneys standing to the credit of an Account, to the extent the Agent or Security Agent have complied with the provisions of this Clause 17 (Bank Accounts); or

(ii) any withdrawal wrongly made, if made in good faith.

(f) The Company must, within five Business Days of any reasonable request by the Agent, supply the Agent with the following information in relation to any payment received in an Account:

(i) the date of payment or receipt;

(ii) the payer; and

(iii) the purpose of the payment or receipt.

(g) The Obligors may pay to an Account Bank such reasonable transaction charges and other fees (in each case, consistent with that Account Bank's usual practice in relation to similar accounts) as the Obligors' Agent may from time to time agree with that Account Bank. No other charges or fees shall be payable to the Account Bank (in its capacity as such) in respect of the Accounts.

(h) If an Obligor makes any payment into an Account which is not held in its name or for its benefit, an intercompany loan shall arise owed by the relevant Borrower to the Obligor making the payment.

(i) To the extent that any payment is made from an Account by or on behalf of any Borrower to or for the benefit of another Obligor, an intercompany loan shall arise owed by that Obligor to the relevant Borrower.

18. GUARANTEE AND INDEMNITY

18.1 Guarantee and indemnity

Each Obligor, irrevocably and unconditionally, jointly and severally:

(a) guarantees to each Finance Party punctual performance by each Obligor of all that Obligor's obligations under the Finance Documents;

(b) undertakes with each Finance Party that whenever another Obligor does not pay any amount when due under or in connection with any Finance Document, that Obligor shall immediately on demand by the Agent pay that amount as if it was the principal obligor; and

(c) agrees with each Finance Party that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal it will, as an independent and primary obligation, indemnify that Finance Party immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due. The amount payable by an Obligor under this indemnity will not exceed the amount it would have had to pay under this Clause 18 if the amount claimed had been recoverable on the basis of a guarantee.

18.2 Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

18.3 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by a Finance Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Obligor under this Clause 18 will continue or be reinstated as if the discharge, release or arrangement had not occurred.

18.4 Waiver of defences

The obligations of each Obligor under this Clause 18 will not be affected by any act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Clause 18 (without limitation and whether or not known to it or any Finance Party) including:

(a) any time, waiver or consent granted to, or composition with, any Obligor or other person;

(b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any Obligor or any member of the Group;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non- presentation or non- observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;

(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other member of the Group or any other person;

(e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature and whether or not more onerous) or replacement of any Finance Document or any other document or security (including, without limitation, any change in the purpose of, any extension of, or any variation or increase in any facility or amount made available under any facility or the addition of any new facility under any Finance Document or other document or security);

(f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or

(g) any insolvency or similar proceedings.

18.5 Guarantor intent

Without prejudice to the generality of Clause 18.4 (Waiver of defences), each Obligor expressly confirms that it intends that this guarantee and indemnity shall extend from time to time to any (however fundamental and of whatsoever nature and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

18.6 Immediate recourse

(a) Each Obligor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Obligor under this Clause 18. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

(b) Each Obligor acknowledges the right of the Agent pursuant to Clause 24.18 (Acceleration) to accelerate the payment of any sum that may become due under any guarantee or indemnity contained in this Clause 18.

18.7 Appropriations

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, each Finance Party (or any trustee or agent on its behalf) may:

(a) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Obligor shall be entitled to the benefit of the same; and

(b) hold in an interest- bearing suspense account any moneys received from any Obligor or on account of any Obligor's liability under this Clause 18.

18.8 Deferral of Obligors' rights

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Agent otherwise directs no Obligor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable or liability arising, under this Clause 18:

(a) to be indemnified by an Obligor;

(b) to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;

(d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a guarantee, undertaking or indemnity under Clause 18 (Guarantee and Indemnity)

(e) to exercise any right of set- off against any Obligor; and/or

(f) to claim or prove as a creditor of any Obligor in competition with any Finance Party.

If an Obligor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all the Secured Liabilities to be repaid

in full, on trust for the Finance Parties and shall promptly pay or transfer the same to the Agent or as the Agent may direct for application in accordance with Clause 32 (Payment Mechanics).

18.9 Release of Obligors' right of contribution

If any Obligor (**Retiring Obligor**) ceases to be an Obligor in accordance with the terms of the Finance Documents for the purpose of any sale or other disposal of that Retiring Obligor then on the date such Retiring Obligor ceases to be an Obligor:

(a) that Retiring Obligor is released by each other Obligor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Obligor arising by reason of the performance by any other Obligor of its obligations under the Finance Documents; and

(b) each other Obligor waives any rights it may have by reason of the performance of its obligations under the Finance Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under any Finance Document or of any other security taken pursuant to, or in connection with, any Finance Document where such rights or security are granted by or in relation to the assets of the Retiring Obligor.

18.10 Additional security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Finance Party.

18.11 Further assurance

Each Obligor agrees that it shall promptly, at the direction of the Agent (acting reasonably), execute and deliver at its own expense any document (executed as a deed or under hand as the Agent may direct in writing) and do any act or thing required in order to confirm or establish the validity and enforceability of the guarantee and indemnity intended to be created by it under this Clause 18.

18.12 Limitations: Luxembourg Guarantors

(a) Notwithstanding any other provisions to the contrary in this Agreement, the guarantee granted by any Luxembourg Guarantor under this Clause 18 for the obligations of any Obligor which is not a direct or indirect subsidiary of such Luxembourg Guarantor shall be limited at any time, with no double counting, to an aggregate amount not exceeding the higher of:

(b) 95% of such Luxembourg Guarantor's capitaux propres (as referred to in article 34 of the Luxembourg law dated 19 December 2002 on the commercial register and annual accounts as amended (the **2002 Law**), determined as at the date on which a demand is made under this guarantee, increased by the amount of any Intra- Group Liabilities; and

(c) 95% of such Luxembourg Guarantor's capitaux propres (as referred to in art 34 of the 2002 Law) determined as at the date of this Agreement, increased by the amount of any IntraGroup Liabilities.

(d) For the purpose of determining the amount of the capitaux propres under this Clause 18.12, the assets of the Luxembourg Guarantor will be valued at their market value rather than their book value, as determined in good faith by the Agent or a reputable external expert to be appointed and instructed by the Agent (acting in its absolute discretion). Each Luxembourg Guarantor acknowledges that it is not entitled to challenge the appointment and instruction of an external expert made by the Agent and that

it is not entitled to challenge the determination of the value of its assets made by the Agent or the external expert, save in case of manifest error.

(e) For the purposes of this Clause 18.12, **Intra- Group Liabilities** shall mean any amounts owed by the Luxembourg Guarantor to any other member of the group of companies to which it belongs (including, for the avoidance of doubt, any amounts owed that are represented by hybrid instruments such as preferred equity certificates) and that have not been financed (directly or indirectly) by a borrowing under the Finance Documents.

(f) In addition, the above limitation shall not apply to (i) any amounts borrowed by a Luxembourg Guarantor or any of its direct or indirect subsidiaries under the Finance Documents and (ii) any amounts borrowed under the Finance Documents and on- lent, or otherwise made available, to the Luxembourg Guarantor or any of its direct or indirect subsidiaries (in any form whatsoever).

18.13 Limitations: French Guarantors

Notwithstanding anything to the contrary in this Clause 18 and the other Finance Documents, the obligation and liability of each French Guarantor in its capacity as a Guarantor is subject to the following:

(a) the obligations and liabilities of each French Guarantor under the Finance Documents and in particular under this Clause 18 will not include any obligation or liability which if incurred would constitute the provision of financial assistance within the meaning of article L. 225- 216 of the French Commercial Code and/or misuse of corporate assets within the meaning of article L.242- 6 or L.244- 1 of the French Commercial Code or any other law or regulation having the same effect, as interpreted by French courts;

(b) the obligations and liabilities of each French Guarantor under Clause 18 for the obligations under the Finance Documents of any other Obligor which is not a Subsidiary of that French Guarantor (the **Guaranteed Obligor**), will be limited at any time to an amount equal to the aggregate of all amounts borrowed directly or indirectly under the Finance Documents by that Guaranteed Obligor and outstanding at the date a payment is to be made by such French Guarantor under this Clause 18 (Guarantee and Indemnity) to the extent directly or indirectly on- lent or otherwise made available by the Guaranteed Obligor to that French Guarantor or its Subsidiaries under any French Term Loan Agreement, inter- company loan agreement or similar arrangement and outstanding at the date a payment is to be made by such French Guarantor under this Clause 18(Guarantee and Indemnity) (it being specified that any payment made by such French Guarantor under this Clause 18 in respect of such Guaranteed Obligor's payment obligations under the Finance Documents shall automatically extinguish the payment obligations of such French Guarantor or of its Subsidiaries towards such Guaranteed Obligor pro tanto); and

(c) the obligations and liabilities of each French Guarantor under Clause 18 for the obligations under the Finance Documents of any Obligor which is its Subsidiary shall not, in relation to amounts due by such Obligor as Borrower, be limited and shall therefore cover all amounts due by such Obligor as Borrower and, in relation to amounts due by such Obligor as Guarantor of another Obligor (the **Subsidiary Guaranteed Obligor**), shall be limited at any time to an amount equal to the aggregate of all amounts borrowed directly or indirectly under the Agreement by the Subsidiary Guaranteed Obligor and outstanding at the date a payment is to be made by such French Guarantor under this Clause 18 (Guarantee and Indemnity) to the extent directly or indirectly on- lent or otherwise provided by it to that French Guarantor and/or its Subsidiaries under inter- company loan agreements or similar arrangements and

outstanding at the date a payment is to be made by that French Guarantor under Clause 18 (Guarantee and Indemnity).

19. REPRESENTATIONS

Each Obligor makes the representations and warranties set out in this Clause 19 to each Finance Party on the date of this Agreement and on the Utilisation Date.

19.1 Status

(a) It is a limited liability company, or for the French Propco, it is an unlimited liability company, duly incorporated or established and validly existing under the laws of its Original Jurisdiction.

(b) It has the power to own its assets and carry on its business as it is being conducted.

19.2 Binding obligations

The obligations expressed to be assumed by it in each Transaction Document to which it is a party are, subject to the Legal Reservations and Perfection Requirements, legal, valid, binding and enforceable obligations.

19.3 Non- conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, the Transaction Documents and the granting of the Transaction Security do not and will not conflict with:

(a) any law or regulation applicable to it;

(b) its constitutional documents; or

(c) any material agreement or instrument binding upon it or any of its assets or constitute a material default or termination event (however described) under any such agreement or instrument.

19.4 Power and authority

(a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Transaction Documents to which it is or will be a party and the transactions contemplated by those Transaction Documents.

(b) No limit on its powers will be exceeded as a result of the borrowing, grant of security or giving of guarantees or indemnities contemplated by the Transaction Documents to which it is a party.

19.5 Validity and admissibility in evidence

(a) Subject to the Legal Reservations, all Authorisations required:

(i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party; and

(ii) to make the Transaction Documents to which it is a party admissible in evidence in each Relevant Jurisdiction,

have been obtained or effected and are in full force and effect except any Authorisation referred to in Clause 19.8 (No filing or stamp taxes), which Authorisations will be promptly obtained or effected after the date of this Agreement or, in the case of any Targetco, after the date on which it becomes a Party.

(b) All Authorisations necessary for the conduct of the business, trade and ordinary activities of the Obligors have been obtained or effected and are in full force and effect if failure to obtain or effect those Authorisations has or will have a Material Adverse Effect.

19.6 Governing law and enforcement

Subject to the Legal Reservations and the Perfection Requirements:

(a) the choice of governing law of each of the Finance Documents will be recognised and enforced in each Relevant Jurisdiction; and

(b) any judgment obtained in relation to a Finance Document in the jurisdiction of the governing law of that Finance Document will be recognised and enforced in each Relevant Jurisdiction.

19.7 Deduction of Tax

(a) As at the date of this Agreement, no UK Borrower is required to make any Tax Deduction from any payment it may make under any Finance Document to a Lender which is:

(i) a UK Qualifying Lender:

(A) falling within sub- paragraph (i)(A) of the definition of UK Qualifying Lender; or

(B) except where a Direction has been given under section 931 of the ITA in relation to the payment concerned, falling within sub- paragraph (i)(B) of the definition of **UK Qualifying Lender**; or

(C) falling within sub- paragraph (ii) of the definition of UK Qualifying Lender; or

(ii) a UK Treaty Lender and the payment is one specified in a direction given by the Commissioners of Revenue & Customs under Regulation 2 of the Double Taxation Relief (Taxes on Income) (General) Regulations 1970 (SI 1970/488).

(b) As at the date of this Agreement, no French Facility Borrower is required to make any Tax Deduction from any payment it may make under any Finance Document to the Original French Facility Lender.

(c) As at the date of this Agreement, no Obligor (other than a UK Borrower and a French Facility Borrower) is required to make any Tax Deduction from any payment it may make under any Finance Documents.

19.8 No filing or stamp taxes

Under the laws of its Relevant Jurisdiction, it is not necessary that the Finance Documents be registered, filed, recorded, notarised or enrolled with any court or other authority in that jurisdiction or that any stamp duty, stamp duty land tax, registration, notarial or similar Taxes or fees be paid on or in relation to the Finance Documents or the transactions contemplated by the Finance Documents except registration of particulars of the Security Documents at the appropriate registration offices and payment of associated fees and taxes (which will be made and paid promptly after the date of the relevant Security

Document) and except in the case of (i) court proceedings in a Luxembourg court of (ii) the presentation of any Finance Documents (either directly or by way of reference) to an official authority (autorité constituée), such court or autorité constituée may require registration of all or any of the Finance Documents with the Administration de l'Enregistrement et des Domaines in Luxembourg, which may result in registration duties becoming due and payable, at a fixed rate of EUR 12 or an ad valorem rate which depends on the nature of the registered document.

19.9 VAT

(a) It is not a member of a VAT group other than a group made up solely of Obligors.

(b) Each of the French Facility Borrowers has properly and timely elected for the application of VAT to the Rental Income in accordance with the provisions of Article 260- 2 of the French Tax Code and is fully entitled to recover VAT.

19.10 No default

(a) No Event of Default and, as at the date of this Agreement and the Utilisation Date, no Default is continuing or is reasonably likely to result from the making of any Utilisation or the entry into, or the performance of, or any transaction contemplated by, any Transaction Document.

(b) No other event or circumstance is outstanding which constitutes (or with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or a termination event (however described) under any other agreement or instrument which is binding on it or to which any of its assets are subject which has, or will have a Material Adverse Effect.

19.11 Information

(a) Except as disclosed in any Report, all written factual information supplied by it or on its behalf to any Finance Party in connection with the Transaction Documents was true and accurate in all material respects as at the date it was provided or as at any date at which it was stated to be given.

(b) Any financial projections provided by it or on its behalf contained in the information referred to in paragraph (a) above have been prepared as at their date, on the basis of recent historical information and on the basis of reasonable assumptions.

(c) Except as disclosed in any Report, it has not omitted to supply any factual information which, if disclosed, would make the information referred to in paragraph (a) above untrue or misleading in any material respect as at any date it was stated to be given.

(d) Except as disclosed in any Report, as at the Utilisation Date, nothing has occurred since the date of the information referred to in paragraph (a) which, if disclosed, would make that information untrue or misleading in any material respect.

19.12 Financial statements

(a) Its Original Financial Statements were prepared in accordance with the Accounting Principles consistently applied.

(b) Its Original Financial Statements give a true and fair view of its financial condition as at the end of the relevant financial year and results of operations during the relevant financial year.

(c) Its most recent financial statements delivered pursuant to Clause 20.1 (Financial statements) and if available as at the date hereof:

(i) have been prepared in accordance with the Accounting Principles as applied to the Original Financial Statements; and

(ii) give a true and fair view of (if audited) or fairly represent (if unaudited) its financial condition as at the end of the relevant financial year and operations (consolidated in the case of the Parent) during the relevant financial year.

19.13 Pari passu ranking

Its payment obligations under the Finance Documents rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

19.14 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency which, if adversely determined, has or will have a Material Adverse Effect have (to the best of its knowledge and belief (having made due and careful enquiry)) been started or threatened against it (or against its directors).

19.15 Valuation

(a) To the best of its knowledge and belief having made due and careful enquiry, all written factual information supplied by it or on its behalf to the Valuer for the purposes of each Valuation was true and accurate as at its date or (if appropriate) as at the date (if any) at which it is stated to be given.

(b) Any financial projections provided by it or on its behalf and contained in the information referred to in paragraph (a) above have been prepared as at their date, on the basis of recent historical information and on the basis of reasonable assumptions.

(c) To the best of its knowledge and belief having made due and careful enquiry, it has not omitted to supply any factual information to the Valuer which, if disclosed, would adversely affect the Valuation as at the date at which it is stated to be given.

(d) To the best of its knowledge and belief having made due and careful enquiry, as at the Utilisation Date, nothing has occurred since the date the information referred to in paragraph (a) above was supplied which, if it had occurred prior to the Initial Valuation.

19.16 Title to Property and other assets

(a) Except as disclosed in any Property Report, each Obligor named as owner of a Property (other than a German Property) in Schedule 2 (The Properties) on and from the Utilisation Date:

(i) pending completion of the registration of its interests in the relevant property with the appropriate law registry will be the legal and beneficial owner or registered proprietor of that Property; and

(ii) has good and marketable title to that Property (and in the case of the Scottish Properties, with no exclusion of indemnity by the Keeper of the Land Registry), free from Security and

restrictions and onerous covenants which would reasonably be expected to have a materially adverse effect on that Property (other than that created by or pursuant to the Security Documents or which constitutes Permitted Security).

(b) Each German Propco will, from the first Utilisation Date have an irrevocable and unlimited expectancy right (Anwartschaftsrecht) to become the legal and beneficial, in relation to each such German Property, owner (Eigentümer) of that German Property, free from Security (other than those created by or pursuant to the Security Documents and other than any Existing Land Charge) and encumbrances, third party rights (other than any Permitted Encumbrances), and except as disclosed in a Report or taken into account in the Initial Valution, public law disposal restrictions (e.g. due to refurbishment areas (Sanierungsgebiet) or development areas (Entwicklungsgebiet)), public charges (Baulasten) or, to the best knowledge and belief of each German Propco, restrictions resulting from monument protection (Denkmalschutz), ordinances for urban design or preservation (Gestaltungs- oder Erhaltungssatzungen) or urban development contracts (städtebauliche Verträge).

(c) Except as disclosed in any Property Report, each Obligor has good and marketable title to its Ownership Interests which are expressed to be the subject of the Transaction Security, free from Security and restrictions and onerous covenants (other than that created by or pursuant to the Security Documents or which constitutes Permitted Security).

(d) Each Obligor has good and marketable title to its Subordinated Debt which are expressed to be the subject of the Transaction Security, free from Security and restrictions and onerous covenants (other than that created by or pursuant to the Security Documents or which constitutes Permitted Security).

(e) From the Utilisation Date except as disclosed in the Property Report relating to a Property:

(i) no breach of any law, regulation (including but not limited to the ERP (établissement recevant du public)) or covenant is outstanding which adversely affects or might reasonably be expected to adversely affect the value, saleability or use of that Property in any material respect;

(ii) there is no covenant, agreement, stipulation, reservation, condition, interest, right, easement or other matter whatsoever adversely affecting that Property (other than a German Property) in any material respect;

(iii) there is no agreement, interest, right, easement or other matter whatsoever adversely affecting that German Property in any material respect;

(iv) nothing has arisen or has been created or is outstanding which would be an overriding interest, or an unregistered interest which overrides first registration or a registered disposition, over that Property;

(v) there is no encroachment (Überbau) in respect of a German Property;

(vi) all facilities necessary for the carrying on of its business at that Property are enjoyed by that Property;

(vii) none of the facilities referred to in sub- paragraph (vi) above are enjoyed on terms:

(A) entitling any person to terminate or curtail its use of that Property; or

(B) which conflict with or restrict its use of that Property in any material respect;

(viii) the relevant Obligor has not received any notice of any adverse claim by any person in respect of the ownership of that Property or any interest in it which might reasonably be expected to be determined in favour of that person, nor has any acknowledgement been given to any such person in respect of that Property in each case where the claim or acknowledgement materially and adversely affects that Property;

(ix) that Property is held by the relevant Obligor free from any lease or licence (other than those entered into in accordance with this Agreement); and

(x) except as disclosed in any Technical Due Diligence Report and to the best of its knowledge and belief having made due and careful enquiry, each Property is free and clear of material damage and structural defects.

(f) All deeds and documents necessary to show good and marketable title to any Obligors' interest in a Property located in the United Kingdom will from the Utilisation Date be:

(i) in possession of the Security Agent;

(ii) held at the applicable land registry to the order of the Security Agent; or

(iii) held to the order of the Security Agent by a firm of solicitors approved by the Security Agent for that purpose.

(g) Upon registration of the German Propcos as owner of the respective German Property in the relevant German Land Register, the German Propcos will become the sole legal and beneficial owners of the German Properties, free from any Security (other than those created by or pursuant to the Security Documents) and encumbrances, third party rights and public law restrictions (other than any Permitted Encumbrances).

19.17 Information for Reports

(a) To the best of its knowledge and belief having made due and careful enquiry, the written factual information supplied by it or on its behalf to (i) the lawyers who prepared any Property Report for the purpose of that Property Report and (ii) any report provider in connection with the preparation of any other Report, was true and accurate as at the date of the relevant Report or (if appropriate) as at the date (if any) at which it is stated to be given.

(b) To the best of its knowledge and belief having made due and careful enquiry, the information referred to in paragraph (a) above was at the date it was expressed to be given complete and did not omit any information which, if disclosed would make that information untrue or misleading.

(c) To the best of its knowledge and belief having made due and careful enquiry, as at the Utilisation Date, nothing has occurred since the date of any information referred to in paragraph (a) above which, if disclosed, would make that information untrue or misleading.

19.18 Environmental compliance

(a) Except as disclosed in any Environmental Report, each member of the Group is in compliance in all material respects with all Environmental Law, Environmental Permits and all other material covenants, conditions, restrictions or agreements directly or indirectly concerned with any contamination, pollution or waste or the release or discharge of any emission or substance capable of causing harm to any living

organism or the environment in connection with any Property and no circumstances have occurred which would prevent such compliance.

(b) Except as disclosed in any Environmental Report, no material Environmental Claim has been commenced or is threatened against any member of the Group.

19.19 No other business

(a) No Obligor has traded or carried on any business since the date of its formation other than:

(i) in the case of the Obligors, its entry into and performance of the terms of the Transaction Documents;

(ii) in the case of each Targetco, conducting the business of acquiring, managing, developing, letting and owning its Property;

(iii) the ownership of the Obligors; and

(iv) any business ancillary to those referred to in sub- paragraphs (i) to (iii) above conducted in a manner consistent with the Finance Documents.

(b) No Obligor has or has had at any time:

(i) any employees; or

(ii) any obligation in respect of any retirement benefit or occupational pension scheme.

(c) No Obligor owns directly or indirectly, legally or beneficially, any investments in any unlimited company, partnership or other entity with unlimited liability other than shown in the Group Structure Chart.

(d) No Obligor has any material liabilities (whether actual or contingent) other than under the Transaction Documents or arising as a result of its ownership, development management and/or occupation of the Properties.

19.20 Centre of main interests and establishments

For the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings (the **Regulation**), its "centre of main interests" (as that term is used in Article 3(1) of the Regulation) is situated in its Original Jurisdiction and it has no "establishment" (as that term is used in Article 2(h) of the Regulations) in any other jurisdiction.

19.21 Ranking of Security

Subject to the Legal Reservations and the Perfection Requirements, the Security conferred by each Security Document constitutes a first priority Security interest of the type described, over the assets referred to, in that Security Document and those assets are not subject to any prior or pari passu ranking Security (except, as applicable, for the Security created under the Custody Agreement).

19.22 Taxation

(a) It has duly and punctually paid and discharged all material Tax imposed upon it or its assets within the time period allowed without incurring material interest or penalties (save to the extent that (i) payment is being contested in good faith, (ii) it has maintained adequate reserves for the payment of such Taxes and (iii) payment can be lawfully withheld).

(b) It has filed all Tax returns without incurring any material late filing interest or penalty.

(c) It is not aware of any claims being asserted against it with respect to Taxes.

(d) Each of the Obligors is resident for Tax purposes solely in its Original Jurisdiction and does not have a permanent establishment outside of its Original Jurisdiction.

(e) No Rental Income payable to any Obligor is subject to a requirement to make a deduction or withholding for or on account of Tax from that Rental Income except that this representation shall not apply to Rental Income payable in respect of a UK Property which is subject to the UK's "Non- Resident Landlords Scheme" pursuant to the Taxation of Income from Land (Non- Residents) Regulations 1995 (but, for the avoidance of doubt, the Company's obligation under the condition subsequent set out in paragraph 1(c) in Part 4 (Conditions Subsequent) Schedule 3 (Conditions Precedents and Conditions Subsequent) shall still apply).

(f) It does not have the sole or main objective of Tax avoidance in entering into the Transaction Documents.

(g) No Obligor has entered into any transaction with any third party except on arm's length terms and for full market value.

(h) It is not a US Tax Obligor.

19.23 French Tax

(a) Each of the French Facility Borrowers and its direct and indirect shareholders are not subject to (including on a joint and several basis) the annual 3%- tax on property (taxe annuelle de 3% sur les immeubles) provided for by article 990 D of the French Tax Code, or is exempt from such Tax.

(b) None of the French Facility Borrowers belong to a French tax consolidated group (groupe intégré fiscalement) within the meaning of articles 223 A et seq of the French Tax Code.

(c) Trias OPCI – T complies with all requirements to benefit from the tax regime provided under article 208, 3° nonies of the French Tax Code.

19.24 Dutch fiscal unity

None of the Dutch Propcos belong to a Dutch fiscal unity for Dutch VAT and corporate income tax purposes other than a fiscal unity solely made up of Obligors

19.25 Ownership

(a) As at the first Utilisation Date (and assuming that Completion has occurred as at that date), the Group Structure Chart accurately shows the ownership of each Original Obligor and each Targetco immediately after Completion.

(b) As at the second Utilisation Date (and assuming that Completion in respect of the accession of the Additional German Propco and the Additional Property has occurred as at that date), the Updated Group Structure Chart accurately shows the ownership of each Obligor.

(c) The shares (or any other Ownership Interests) in the capital of each Obligor are fully paid and are not subject to any option to purchase or similar rights.

(d) The constitutional documents of each Obligor whose Ownership Interests are subject to the Transaction Security do not and could not restrict or inhibit any transfer of those Ownership Interests on creation or on enforcement of the Transaction Security.

19.26 Acquisition Documents

(a) The Acquisition Documents contain all the material terms of the Acquisition.

(b) To the best of its knowledge, no representation or warranty (as qualified by any disclosure made in accordance with the terms of any Acquisition Document) given by any party to the Acquisition Documents is untrue or misleading in any material respect.

19.27 Anti- Money Laundering Laws

The operations of each member of the Group are, and have been, conducted at all times in compliance with applicable Anti- Money Laundering Laws.

19.28 Anti- corruption and anti- terrorism

(a) In connection with the activities to which the Facilities relate, each Obligor has not directly or indirectly made or promised, and does not know or have reason to know that any of its employees, or any third party acting on its behalf, has made or promised a contribution, payment or gift or otherwise provided any other thing of value to, or for the private use of, any Government Official for the purpose of making a Prohibited Payment.

(b) No officer, director or shareholder of an Obligor (but excluding any shareholder of the Parent):

(i) is a Government Official; or

(ii) is on a Sanctions List or is owned or controlled by a person who is on a Sanction List.

19.29 Insurance

Each premium for the construction insurance in respect of the French Property located at 58 Marceau and 23/25 rue de Bassano, 75008 Paris is and has been fully paid.

19.30 Repetition

(a) Each Additional Guarantor makes the representations and warranties set out in this Clause 19 (except 19.11 (Information), 19.25 (Ownership) (and 19.26 (Acquisition Documents)) to each Finance Party on the date of its accession as a Party.

(b) The Repeating Representations are deemed to be made by each Obligor by reference to the facts and circumstances then existing on:

(i) (except in the case of Clause 19.12 (Financial statements), the date of each Utilisation Request, on the Utilisation Date and the first day of each Interest Period; and

(ii) in the case of Clause 19.12 (Financial statements), each date on which an Obligor delivers, or, if earlier, is obliged to deliver, financial statements in accordance with Clause 20.1 (Financial statements) (except that those contained in paragraph (a) of Clause 19.12 (Financial statements) will cease to be so made once subsequent financial statements have been delivered under this Agreement).

20. INFORMATION UNDERTAKINGS

The undertakings in this Clause 20 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

20.1 Financial statements

The Company shall supply to the Agent in sufficient copies for all the Lenders as soon as they are available, but in any event within 180 days after the end of each of its financial years:

(a) its audited consolidated financial statements for that financial year; and

(b) if audited financial statements are required to be prepared by an Obligor under applicable local law and regulation, the audited financial statements of that Obligor for that financial year or, if audited financial statements are not required to be prepared by an Obligor under applicable local law and regulations, the unaudited financial statements of that Obligor.

20.2 Compliance Certificate

(a) The Obligors' Agent must supply to the Agent a Compliance Certificate:

(i) five Business Days before each Interest Payment Date; and

(ii) following the injection of any Cure Amount, in accordance with Clause 21.3 (Equity Cure).

(b) Each Compliance Certificate must set out, in reasonable detail, calculations as to:

(i) compliance with Clause 21.1 (Loan to Value Ratio) for the Interest Payment Date in respect of which that Compliance Certificate is delivered;

(ii) compliance with Clause 21.2 (Default Level Debt Service Cover Ratio) for the Interest Payment Date in respect of which that Compliance Certificate is delivered.

(c) If the Agent (acting reasonably) is of the opinion that there is a manifest error in a calculation in any Compliance Certificate provided by the Obligors' Agent pursuant to paragraph (a) above, or the Obligors' Agent does not provide a calculation when requested by the Agent, then the Agent must promptly notify the Borrowers of the details of this manifest error or missing information. Following that notification, the Agent may run the relevant calculation, and that calculation will, in the absence of manifest error, prevail over any calculation provided by the Borrowers (or in the absence of any calculation, as applicable). The Agent must promptly notify the Borrowers of any consequent revisions to the calculation.

(d) Each Compliance Certificate must be duly authorised by the Obligors' Agent.

20.3 Requirements as to financial statements

(a) Each set of financial statements delivered by the Company pursuant to Clause 20.1 (Financial statements) must be certified by a director of the relevant company as giving a true and fair view (if audited) or fairly representing (if unaudited) its financial condition as at the date as at which those financial statements were drawn up.

(b) The Company will procure that each set of financial statements of an Obligor delivered pursuant to Clause 20.1 (Financial statements) is prepared using the Accounting Principles, accounting practices and financial reference periods consistent with those applied in the preparation of the Original Financial Statements for that Obligor unless, in relation to any set of financial statements, it notifies the Agent that there has been a change in the Accounting Principles, the accounting practices or reference periods and its auditors (or, if appropriate, the auditors of the Obligor) deliver to the Agent:

(i) a description of any change necessary for those financial statements to reflect the Accounting Principles, accounting practices and reference periods upon which that Obligor's Original Financial Statements were prepared; and

(ii) sufficient information, in form and substance as may be reasonably required by the Agent, to enable the Lenders to make an accurate comparison between the financial position indicated in those financial statements and that Obligor's Original Financial Statements.

(c) Any reference in this Agreement to those financial statements will be construed as a reference to those financial statements as adjusted to reflect the basis upon which the Original Financial Statements were prepared.

20.4 Monitoring of Property

(a) On or before the date falling five Business Days before each Interest Payment Date, the Company must supply to the Agent a report containing the following information, in form and substance satisfactory to the Agent, in respect of (except in the case of proposed or required capital expenditure or repairs under sub- paragraphs (vii) and (viii) below) the Financial Quarter ending immediately prior to that Interest Payment Date:

(i) a schedule of the existing occupational tenants of each Property, showing for each tenant, any guarantor, the term, any break clause, the rent, rent free, service charge, VAT, any other amounts payable in that period by that tenant together with, for each Property, details of all Operating Expenses;

(ii) details of:

(A) any arrears of rents or service charges under any Lease Document in excess of €50,000 (or its currency equivalent); and

(B) any other material breaches of covenant under any Lease Document of which it is aware and in its reasonable opinion may have a material impact on the value of the relevant Property,

and any step being taken to recover or remedy them;

(iii) details of any material dispute or litigation with, or any insolvency or similar proceedings affecting, any material occupational tenant of a Property or any guarantor of that material

occupational tenant where the claim has a value in excess of €100,000 (or its currency equivalent);

(iv) details of the next rent review date and of any rent reviews with respect to any Lease Document where the annual Rental Income payable in respect of that Lease Document exceeds €100,000 per annum; and

(v) details of any Lease Document which has expired or been determined or surrendered in the relevant period and of any Lease Document maturing in the next 12 Months and any new letting signed and any proposed new letting where the proposed annual Rental Income exceeds €250,000 per annum (or its currency equivalent);

(vi) copies of all material correspondence with insurance brokers handling the insurance of any Property where the claim has a value in excess of € 100,000 (or its currency equivalent);

(vii) details of any actual capital expenditure with respect to each Property and any proposed capital expenditure which is not envisaged by the Business Plan;

(viii) details of any actual or required material refurbishment, redevelopment or repairs to any Property where the projected costs of such refurbishment, redevelopment or repairs exceeds €100,000 (or its currency equivalent);

(ix) any other information in relation to a Property reasonably requested by the Agent (in sufficient copies for all the Lenders, if the Agent so requests); and

(x) details of any correspondence with the head landlord or its agents or insurers in relation to the Headlease or the Property to the extent that any such correspondence could reasonably be expected to have an impact on the Property and/or any Security and any evidence required to demonstrate compliance with its obligations under Clause 23.3 (Headleases).

(b) The Obligors' Agent must notify the Agent of any likely buyer of any part of a Property (including terms of reference).

20.5 Information: miscellaneous

The Company shall supply to the Agent (in sufficient copies for all the Lenders, if the Agent so requests):

(a) promptly upon becoming aware of them, the details of any material litigation, arbitration or administrative proceedings or investigations which are current, threatened or pending against any member of the Group (or against its directors) (including, without limitation, any update on the on- going proceedings before the commercial rents judge (juge des loyers commerciaux) and on the outcome of the challenge of the indexation clause, both in in respect of the Sanofi lease, in connection with the relevant French Property or any arbitration or administrative proceedings or investigations where the value of the relevant claim or amount contested exceeds €100,000 (or its currency equivalent));

(b) promptly following receipt by the relevant German Propco, a copy of the hazardous materials survey and any certificate of removal in relation to the hazardous materials in relation to the German Property located in Münsterstrasse 261, 40470 Düsseldorf received by the relevant German Propco from the relevant Vendor after the date of this Agreement;

(c) promptly upon becoming aware of them, the details of any judgment or order of a court, arbitral tribunal or other tribunal or any order or sanction of any governmental or other regulatory body which is made against any Obligor (or against its directors); and

(d) promptly, such further information regarding the financial condition, business and operations of any Obligor or the Group, as any Finance Party (through the Agent) may reasonably request.

20.6 Notification of default

(a) Each Obligor shall notify the Agent of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence (unless that Obligor is aware that a notification has already been provided by another Obligor).

(b) Promptly upon a request by the Agent, the Obligors' Agent shall supply to the Agent a certificate signed by two of its directors or senior officers on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

20.7 Know your customer checks

(a) If:

(i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;

(ii) any change in the status of an Obligor or the composition of the shareholders of an Obligor after the date of this Agreement; or

(iii) a proposed assignment by a Lender or the French Facility Lender of any of its rights under this Agreement and a French Term Loan Agreement to a party that is not a Lender prior to such assignment,

obliges the Agent or any Lender (or, in the case of sub- paragraph (iii) above, any prospective new Lender) to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, each Obligor shall promptly upon the request of the Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in sub- paragraph (iii) above, on behalf of any prospective new Lender) in order for the Agent, such Lender or, in the case of the event described in sub- paragraph (iii) above, any prospective new Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

(b) Each Lender shall promptly upon the request of the Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself) in order for the Agent to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

(c) In respect of the New Sponsor, promptly following receipt by the Agent or a Lender of such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or any Lender (for itself) in order for the Agent or such Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable

laws and regulations pursuant to the transactions contemplated in the Finance Documents, the Agent and that Lender (as applicable) shall diligently process such information and diligently carry out all necessary "know your customer" or other similar checks under all applicable laws and regulations in connection with the New Sponsor.

20.8 Business Plan

(a) The Company:

(i) will update the Business Plan annually on or before 30 January in each year prior to the Final Repayment Date and will deliver to the Agent the updated Business Plan; and

(ii) may amend or update the Business Plan at any time.

(b) If the Company updates or changes the Business Plan, it must promptly deliver to the Agent, in sufficient copies for each of the Lenders, such updated or changed Business Plan together with a written explanation of the main changes in that Business Plan.

21. FINANCIAL COVENANTS

21.1 Loan to Value Ratio

Each Obligor must ensure that the Loan to Value does not, on each Interest Payment Date, equal or exceed 75 per cent.

21.2 Default Level Debt Service Cover Ratio

Each Obligor must ensure that the Default Level Debt Service Cover Ratio is, on each Interest Payment Date, equal to or greater than 1:25:1.

21.3 Equity Cure

(a) Subject to, and in accordance with, the provisions of this Clause 21.3, the Company may elect to designate a net amount received by it in cash (in euro) in respect of any Equity Contribution and/or Subordinated Debt (a **Cure Amount**) in order to remedy any Financial Covenant Breach. For the purposes of this Agreement, a **Financial Covenant Breach** means, in respect of the same Interest Payment Date, any one or more of a Loan to Value Breach or a Default Level Debt Service Cover Breach (each as defined below), as the context requires.

(b) If, on any Interest Payment Date, a Financial Covenant Breach occurs, the Cure Amount must be an amount at least equal to the following:

(i) in the event of a breach of the Loan to Value covenant set out in Clause 21.1 (Loan to Value Ratio) (a **Loan to Value Breach**), an amount equal to the minimum reduction in Loans on the relevant Interest Payment Date which would have been required to prevent such Loan to Value Breach; or

(ii) in the event of a breach of the Default Level Debt Service Cover Ratio covenant set out in Clause 21.2 (Default Level Debt Service Cover Ratio) above (a **Default Level Debt Service Cover Breach**), an amount equal to the minimum reduction required to be made to the Loans at the start of the Default Level Measurement Period relating to that Interest Payment Date

which would have been required to prevent such Default Level Debt Service Cover Breach; or

(iii) in the event of more than one Financial Covenant Breach on that Interest Payment Date, the highest of the applicable Cure Amounts calculated in accordance with the preceding sub- paragraphs.

(c) In order to remedy any Financial Covenant Breach or Financial Covenant Breaches, the Obligors must, on or before the date falling fifteen Business Days after (and including) the relevant Interest Payment Date on which such Financial Covenant Breach or Financial Covenant Breaches occurred, ensure that the relevant Cure Amount is either:

(i) applied in prepayment of the Loans; or

(ii) deposited into the Equity Cure Account.

(d) A Cure Amount may only be taken into account to remedy one or more Financial Covenant Breaches in respect of an Interest Payment Date if each of the following conditions is satisfied:

(i) such Cure Amount is applied in accordance with paragraph (c) above;

(ii) at the time the Cure Amount is applied in accordance with paragraph (c) above, notice is given by the Company to the Agent and such notice:

(A) certifies the aggregate of such amounts received by the Company, specifies the Financial Covenant Breach (or Financial Covenant Breaches) and the Default Level Measurement Period (if applicable) in respect of which such Cure Amount is to be taken into account (with regard to the provisions of paragraph (b) above) and is signed by a director of the Company; and

(B) is accompanied by a revised Compliance Certificate indicating compliance with the ratios in Clause 21.1 (Loan to Value Ratio) and 21.2 (Default Level Debt Service Cover Ratio) above after taking into account the Cure Amount designated in accordance with this Clause 21.3 to remedy the non- compliance; and

(iii) no Cure Amount may be designated as set out above:

(A) more than four times over the life of the Facilities; or

(B) in respect of more than two consecutive Interest Payment Dates.

(e) For the purpose of calculating the Loan to Value Ratio, the Default Level Debt Service Cover Ratio and the Cash Trap Debt Service Cover Ratio pursuant to this Agreement, any component (or any part of any component) of such ratios (including, but not limited to, the Loans, the Market Value, the Cash Trap Debt Service, the Cash Trap Net Operating Income, the Default Level Debt Service and the Default Level Net Operating Income) which is expressed in a currency other than the Base Currency, must be converted into the Base Currency at the Agent's Spot Rate of Exchange on the relevant date of calculation.

22. GENERAL UNDERTAKINGS

The undertakings in this Clause 22 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

22.1 Authorisations

Each Obligor must promptly:

(a) obtain, comply with and do all that is necessary to maintain in full force and effect; and

(b) if requested, supply certified copies to the Agent of,

any Authorisation required under any law or regulation of any Relevant Jurisdiction to:

(i) enable it to perform its obligations under the Transaction Documents and to ensure the legality, validity, enforceability or admissibility in evidence in each Relevant Jurisdiction of any Transaction Document; or

(ii) own its assets and carry on its business as it is being conducted.

22.2 Compliance with laws

Each Obligor must comply in all material respects with all laws (including but not limited to the ERP (établissement recevant du public)) to which it or any Property or any other asset which is the subject of the security created pursuant to the Security Documents may be subject.

22.3 Negative pledge

In this Clause 22.3, **Quasi- Security** means an arrangement or transaction described in paragraph (b) below.

(a) No Obligor may create or permit to subsist any Security over any of its assets or any encumbrances, easement or any other arrangement having a similar effect over any of its Properties.

(b) No Obligor may:

(i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by an Obligor;

(ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;

(iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set- off or made subject to a combination of accounts; or

(iv) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

(c) Paragraph (a) above does not apply to any Security or (as the case may be) Quasi- Security, or any encumbrances, easement or any other arrangement having a similar effect listed below:

(i) the Transaction Security;
(ii) any lien arising by operation of law and in the ordinary course of trading;
(iii) any lien arising under the general terms and conditions of banks or Sparkassen (Allgemeine Geschäftsbedingungen der Banken oder Sparkassen) with whom any member of the Group maintains a banking relationship in the ordinary course of business;
(iv) any Security or Quasi- Security over bank accounts arising under clause 24 or clause 25 of the general terms and conditions (algemene bankvoorwaarden) of any member of the Dutch Bankers' Association (Nederlandse Vereniging van Banken) provided that such Security or Quasi Security is limited to secure amounts which are owed to the relevant account bank for bank account management fees;
(v) any Security or Quasi- Security over bank accounts arising under the Custody Agreement;
(vi) any Security or Quasi- Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a member of the Group in the ordinary course of trading and on the supplier's standard terms but for the avoidance of doubt, excluding any Property or Ownership Interests;
(vii) any Security (existing at the date of this Agreement) that is to be irrevocably removed or discharged or released in full on or prior to the Utilisation Date;
(viii) any Security over a German Property the granting or creation of which cannot be prohibited under section 1136 of the German Civil Code (Bürgerliches Gesetzbuch);
(ix) any permitted Encumbrances;
(x) any other Security granted by an Obligor with the prior written consent of the Agent (acting on the instructions of the Majority Lenders); and
(xi) any Security securing indebtedness the outstanding principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of Security given by any member of the Group other than any permitted under sub- paragraphs (i) to (ix) above does not exceed €250,000 (or its currency equivalent) at any time.

22.4 Disposals

(a) No Obligor may enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary), to dispose of all or any part of any assets.
(b) Paragraph (a) above does not apply to any disposal:
(i) permitted under Clause 23.2 (Occupational Leases);
(ii) by an Obligor of a Property or of any of its Ownership Interests in an Obligor made in accordance with paragraph (c) or paragraph (d) below;

(iii) of cash by way of a payment out of an Account in accordance with this Agreement;
(iv) of assets compulsorily acquired by any government authority;
(v) of assets (other than a Property, Ownership Interests, businesses or Intellectual Property) in exchange for other assets comparable or superior as to type, value and quality;
(vi) arising as a result of any Permitted Security;
(vii) made in the ordinary course of trading of any asset subject to the floating charge created under a Security Agreement;
(viii) of obsolete assets which are no longer required for the efficient operation of its business;
(ix) of assets (other than any Ownership Interests, any Property, businesses or Intellectual Property) for cash where the net consideration receivable (when aggregated with the net consideration receivable for any other sale, lease, licence, transfer or other disposal not allowed under the preceding paragraphs) does not exceed €250,000 (or its currency equivalent) in any financial year; or
(x) of a German Property (which cannot be prohibited under section 1136 of the German Civil Code (Bürgerliches Gesetzbuch)).

(c) An Obligor may dispose of its Property, or its Ownership Interests in an Obligor, (each a **Disposal**) if:

(i) such Disposal is on arm's length terms to an unrelated third party for cash consideration;
(ii) as at the date of entering into a binding agreement in respect of such Disposal, no Default is continuing (or, if a Default is continuing, such Default will be remedied to the satisfaction of the Agent (acting reasonably) before or as a result of the completion of such Disposal) or would result from the completion of such Disposal;
(iii) as at the date of entering into a binding agreement in respect of such Disposal, no Cash Trap Event is continuing (or, if a Cash Trap Event is continuing, such Cash Trap Event will be remedied to the satisfaction of the Agent (acting reasonably) before or as a result of the completion of such Disposal) or would result from the completion of such Disposal;
(iv) the Disposal Proceeds received from such Disposal, when aggregated with any Equity Contribution paid into the relevant Deposit Account at the same time as such Disposal Proceeds, are not less than the aggregate of:

(A) the Release Price of that Property or, in the case of the disposal of Ownership Interests in an Obligor, of the Property or Properties owned by that Obligor or any Subsidiary; and
(B) an amount determined by the Agent (acting reasonably) to provide for prepayment fees and any other amounts that will become due and payable under paragraph (b) of Clause 7.11 (Restrictions) as a result of the application of the Disposal Proceeds in prepayment of the Loans; and

(v) the Obligors' Agent certifies to the Agent in writing that the conditions in sub- paragraphs (i) to (iv) above have been satisfied,

each such Disposal a **Release Price Disposal**.

(d) Subject to paragraph (e) below an Obligor may make a Disposal at any time after the date falling twelve Months before the Final Repayment Date, at any time when a Cash Trap Event is continuing (and such Cash Trap Event would not be remedied to the satisfaction of the Agent (acting reasonably) before or as a result of the completion of such Disposal) and at any time when such a Disposal would trigger a Cash Trap Event if:

(i) that disposal is on arm's length terms to an unrelated third party for cash consideration;

(ii) the Disposal Proceeds received from such Disposal, when aggregated with any Equity Contribution paid into the relevant Deposit Account at the same time as such Disposal Proceeds, are not less than the aggregate of:

(A) the Release Price of that Property or, in the case of the disposal of Ownership Interests in an Obligor, of the Property or Properties owned by that Obligor or any Subsidiary; and

(B) an amount determined by the Agent (acting reasonably) to provide for prepayment fees and any other amounts that will become due and payable under paragraph (b) of Clause 7.11 (Restrictions) as a result of the application of the Disposal Proceeds in prepayment of the Loans;

(iii) in respect of a Disposal which triggers a Cash Trap Event, if the Disposal Proceeds received from such Disposal exceed the Release Price of that Property or, in the case of the disposal of Ownership Interests in an Obligor, of the Property or Properties owned by that Obligor or any Subsidiary (the **excess**), an amount equal to the lower of:

(A) the excess; and

(B) the amount required to remedy any Cash Trap Event which is continuing after such Disposal,

is applied in prepayment of the Loans on the date of such Disposal; and

(iv) the Obligors' Agent certifies to the Agent in writing that the conditions in sub- paragraphs (i) and (ii) above have been satisfied,

each such Disposal a **Total Prepayment Disposal**.

(e) No Obligor may make a Disposal pursuant to paragraph (d) above if the Disposal would trigger a Default or if an Event of Default is continuing at the date of the proposed binding agreement in respect of such Disposal.

(f) The Obligor must ensure that all Disposal Proceeds are immediately paid into the relevant Deposit Account for application in accordance with Clause 17.7 (Deposit Accounts).

(g) A Property disposed of, or a Property owned by a Borrower the Ownership Interests of which are disposed of, in accordance with paragraphs (c) above and (d) above will cease to be a Property.

(h) In order to determine whether, for the purposes of paragraph (c) or (d) above, a Cash Trap Event that is continuing at the time of a Disposal will be remedied by that Disposal or whether a Cash Trap Event

will not be triggered by a Disposal (each a **Relevant Disposal**), the certificate provided by the Obligors' Agent to the Agent pursuant to paragraph (c) or (d) must certify to the Agent that:

(i) the Loan to Value as at the most recent Interest Payment Date prior to the delivery of that certificate would not equal or exceed 70 per cent. on a pro forma basis as a result of the Relevant Disposal where, for these purposes, the Loan to Value as at the most recent Interest Payment Date prior to the delivery of that certificate will be pro forma adjusted by deducting the Market Value of the relevant Property or Properties forming part of the Relevant Disposal from the Market Value of all Properties (as determined for the Loan to Value as at the most recent Interest Payment Date prior to the delivery of that certificate) and by deducting from the outstanding Loans (excluding the French Facility Loans to the extent that it is still outstanding) as at the most recent Interest Payment Date prior to the delivery of that certificate the Disposal Proceeds that are certified by the Obligors' Agent to be applied in prepayment of the Loans in accordance with this Clause 22.4; and

(ii) the Cash Trap Debt Service Cover Ratio as at the most recent Interest Payment Date prior to the delivery of that certificate would be greater than 1.5:1 on a pro forma basis as a result of the Relevant Disposal where, for these purposes, the Cash Trap Debt Service Cover Ratio as at the most recent Interest Payment Date prior to the delivery of that certificate will be pro forma adjusted by calculating Cash Trap Debt Service for the relevant Cash Trap Measurement Period as if the Disposal Proceeds that are certified by the Obligor's Agent to be applied in prepayment of the Loans in accordance with this Clause 22.4 (excluding the French Facility Loans to the extent that it is still outstanding) on the first day of such Cash Trap Measurement Period with the Cash Trap Projected Net Operating Income in respect of that Cash Trap Measurement Period being reduced by the Cash Trap Projected Net Operating Income attributable to the Property or Properties forming part of the Relevant Disposal.

22.5 Financial Indebtedness

(a) No Obligor may, without the prior written consent of the Agent (acting on the instructions of the Majority Lenders), incur or permit to be outstanding any Financial Indebtedness;

(b) Paragraph (a) does not apply to any Financial Indebtedness:

(i) incurred under the Finance Documents;

(ii) repaid on or prior to the Utilisation Date;

(iii) which constitutes Subordinated Debt which is subject to paragraph (c) below;

(iv) that arises as a normal trade credit in the ordinary course of any Obligor’s trading and is not outstanding for more than 90 days; or

(v) not permitted by the preceding paragraphs and the outstanding principal amount of which does not exceed €250,000 (or its currency equivalent) in aggregate for the Group at any time.

(c) Each Obligor must ensure that each Subordinated Debt Document and the Subordinated Debt created or evidenced by that Subordinated Debt Document, is governed by the laws of Luxembourg.

22.6 Lending and guarantees

(a) No Obligor may be the creditor in respect of any loan or any form of credit to any person other than:

(i) any loan to another Obligor which constitutes Subordinated Debt;

(ii) any trade credit extended by an Obligor in the ordinary course of trade and is not outstanding for more than 90 days; and

(iii) any advance payment made in relation to Permitted Capex in the ordinary course of business provided that the aggregate annual amount of any such advance payments does not exceed 10 per cent of the aggregate projected costs of the Permitted Capex for that 12 Month period.

(b) No Obligor may give or allow to be outstanding any guarantee or indemnity to or for the benefit of any person in respect of any obligation of any other person or enter into any document under which that Obligor assumes any liability of any other person other than:

(i) any guarantee or indemnity given under the Finance Documents; or

(ii) any liability of an Obligor arising under a declaration of joint and several liability (hoofdelijke aansprakelijkheid) as referred to in Article 2:403 of the Dutch Civil Code.

22.7 Merger

(a) No Obligor may enter into any amalgamation, demerger, merger or corporate reconstruction.

(b) Paragraph (a) above does not apply to any Disposal permitted pursuant to Clause 22.4 (Disposals).

22.8 Conduct of business

(a) No Obligor may trade or carry on any business or incur any liabilities other than:

(i) the ownership of the Obligors; and

(ii) in the case of each Propco, the ownership, management and letting of its interests in the relevant Property and related activities in any manner which is consistent with the Finance Documents.

(b) The Parent may not make or permit any material change to the nature or scope of the business or activities of the Obligors.

(c) The Parent must not have any direct or indirect Subsidiaries other than the Obligors.

22.9 Acquisitions

(a) No Obligor may make any acquisition or investment.

(b) Paragraph (a) above shall not apply to:

(i) any Acquisition; or

(ii) a Permitted Share Issue.

22.10 Targetco

The Company must ensure that on the Utilisation Date, each Targetco becomes an Additional Guarantor in accordance with Clause 26.2 (Additional Borrowers).

22.11 Acquisition Documents

(a) No Obligor may, in any material respect, amend, vary, novate, forego or waive any provision, right or condition arising in or under any Acquisition Document or agree to do any of those things except as disclosed to the Agent before the date of this Agreement or with the prior consent of the Agent (acting reasonably) or as required by law.

(b) Each Obligor must comply with all its material obligations under the Acquisition Documents.

(c) Each Obligor must take all reasonable and practical steps to preserve and enforce its material rights and pursue any claims and remedies arising under the Acquisition Documents.

22.12 Other agreements

No Obligor may enter into any material agreement other than:

(a) the Transaction Documents;

(b) any agreement in connection with or for the purposes of carrying out the Permitted Capex; and

(c) any other agreement expressly allowed under any other term of this Agreement.

22.13 Material contracts

(a) Subject to Clause 23.9 (Managing Agents), Clause 23.11 (Asset Managers) and excluding amendments to any agreements in connection with or for the purpose of carrying out the Permitted Capex, no Obligor may amend or alter the terms of any contract (other than the Custody Agreement) to which it is a party which creates liability in excess of €100,000 (or its currency equivalent) without the prior written consent of the Agent (not to be unreasonably withheld or delayed). For the avoidance of doubt, the terms of this clause do not permit any amendments or alterations to the terms of a management agreement which would be in breach of 23.9 (Managing Agents) or Clause 23.11 (Asset Managers).

(b) The OPCI may not amend or alter the Custody Agreement in a way that will adversely affect the rights of the Finance Parties under the Finance Documents.

(c) The OPCI may not invest into any Financial Securities (Tites Financiers) as defined in the Custody Agreement without the prior written consent of the Lenders.

22.14 Shares, units, dividends and share redemption

(a) No Obligor may issue any further shares or amend any rights attaching to its issued shares, units, stocks, debentures or other securities.

(b) Paragraph (a) above does not apply to a Permitted Share Issue.

(c) No Obligor may:

(i) declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital or partnership capital (or any class of its share capital, partnership capital or unit capital);

(ii) repay or distribute any dividend or share premium reserve;

(iii) pay any management, advisory or other fee to or to the order of any of its shareholders or partners; or

(iv) redeem, repurchase, defease, retire or repay any of its share capital, partnership capital or unit capital or resolve to do so.

(d) No Obligor may subscribe for or otherwise acquire any stock, share or unit which is only partly paid up or in respect of which the company which issued that stock, share or unit has any call or lien.

(e) Paragraph (c) does not apply to a Permitted Payment provided that, at the time such Permitted Payment is made no Default is continuing, no Cash Trap Event is continuing and no Default or Cash Trap Event would occur as a result of the Permitted Payment.

(f) Each Obligor must promptly pay all calls or other payments which may be or become due in respect of any shares, units or other Ownership Interests held by it and must not appoint any third party nominee (other than the appointment of the Security Agent pursuant to the terms of a Security Document) to exercise any members' or partners' rights or information rights in relation to any shares, units or other Ownership Interests held by it.

(g) The French Facility Borrowers must promptly pay by way of dividend or cash distribution (to the extent legally permissible) an amount equal to the French Mandatory Prepayment Shortfall Amount received by such French Facility Borrower to its shareholder and each Obligor shall ensure (to the extent legally permissible) that any payments received directly or indirectly from the French Facility Borrowers pursuant to this paragraph (g) are paid (via on-payment of dividend or cash distribution) to the Company.

22.15 VAT

(a) No Obligor may form or be a member of any VAT group other than with another Obligor.

(b) No Propco, other than a Dutch Propco with a VAT exempt tenant, may take any steps (whether by act, omission or otherwise) by which any option to tax made by it by virtue of which VAT is chargeable in respect of its property rental activity could be revoked or cease to have effect.

22.16 Taxes

(a) Each Obligor must make all Tax filings within applicable time limits (save as where failure to do so would not (i) give rise to a Material Adverse Effect or (ii) trigger material late submission penalties or fees) and pay all Taxes due and payable by it (including without limitation, any Taxes due and payable by an Obligor in respect of a Spin) prior to the accrual of any material fine or penalty for late payment, unless (and only to the extent that):

(i) payment of those Taxes is being contested in good faith; and

(ii) adequate reserves are being maintained for those Taxes and the costs required to contest them.

(b) Each Obligor must comply in all material respects with all Tax laws applicable to it including, for the avoidance of doubt, any legislation, rules, published practice and any rulings and clearances from any tax authority, relating to transfer pricing and thin capitalisation.

(c) Each Obligor must:

(i) ensure that its residence for Tax purposes is solely in its Original Jurisdiction;

(ii) ensure that no tax losses belonging to it or tax reliefs available to it are surrendered, waived or otherwise disposed of (but, for the avoidance of doubt, this shall not include the disclaiming of any capital allowances) without the Agent's prior written consent except to another Obligor; and

(iii) subject to paragraph (a) above and paragraphs (c) and (d) below, except in relation to a transfer of the Ownership Interests in the Group by the Original Sponsor to the New Sponsor (the **Spin**), ensure that no latent material capital gains tax, stamp duty or stamp duty land tax liability of any Obligor is triggered or realised, whether by reason of capital gains tax degrouping or for any other reason except that this undertaking shall not be given in relation to any such latent tax liability triggered or realised by reason of French Targetco Joubert electing to enter into the tax regime provided for by article 208 C of the French Tax Code.

(d) The Company shall by not less than 10 Business Days prior to implementing the Spin provide the Agent with updated Tax Structure Reports (addressed to or capable of being relied upon by the Finance Parties) which must set out the steps required to implement the Spin and confirm the amount of all tax liabilities of the Group which will become payable by the Group as a result of the implementation of the Spin.

(e) Each Obligor must ensure that on or prior to the date of effecting the Spin, an amount equal to the amount of any Taxes due and payable by the Group in respect of the Spin (as set out in the updated Tax Structure Reports referred to in paragraph (d) above) is standing to the credit of the Company General Account.

(f) Each Obligor must ensure that it does not have a branch, agency, business (other than the rental business in respect of the relevant Property) or other permanent establishment outside its Original Jurisdiction.

(g) Each Propco acquiring a UK Property must request an approval of HM Revenue & Customs under the Taxation of Income from Land (Non- Residents) Regulations 1995 in order that all amounts of Rental Income may be paid to that Propco without any withholding or deduction of tax.

(h) On and from the date of acquisition of a UK Property by a Propco, that Propco must hold the relevant UK Property on investment account and exclusively with an investment intention for UK tax purposes.

(i) SCI Trias FRA Marly – T shall ensure that it does not carry out any real estate trading or building development for trading purposes.

(j) No Obligor shall enter into any transaction with any person which gives rise to material tax leakage as a result of not being on arm's length terms.

22.17 Luxembourg Tax

(a) The Obligors must, to the extent permitted by law, implement the Transaction and determine its liability to tax in accordance with the principles laid down in the Tax Structure Report and the Obligors undertake to inform the Luxembourg tax authorities about the implementation of the structure and the main aspects of the tax treatment applicable thereto in an information letter which will be submitted to the Luxembourg tax authorities together with the filing of the next annual tax return and will promptly notify the Agent when such information letter has been submitted to the Luxembourg Tax Authorities (and in any case, no later than 30 days after such filing).

(b) Upon the request of any Lender, the Obligors will procure that such Lender or its agent as permitted to inspect at the offices of Arendt in Luxembourg the information letter and any transfer pricing

documentation confirming the principles laid down in the Tax Structure Report. If any tax liability arising in accordance with the filing of the information letter has or is likely to have a Material Adverse Effect, the Obligors will notify the Agent and will promptly (and in any case, within 30 days) consult with the Agent to mitigate the effects of such information letter.

(c) The UK Propcos will use GBP as their functional currency.

22.18 French Tax

(a) Each of the French Facility Borrowers and its direct and indirect shareholders shall remain not subject to (including on a joint and several basis) the annual 3%- tax on property (taxe annuelle de 3% sur les immeubles) provided for by article 990 D of the French Tax Code or shall be exempt from such 3% tax.

(b) None of the French Facility Borrowers will belong to a French tax consolidated group (groupe intégré fiscalement) within the meaning of articles 223 A et seq of the French Tax Code, except if such group is formed solely with other French Facility Borrowers.

(c) Trias OPCI – T shall comply with all requirements to benefit from the tax regime provided under article 208, 3° nonies of the French Tax Code.

(d) Provided that it is in the best economic interests of French Targetco Joubert to do so, French Targetco Joubert shall make the election referred to in article 208 C III bis of the French Tax Code and comply with all requirements to benefit from the tax regime provided under article 208 C of the French Tax Code from 1 January 2016.

(e) SCI Trias FRA Marly – T shall not elect to be subject to corporation income tax imposed by France.

22.19 Dutch fiscal unity

None of the Dutch Propcos shall belong to a Dutch fiscal unity for Dutch VAT and corporate income tax purposes other than a fiscal unity solely made up of Obligors

22.20 Syndication and Securitisation

(a) Each Obligor agrees that all or part of any Loan or Commitment, or any Lender's interest therein or under any Finance Document may be syndicated and/or securitised (whether alone or in conjunction with any other loan or loans).

(b) Each Obligor must provide reasonable assistance to each Arranger in the preparation of any information memorandum prepared in relation to this transaction and to the primary syndication of the Facility (including, without limitation, by making senior management available for the purpose of making presentations to, or meeting with, potential lending institutions) and will comply with all reasonable requests for information from potential syndicate members prior to completion of syndication.

(c) In connection with the syndication and/or Securitisation of any Facility (whether alone or in conjunction with other facilities), each Obligor agrees to:

(i) co- operate with the Finance Parties to facilitate any Securitisation of all or any part of this Facility or of any Loan, and the rating of any Lender's interest in any of the Finance Documents by internationally recognised ratings agencies nominated by the Finance Party concerned;

(ii) co- operate in the preparation of the related offering circular and to provide such information as any Finance Party may reasonably require, including any information relating to the Properties and the Obligors generally which any Finance Party may reasonably consider necessary to include in that offering circular;

(iii) subject to the terms of the Occupational Leases, provide such access to the Properties, tenant and financial information and to the management of the Obligors as the Agent may reasonably require; and

(iv) enter into any additional documents or any amendments to the Finance Documents that the Agent may reasonably require (including any required to tranche, sub- divide or split the whole or part of a Loan into one or more separate tranches in any amounts, having the same or different interest rates and which may rank in priority on a pari passu basis or otherwise) (each a **Tranche**) **provided that** in each case, the Obligors shall not be required to agree to any amendments which:

(A) have a material adverse impact or impose any greater obligation on any member of the Group;

(B) result or could result in the increase in the weighted average cost of the Facility (whether by an increase in the Margin, fees or otherwise) to the Obligors; or

(C) are not necessary or reasonably incidental to establish Tranches in accordance with the terms of this paragraph (c)(iv).

22.21 Sanctions

(a) Each Obligor must at all times comply in all respects with all Sanctions and with the requirements of all laws and regulations applicable to it, including without limitation, all laws and regulations regarding anti- terrorism, however, in each case only insofar as this undertaking does not result in a violation of, or conflict with, section 7 of the German Foreign Trade Ordinance (Außenwirtschaftsverordnung).

(b) No Obligor shall (and the Company shall procure that no other member of the Group will) use, lend, make payments of, contribute or otherwise make available, all or any part of the proceeds of the Facility to fund or finance any business activities or transactions:

(i) of or with a Sanctions Restricted Party; or

(ii) in any other manner which would reasonably be expected to result in any member of the Group or any Finance Party being in breach of any Sanctions (if and to the extent applicable to either of them) or becoming a Sanctions Restricted Party,

however, in each case only insofar as this undertaking does not result in a violation of, or conflict with, section 7 of the German Foreign Trade Ordinance (Außenwirtschaftsverordnung)

(c) No Obligor may (and the Company must procure that no other member of the Group will) use any revenue or benefit derived from any activity or dealing with any Sanctions Restricted Party in discharging any obligation due or owing to any Lender or other Finance Party.

(d) The Parent and its Affiliates have conducted their businesses in compliance with applicable Anti- Corruption Law and have instituted and maintained, and will continue to maintain, policies and

procedures reasonably designed to promote and achieve compliance with such laws and with the representations and warranties contained herein.

(e) The Borrowers may not directly or indirectly use the proceeds of any Loan or lend, contribute or otherwise make available such proceeds to any subsidiary, affiliate, joint venture partner or other person or entity for the purpose of financing or facilitating any activity that would violate applicable Anti- Corruption Law.

22.22 Anti- corruption law

(a) No Obligor may (and the Parent must ensure that no other member of the Group will) directly or indirectly use the proceeds of any Facility:

(i) for any purpose which would breach any Anti- Corruption Law;

(ii) to make or promise to make a Prohibited Payment;

(iii) in connection with any business involving or benefiting a Sanction List or a Sanctioned Country.

(iv) for any illegal purpose and will not repay any Facility with the proceeds of any illegal activity.

(b) Each Obligor must (and the Parent must ensure that each other member of the Group will):

(i) conduct its business in compliance with applicable Anti- Corruption Laws; and

(ii) maintain policies and procedures designed to promote and achieve compliance with applicable Anti- Corruption Law.

22.23 Financial Assistance

Each Obligor must (and the Parent must procure that each member of the Group will) comply in all respects with all regulations regarding unlawful financial assistance by a company for the acquisition of or subscription for shares or concerning the protection of shareholders' capital and any legislation in any jurisdictions relating to the same.

22.24 Pensions or employees

Each Obligor must ensure that neither it nor any of its Subsidiaries has an occupational pension scheme or any employees.

23. PROPERTY UNDERTAKINGS

The undertakings in this Clause 23 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

23.1 Title

(a) Each Propco must exercise and enforce its rights and comply in all material respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Property.

(b) Subject to the terms of Clause 23.2 (Occupational Leases) and to the terms of any Lease Document, no Obligor may agree to any material amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting any Property.

(c) Each Obligor must promptly, upon the request of the Security Agent, take all such steps as may be necessary or desirable to enable the Security expressed to be created by the Security Documents to be validly registered, where appropriate, at any applicable land registry.

23.2 Occupational Leases

(a) Subject to paragraphs (b) and (c) below, no Obligor may, without the consent of the Agent (which consent shall be provided to the Company by the Agent within 5 Business Days of such request provided that the Agent has been provided with and is satisfied (acting reasonably) by all relevant and material information reasonably requested by it, such request to be made as a single information request list and not on a piecemeal basis and such consent shall be deemed to have been provided if the Agent does not notify the Company of such approval within 5 Business Days of such request):

(i) enter into any Agreement for Lease;

(ii) other than under an Agreement for Lease, grant or agree to grant any new Occupational Lease;

(iii) agree to any amendment, supplement, extension, waiver, surrender or release in respect of any material terms of any Lease Document;

(iv) exercise any right to break, determine or extend, any Lease Document (except an extension on market terms or better);

(v) commence any forfeiture or irritancy proceedings (nor serve any notice irritating any Lease Document) in respect of any Lease Document;

(vi) grant any licence or right to use or occupy any part of a Property;

(vii) consent to any sublease or assignment of any tenant's interest under any Lease Document;

(viii) agree to any alterations or change of use under or (except where required to do so under the terms of the relevant Lease Document) rent review in respect of, any Lease Document; or

(ix) serve any notice on any former tenant under any Lease Document (or on any guarantor of that former tenant) which would entitle it to a new lease or tenancy.

(b) Paragraph (a) above does not apply to:

(i) the entry into of any Agreement for Lease or the grant of any new Occupational Lease;

(ii) any concession, common area, retail and/or hospitality area or car park in respect of the Properties, which is the subject of such grant, amendment, supplement, extension, waiver, surrender, release, sub- lease, assignment or termination,

provided that, in each case, the Rental Income from any such arrangement does not exceed €250,000 (or its currency equivalent) per annum.

(c) Each Propco must:

(i) diligently collect or use all reasonable endeavours to procure to be collected all Rental Income;

(ii) exercise its material rights and comply with its material obligations under each Lease Document; and

(iii) use its reasonable endeavours to ensure that each tenant complies with its material obligations under each Lease Document (including the enforcement of any related guarantee),

in a proper and timely manner.

(d) Any Lease Prepayment Proceeds received by a Propco must be paid into the relevant Deposit Account for application in accordance with Clause 17.7 (Deposit Accounts).

(e) Each Obligor must supply to the Agent each Lease Document, each amendment, supplement or extension to a Lease Document and each document recording any rent review in respect of a Lease Document following request from the Agent.

(f) The Obligors must use their reasonable endeavours to find tenants for any vacant lettable space in the Properties with a view to granting a Lease Document with respect to that space unless such vacant lettable space is kept vacant for valid letting strategy purposes.

23.3 Headleases

(a) Each Obligor must:

(i) exercise its material rights and comply with its obligations under each Headlease to which it is party;

(ii) use its reasonable endeavours to ensure that each landlord (including the head landlord) complies with its obligations under each Headlease to which it is party; and

(iii) promptly notify the Agent and the Security Agent of any matter (including, but not limited to, any correspondence from or on behalf of the head landlord in relation to any forfeiture proceedings, whether actual or threatened) by reason of which any Headlease has or may become subject to determination or to the exercise of any right of reentry or forfeiture and, if so required by the Security Agent, apply for relief against forfeiture or irritancy of any Headlease; and

(iv) provide the Agent with evidence satisfactory to the Agent that each payment due in respect of ground rent and other sums payable under each Headlease has been duly paid within 5 days of its due date,

in a proper and timely manner.

(b) No Obligor may:

(i) agree to any material amendment, supplement, waiver, surrender or release of any Headlease;

(ii) exercise any right to break, determine or extend any Headlease;

(iii) agree to any upwards rent review in respect of any Headlease except where the relevant Headlease is subject to fixed stepped increases and the amounts are disclosed in a Property Report; or

(iv) deliberately do or allow to be done any act as a result of which any Headlease may become liable to forfeiture or irritancy or otherwise be terminated.

23.4 Maintenance

(a) Each Obligor must ensure that all buildings, plant, machinery, fixtures and fittings on its Property are in, and maintained in:

(i) good repair consistent with the principles of good estate management; and

(ii) such repair, condition and order so as to enable them to be let in accordance with all applicable laws and regulations; for this purpose, a law or regulation will be regarded as applicable if it is in force.

(b) Where there is an obligation on a tenant to repair or maintain the Obligors shall satisfy the requirements of paragraph (a) above by using commercially reasonable endeavours to enforce that obligation.

23.5 Development and Alterations

(a) No Obligor may without the prior consent of the Agent carry out, or allow to be carried out, any demolition, construction, structural alterations or additions, development or other similar operations in respect of any part of its Property provided that such consent shall not be unreasonably withheld or delayed and the approval of the Agent shall be deemed to have been provided if the Agent does not notify the Company of such approval within 20 Business Days of the date of the request by the Company.

(b) Paragraph (a) above does not apply to:

(i) the maintenance of the buildings, plant, machinery, fixtures and fittings in accordance with the Transaction Documents;

(ii) the carrying out of any non- material, non- structural improvements or alterations which affect only the interior of any building on a Property;

(iii) any works undertaken by a tenant under the terms of any Occupational Lease or Agreement for Lease or as of right under any law; or

(iv) any Permitted Capex.

(c) Each Obligor must comply in all material respects with all planning laws, permissions, agreements and conditions to which its Property may be subject. Where this is an obligation of a tenant the Obligors shall satisfy these requirements by using commercially reasonable endeavours to enforce that obligation.

23.6 Notices

Each Obligor must, within 14 days after the receipt by any Obligor of any material application, requirement, order or notice served or given by any public or local or any other authority or any landlord with respect to any Property (or any part of it):

(a) deliver a copy to the Security Agent; and

(b) inform the Security Agent of the steps taken or proposed to be taken to comply with the relevant requirement, order or notice.

23.7 Investigation of title

Each Obligor must grant the Security Agent or its lawyers on request (acting reasonably) all facilities within the power of each Obligor to enable the Security Agent or its lawyers to:

(a) carry out investigations of title to any Property; and

(b) make such enquiries in relation to any part of any Property as a prudent mortgagee might carry out.

23.8 Power to remedy

(a) If any Obligor fails to perform any obligations under the Finance Documents affecting its Property having been requested by the Security Agent to do so, each Obligor must allow the Security Agent (without any obligation on the Security Agent to do so) or its agents and contractors (to the extent within its power to do so and at a reasonable time and upon reasonable notice and subject to the terms of any Lease Document):

(i) to enter any part of its Property;

(ii) to comply with or object to any material notice served on any Obligor in respect of its Property; and

(iii) to take any action that the Security Agent may reasonably consider necessary or desirable to prevent or remedy any breach of any such term or to comply with or object to any such notice.

(b) Each Obligor must within 5 Business Days of a request by the Security Agent pay the reasonable costs and expenses of the Security Agent or its agents and contractors incurred in connection with any action taken by it under this Clause.

(c) No Finance Party will be liable as or obliged to account as mortgagee in possession as a result of any action taken under this Clause.

23.9 Managing Agents

(a) No Obligor may:

(i) appoint any managing agent or similar person (other than an Approved Managing Agent);

(ii) amend, supplement, extend or waive the terms of appointment of any Approved Managing Agent in any material respect; or

(iii) terminate the appointment of any Approved Managing Agent (unless an Approved Managing Agent is being appointed in its place),

without the prior consent of, and on terms approved by, the Agent provided that such consent will not be unreasonably withheld or delayed.

(b) Each Obligor must ensure that:

(i) each Approved Managing Agent of any Property:

(A) enters into a Duty of Care Agreement with the Security Agent in form and substance satisfactory to the Agent (acting reasonably);

(B) if it collects rent, has a minimum PI cover of €2,000,000 (or its currency equivalent) (with the exception of the JLL PI cover as disclosed in its certificate of insurance);

(C) acknowledges to the Security Agent that it has notice of the Security created by the Finance Documents; and

(D) agrees to pay (if it collects rent):

I. all Net Rental Income received by it into a Rent Account;

II. all other amounts (excluding VAT received by it into a Service Charge Account); and

III. all amounts of VAT received by it into a General Account,

in each case without any withholding, set- off or counterclaim; and

(ii) that the appointment of each Approved Managing Agent is on arms' length market terms.

(c) If:

(i) any of the events or circumstances set out in Clause 24.6 (Insolvency) apply to an Approved Managing Agent; or

(ii) an Approved Managing Agent is in default of its material obligations under its management agreement the Obligor concerned must promptly notify the Agent, and if, as a result of that default, an Obligor is entitled to terminate that management agreement, then, if an Event of Default is continuing and the Agent so requires,

that Obligor must:

(A) terminate the management agreement; and

(B) appoint a new Approved Managing Agent in accordance with this Clause.

23.10 Approved Cash Managers

(a) No Obligor may:

(i) appoint any cash manager or similar person (other than an Approved Cash Manager);

(ii) amend, supplement, extend or waive the terms of appointment of any Approved Cash Manager in any material respect to the extent such terms relate to the requirements of the Approved Cash Manager to comply with the requirements of the Finance Document; or

(iii) terminate the appointment of any Approved Cash Manager (unless an Approved Cash Manager is being appointed in its place),

without the prior consent of, and on terms approved by, the Agent (acting reasonably). provided that such consent shall not be unreasonably withheld or delayed.

(b) Each Obligor must ensure that each Approved Cash Manager:

(i) enters into a Duty of Care Agreement with the Security Agent in form and substance satisfactory to the Agent (acting reasonably); and

(ii) if it collects rent, has a minimum PI cover of €10,000,000 (or its currency equivalent);

(iii) agrees to pay:

(A) all Net Rental Income received by it into a Rent Account;

(B) all other amounts (excluding VAT received by it into a Service Charge Account); and

(C) all amounts of VAT received by it into a General Account,

(xviii) in each case without any withholding, set- off or counterclaim; and.

(c) If:

(i) any of the events or circumstances set out in Clause 24.6 (Insolvency) apply to an Approved Cash Manager; or

(ii) an Approved Cash Manager is in default of its material obligations under the terms of its appointment the Obligor concerned must promptly notify the Agent, and if, as a result of that default, an Obligor is entitled to terminate that appointment, then, if an Event of Default is continuing and the Agent so requires,

that Obligor must procure that NorthStar Asset Management Group Inc.:

(A) terminates the appointment in respect of its services as the Approved Cash Manager; and

(B) appoints a new Approved Cash Manager in accordance with this Clause.

23.11 Asset Managers

(a) No Obligor may:

(i) appoint any asset manager or similar person (other than an Approved Asset Manager);

(ii) amend, supplement, extend or waive the terms of appointment of any Approved Asset Manager in any material respect; or

(iii) terminate the appointment of any Approved Asset Manager (unless an Approved Asset Manager is being appointed in its place),

without the prior consent of, and on terms approved by, the Agent provided that such consent will not be unreasonably withheld or delayed.

(b) Each Obligor must ensure that each Approved Asset Manager of any Property:

(i) enters into a Duty of Care Agreement with the Security Agent in form and substance satisfactory to the Agent (acting reasonably); and

(ii) acknowledges to the Security Agent that it has notice of the Security created by the Finance Documents.

(c) If:

(i) any of the events or circumstances set out in Clause 24.6 (Insolvency) apply to an Approved Asset Manager; or

(ii) an Approved Asset Manager is in default of its material obligations under its management agreement the Obligor concerned must promptly notify the Agent, and if, as a result of that default, an Obligor is entitled to terminate that management agreement, then, if an Event of Default is continuing and the Agent so requires,

that Obligor must:

(A) terminate the management agreement; and

(B) appoint a new Approved Asset Manager in accordance with this Clause.

23.12 Insurances

(a) Each Obligor must ensure that, at all times from the Utilisation Date, Insurances are maintained in full force and effect, which are in compliance with section 15 of the German Mortgage Bond Act (Pfandbriefgesetz) and which:

(i) insure each Obligor in respect of its interests in each Property owned by it and the plant and machinery on each Property owned by it (including trade and other fixtures and fixed plant and machinery forming part of that Property and improvements) for their full replacement value (being the total cost of entirely rebuilding, reinstating or replacing the relevant asset if it is completely destroyed, together with all related fees and demolition costs) and to:

(A) provide cover against loss or damage by fire, storm, flood, earthquake, lightning, explosion, impact, aircraft and other aerial devices and articles dropped from them, riot, civil commotion and malicious damage, resulting damage from bursting or overflowing of water tanks, apparatus or pipes and all other normally insurable risks of loss or damage;

(B) provide cover for demolition and site clearance, shoring or propping up, professional fees and value added tax together with adequate allowance for inflation;

(C) provide cover against acts of terrorism;

(D) provide cover for loss of rent or prospective rental income (in respect of a period of not less than three years or, if longer, the minimum period required under the Lease Documents) including provision for any increases in rent during the period of insurance; and

(ii) include property owners' public liability and third party liability insurance with no exclusions for third party liability arising from acts of terrorism;

(iii) insure such other risks as a prudent company in the same business as the Obligors would insure; and

(iv) in each case are in an amount, and in form, and with an insurance company or underwriters, in each case having a Requisite Rating, acceptable at all times to the Agent.

(b) Each Obligor must procure that each of the Insurances is in the names of the Obligors concerned and that the Security Agent (as agent and trustee for the Finance Parties) is named as co- insured under each of the Insurances (other than public liability and third party liability insurances) but without liability on the part of the Security Agent or any other Finance Party for any premium in relation to those Insurances.

(c) Each Obligor must procure that the Insurances comply with the following requirements:

(i) each of the Insurances must contain:

(A) solely with respect to the commercial property insurance set forth under paragraph (a)(i) and (a)(ii) of Clause 23.12 (Insurances), a non- invalidation and non- vitiation clause under which the Insurances will not be vitiated or avoided as against any insured party or mortgagee or security holder as a result of any circumstances beyond the control of that insured party or any misrepresentation, act, neglect, non- disclosure, or breach of any policy term or condition, on the part of any insured party or any agent of any insured party that is beyond the control of that party;

(B) a waiver of the rights of subrogation of the insurer as against each Obligor, the Security Agent, the Finance Parties and the tenants of each Property; and

(C) solely with respect to the commercial property insurance set forth under paragraph (a)(i) and (a)(ii) of Clause 23.12 (Insurances), a loss payee clause with the Security Agent named as loss payee and on such terms as the Security Agent may reasonably require in respect of insurance claim payments in excess of €100,000 (or its currency equivalent) otherwise payable to any Obligor including a provision under which the proceeds of the insurance are payable directly to the Agent;

(ii) the insurers must give at least 30 days' notice to the Security Agent if any insurer proposes to repudiate, rescind or cancel any Insurance, to treat it as avoided in whole or in part, to treat it as expired due to non- payment of premium or otherwise decline any valid claim under it by or on behalf of any insured party and must give the opportunity to rectify any such non- payment of premium within the notice period; and

(iii) each Obligor must be free to assign all amounts payable to it under each of its Insurances and all its rights in connection with those amounts in favour of the Security Agent.

(d) Each Obligor must ensure that the Agent receives copies of all Insurances acceptable to the Agent and described in this Clause, receipts for the payment of premiums for insurance and any information in connection with the insurances and claims under them which the Agent may reasonably require, provided that (where applicable) that Obligor is provided with the same by the head landlord. If the Agent considers that the amount insured by, or the risks covered by, any Insurances are inadequate, the Agent may require any Obligor to increase the amount insured by, and/or amend the category of risks covered by, any Insurance Policy to such extent and in such manner as the Agent may consider appropriate and that Obligor must promptly comply with such request.

(e) Each Obligor must promptly notify the Agent of:

(i) the proposed terms of any future renewal of any of the Insurances;
(ii) any amendment, supplement, extension, termination, avoidance or cancellation of any of the Insurances made or, to its knowledge, threatened or pending;
(iii) any claim in excess of €100,000 (or its currency equivalent), and any actual or threatened refusal of any claim, under any of the Insurances; and
(iv) any event or circumstance which has led or may lead to a breach by any Obligor of any term of this Clause.
(f) Each Obligor must:
(i) comply with the terms of the Insurances;
(ii) not do or permit anything to be done which may make void or voidable any of the Insurances; and
(iii) take reasonable and practical steps to comply with all reasonable risk improvement requirements of its insurers.
(g) Each Obligor must ensure that:
(i) each premium for the Insurances is paid promptly upon receipt of an invoice for which that premium is payable (including, without limitation, the construction insurance in respect of the French Property located at 58 Avenue Marceau and 23/25 rue Bassano, 75008 Paris); and
(ii) all other things necessary are done so as to keep each of the Insurances in force.
(h) If any Obligor fails to comply with any term of this Clause, the Agent after the issuance and delivery of written notice to the Obligor setting forth an explanation of such non- compliance may (without any obligation to do so), at the expense of the Obligors effect any insurance on behalf of the Agent or the Security Agent (and not in any way for the benefit of the Obligor concerned) and generally do such things and take such other action as the Agent may reasonably consider necessary or desirable to prevent or remedy any breach of this Clause.
(i) Except as provided below, the proceeds of any Insurances (other than the excluded proceeds referred to in paragraph (c)(i)(C) above) must together with all proceeds of insurances paid directly to the Agent, if a Default is continuing and the Agent so requires, be paid into the relevant Deposit Account for application in accordance with Clause 17.7 (Deposit Accounts).
(j) If no Event of Default is continuing or to the extent required by the basis of settlement under any Insurances or under any Lease Document, each Obligor must apply moneys received under any Insurances in respect of a Property towards replacing, restoring or reinstating the relevant Property.
(k) The proceeds of any loss of rent insurance, or business interruption cover, will be treated as Rental Income and applied in such manner as the Agent (acting reasonably) requires to have effect as if it were Rental Income received over the period of the loss.
(l) Moneys received under liability policies held by an Obligor which are required by that Obligor to satisfy established liabilities of the Obligor to third parties must be used to satisfy these liabilities.

23.13 Compulsory purchase

(a) Each Obligor must notify the Agent immediately if all or any part of a Property is compulsorily purchased or the applicable governmental agency or authority makes an order for the compulsory purchase of the same.

(b) On receipt of such notice from an Obligor, the Agent will be entitled to request a revised Valuation of that Property (the cost of any such Valuation will be borne by the Obligors) ignoring that part being compulsorily purchased, for the purposes of Clause 21.1 (Loan to Value Ratio).

23.14 Environmental matters

(a) Each Obligor must:

(i) comply and use reasonable endeavours to procure that any relevant third party complies with all Environmental Law applicable to the relevant Property;

(ii) obtain, maintain and comply in all material respects with all requisite Environmental Permits applicable to it or to a Property; and

(iii) implement procedures to monitor compliance with and to prevent liability under any Environmental Law applicable to it or a Property,

where failure to do so has or is reasonably likely to result in any material liability for any Finance Party.

(b) Each Obligor must, promptly upon becoming aware, notify the Agent of:

(i) any Environmental Claim started, or to its knowledge, threatened;

(ii) any circumstances reasonably likely to result in an Environmental Claim; or

(iii) any suspension, revocation or notification of any material Environmental Permit.

(c) Each Obligor must indemnify each Finance Party against any loss or liability which that Finance Party incurs as a result of any actual or alleged breach of any Environmental Law relating to the relevant Property unless it is caused by that Finance Party's gross negligence or wilful misconduct.

23.15 Dutch Property

The relevant Dutch Propco shall use all reasonable endeavours to procure the delivery to the Agent of evidence in form and substance satisfactory to it that an easement has been vested in favour of the Dutch Property located at Rijswijk (ZH), Laan vam Hoornwijck 55/56, 2289 DG which grants access from the main road to the parking lot located at the Dutch Property within 3 Months of the first Utilisation Date and failing this deadline the relevant Dutch Propco must inform the Agent of the steps it has taken to obtain such easement and explain to the Agent the reasons for not having obtained such easement.

24. EVENTS OF DEFAULT

Each of the events or circumstances set out in this Clause 24 is an Event of Default (save for Clause 24.18 (Acceleration)).

24.1 **Non- payment**

An Obligor does not pay on the due date any amount payable pursuant to a Finance Document at the place and in the currency in which it is expressed to be payable unless:

(a) its failure to pay is caused solely by:

(i) administrative or technical error; or

(ii) a Disruption Event; and

(b) payment is made within three Business Days of its due date; or

(c) its failure to pay is caused solely by default on the part of the Security Agent in applying proceeds standing to the credit of an Account in respect of which the Security Agent has sole signing rights in paying any such amount as required by this Agreement.

24.2 Financial Covenants

Subject to the provisions of Clause 21.3 (Equity Cure), any requirement of Clause 21.1 (Loan to Value Ratio) or Clause 21.2 (Default Level Debt Service Cover Ratio) is not satisfied.

24.3 Other obligations

(a) An Obligor does not comply with any term of:

(i) Clause 4.3 (Conditions subsequent);

(ii) Clause 17 (Bank Accounts) (unless any failure by any Obligor to perform or comply with that Clause is caused solely by the default on the part of the Agent in applying proceeds standing to the credit of an Account in respect of which the Agent has sole signing rights in paying any such amount as required by this Agreement);

(iii) Clause 20.6 (Notification of default);

(iv) Clause 22.3 (Negative pledge);

(v) Clause 22.4 (Disposals);

(vi) Clause 22.5 (Financial Indebtedness);

(vii) Clause 22.7 (Merger);

(viii) Clause 22.9 (Acquisitions);

(ix) Clause 22.14 (Shares, units, dividends and share redemption); or

(x) Clause 23.2 (Occupational Leases).

(b) The Company fails to comply with Clause 20.2 (Compliance Certificate) unless the Compliance Certificate is delivered within 3 Business Days of the required date for delivery in accordance with Clause 20.2 (Compliance Certificate).

(c) A Transaction Obligor does not comply with any provision of the Finance Documents to which it is a party (other than those referred to in Clause 24.1 (Non- payment), Clause 24.2 (Financial Covenants) and paragraphs (a) and (b) above).

(d) No Event of Default under paragraph (c) above will occur if the failure to comply is capable of remedy in the opinion of the Agent and is remedied within 20 Business Days of the earlier of:

(i) the Agent giving notice to the Obligors' Agent; and

(ii) any Transaction Obligor becoming aware of the failure to comply.

24.4 Misrepresentation

(a) Any representation or statement made or deemed to be made by a Transaction Obligor in the Finance Documents or any other document delivered by or on behalf of any Transaction Obligor under or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

(b) No Event of Default under paragraph (a) above will occur if the circumstances giving rise to the misrepresentation or breach of warranty are capable of remedy and are remedied within 20 Business Days of the earlier of

(i) the Agent giving notice to the Obligors' Agent; and

(ii) any Transaction Obligor becoming aware of the failure to comply.

24.5 Cross- default

(a) Any Financial Indebtedness of any Obligor is not paid when due nor within any originally applicable grace period.

(b) Any Financial Indebtedness of any Obligor is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).

(c) Any commitment for any Financial Indebtedness of any Obligor is cancelled or suspended by a creditor of any Obligor as a result of an event of default (however described).

(d) Any creditor of any Obligor becomes entitled to declare any Financial Indebtedness of any Obligor due and payable prior to its specified maturity as a result of an event of default (however described).

(e) For the purposes of this Clause 24.5, Financial Indebtedness shall not include any Financial Indebtedness which is Subordinated Debt.

24.6 Insolvency

(a) A Transaction Obligor:

(i) is unable or admits inability to pay its debts as they fall due;

(ii) suspends or threatens to suspend making payments on any of its debts; or

(iii) by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors (excluding any Finance Party in its capacity as such) with a view to rescheduling any of its indebtedness.

(b) A moratorium is declared in respect of any indebtedness of any Transaction Obligor. If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium.

24.7 Insolvency proceedings

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

(a) the suspension of payments, a moratorium of any indebtedness, winding- up, dissolution, examinership, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Transaction Obligor; or

(b) a composition, compromise, assignment or arrangement with any creditor of any Transaction Obligor; or

(c) the appointment of a liquidator, receiver, examiner, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Transaction Obligor or any of its assets; or

(d) enforcement of any Security over any assets of any Transaction Obligor,

or any analogous procedure or step is taken in any jurisdiction.

Paragraph (a) above does not apply to any winding- up petition which the Agent is satisfied is frivolous or vexatious and is discharged, stayed or dismissed within 21 days of commencement.

24.8 Creditors' process

(a) Subject to paragraph (b) below, any expropriation, attachment, sequestration, distress, diligence or execution or any analogous process in any jurisdiction affects any asset or assets of a Transaction Obligor having an aggregate value of €250,000 (or its currency equivalent) or more and is not discharged within 21 days.

(b) A Dutch executory attachment (executoriaal beslag) affects any asset or assets of a Transaction Obligor having an aggregate value of €250,000 (or its currency equivalent) or more and is not discharged within 10 Business Days.

24.9 Cessation of business

A Transaction Obligor suspends or ceases, or threatens to suspend or cease, to carry on all or a material part of its business (except as a result of any disposal allowed under this Agreement).

24.10 Unlawfulness and invalidity

(a) It is or becomes unlawful for a Transaction Obligor to perform any of its obligations under the Transaction Documents or any Transaction Security created or expressed to be created or evidenced by the Security Documents ceases to be effective or any subordination created under a Subordination Agreement is or becomes unlawful and that unlawfulness individually or cumulatively materially and adversely affects the interests of the Finance Parties under the Finance Documents.

(b) Any obligation or obligations of any Transaction Obligor under any Finance Documents are not (subject to the Legal Reservations and the Perfection Requirements) or cease to be legal, valid, binding or enforceable and the cessation individually or cumulatively materially and adversely affects the interests of the Finance Parties under the Finance Documents.

(c) Any Finance Document ceases to be in full force and effect or any Transaction Security or any subordination created under a Subordination Agreement ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to it (other than a Finance Party) to be ineffective and the cessation individually or cumulatively materially and adversely affects the interests of the Finance Parties under the Finance Documents.

24.11 Repudiation and rescission of agreements

A Transaction Obligor (or any other relevant party) rescinds or purports to rescind or repudiates or purports to repudiate a Finance Document or any of the Transaction Security or evidences an intention to rescind or repudiate a Finance Document or any Transaction Security.

24.12 Compulsory purchase

(a) All or any part of any Property is compulsorily purchased or is the subject of an order for its compulsory purchase or is otherwise nationalised or expropriated; and

(b) taking into account the amount and timing of any compensation payable, such compulsory purchase has or will have a Material Adverse Effect.

24.13 Major damage

(a) Any part of any Property is destroyed or damaged; and

(b) taking into account the amount and timing of receipt of the proceeds of insurance effected in accordance with the terms of this Agreement, the destruction or damage has or will have a Material Adverse Effect.

24.14 Headlease

(a) Forfeiture (Heimfallanspruch) or irritancy proceedings with respect to a Headlease are commenced or a Headlease is forfeited or irritated.

(b) Paragraph (a) above shall not apply (without prejudice to any future forfeiture, forfeiture proceedings or irritancy proceedings) if:

(i) in respect of forfeiture or irritancy proceedings, such proceedings are stayed, dismissed or otherwise discharged within 21 days of commencement; or

(ii) the Company procures that an amount equal to the Allocated Loan Amount of the Property which is the subject of that Headlease is prepaid within 20 Business Days of:

(A) in the case of forfeiture or irritancy proceedings, commencement of such proceedings; and

(B) in the case of a forfeiture, such forfeiture.

24.15 Ownership of the Obligors

Save as permitted in this Agreement, any Obligor is not or ceases to be legally and beneficially owned and controlled (directly or indirectly) by the Parent except as a result of a disposal which is permitted in accordance with Clause 22.4 (Disposals).

24.16 Material adverse change

Any event or circumstance occurs which has or will have a Material Adverse Effect.

24.17 Disposal or encumbrance of a German Property

(a) A Borrower disposes of a German Property (or part thereof) if that disposal is not a Permitted Property Disposal or is only permitted pursuant to paragraph (b)(x)of 22.4 (Disposals) above.

(b) A Borrower creates or allows to exist a Security or encumbrance over a German Property which is not a Permitted Property Disposal or is only permitted pursuant to paragraph (c)(viii)of Clause 22.3 (Negative pledge) above.

24.18 Acceleration

On and at any time after the occurrence of an Event of Default which is continuing, the Agent may, and shall, if so directed by the Majority Lenders, by notice to the Obligors' Agent:

(a) cancel the Total Commitments whereupon they shall immediately be cancelled;

(b) declare that all or part of the Loans, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon they shall become immediately due and payable;

(c) declare that all or part of the Loans be payable on demand, whereupon they shall immediately become payable on demand by the Agent on the instructions of the Majority Lenders;

(d) exercise or direct the Security Agent to exercise any or all of its rights, remedies, powers or discretions under the Finance Documents; and/or

(e) in relation to a Dutch Obligor, by notice to the Dutch Obligor concerned, required that Dutch Obligor to give a guarantee or Security Interest in favour of the Finance Parties and/or the Agent and that Dutch Obligor must comply with that request.

24.19 Clean- Up Period

(a) Notwithstanding any other provision of any Finance Document any breach of a Clean- Up Representation or a Clean- Up Undertaking by a Targetco will be deemed not to be a breach of representation or warranty, a breach of covenant (as the case may be) if:

(i) it would have been (if it were not for this provision) a breach of representation or warranty, a breach of covenant only by reason of circumstances relating exclusively to any Targetco (or any obligation to procure or ensure in relation to any Targetco);

(ii) it is capable of remedy and reasonable steps are being taken to remedy it; and

(iii) the circumstances giving rise to it have not been procured by or approved by an Original Obligor.

(b) If the relevant circumstances are continuing on or after the Clean- Up Date:

(i) there shall be a breach of representation or warranty, breach of covenant as the case may be notwithstanding the above (and without prejudice to the rights and remedies of the Finance Parties); and

(ii) the 20 Business Day remedy periods referred to in Clause 24.3 (Other obligations) and Clause 24.4 (Misrepresentation) shall not apply to the relevant breach of representation or warranty, breach of covenant as the case may be.

25. CHANGES TO FINANCE PARTIES

25.1 Assignments by the Lenders

Subject to this Clause 25, a Lender (other than the Original French Facility Lender) (the **Existing Lender**) may:

(a) assign any of its rights and benefits; or

(b) transfer, by way of assignment, assumption and release, any of its rights, benefits and obligations,

under the Finance Documents (including any Security created under the Finance Documents subject to, for Security governed by a law other than English law, the assignment or transfer procedures appropriate for the relevant jurisdiction) to any bank or financial institution or other person (other than an individual) (the **New Lender**).

25.2 Conditions of assignment

(a) Subject to Clause 25.3 (Assignments by the Original French Facility Lender), an Existing Lender may only assign to any proposed New Lender its rights and obligations in respect of each of Facility A, Facility B, Facility C and each French Facility if, at the time of such assignment, an equal amount of each Facility is assigned to such New Lender.

(b) An assignment or other disposal will only be effective on:

(i) receipt by the Agent (whether in the Assignment Agreement or otherwise) of written confirmation from the New Lender (in form and substance satisfactory to the Agent) that the New Lender will assume the same obligations to the other Finance Parties and the other Finance Parties as it would have been under if it was an Original Lender; and

(ii) performance by the Agent of all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to such assignment or other disposal to a New Lender, the completion of which the Agent shall promptly notify to the Existing Lender and the New Lender.

(c) If:

(i) a Lender assigns or otherwise disposes of any of its rights or obligations under the Finance Documents or changes its Facility Office; and

(ii) as a result of circumstances existing at the date the assignment, disposal or change occurs, an Obligor would be obliged to make a payment to the New Lender or Lender acting through its new Facility Office under Clause 12 (Tax Gross- Up and Indemnities) or Clause 13 (Increased Costs),

then the New Lender or Lender acting through its new Facility Office is only entitled to receive payment under those Clauses to the same extent as the Existing Lender or Lender acting through its previous Facility Office would have been if the assignment, disposal or change had not occurred. This paragraph (c) shall not apply:

(iii) in respect of an assignment made in the ordinary course of the primary syndication of the Facility; or

(iv) in respect of a payment made by a UK Borrower under Clause 12.2 (Tax gross- up), to a UK Treaty Lender that has included a confirmation of its scheme reference number and its jurisdiction of tax residence in accordance with subparagraph (i)(ii)(B) of Clause 12.2 (Tax gross- up) if the Obligor making the payment has not made a Borrower DTTP Filing in respect of that UK Treaty Lender.

(d) Each New Lender, by executing the relevant Assignment Agreement confirms, for the avoidance of doubt, that the Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the assignment becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as the Existing Lender would have been had it remained a Lender.

(e) Nothing in any Finance Document shall be construed as prohibiting a Lender from creating Security over any or all of its rights under the Finance Documents (including any Security created under the Finance Documents) in favour of any person at any time.

(f) The New Lender will, at its costs, arrange for the assignment to be notified to each French Obligor by a bailiff (huissier) in accordance with article 1690 of the French Civil Code.

(g) Notwithstanding the above, no assignment or sub- participation or sub- contracting may be effected in respect of advances made to the Facility B Borrower to a New Lender incorporated or acting through a Facility Office situated in a Non- Cooperative Jurisdiction.

(h) No Lender may change its Facility Office to a Facility Office in a Non- Cooperative Jurisdiction, and a Lender must notify the Agent promptly following a change of Facility Office and the Agent shall notify the Company within five Business Days of its having received notice from any Lender of a change in that Lender's Facility Office.

25.3 Assignments by the Original French Facility Lender

(a) Except with the consent of all the Lenders (and excluding any assignment pursuant to the terms of the Security Documents), the Original French Facility Lender must not assign any of its rights in respect of any French Facility as long as the Facility B Loan is outstanding.

(b) At the direction of the Lenders and to the extent the Facility B Loan has not already been paid and discharged in full, the Original French Facility Lender will assign all, but not part only, of its rights and obligations in respect of each French Facility which, at that time is outstanding, to any New Lender

or New Lenders approved by all the Lenders, provided that relevant changes are made to this Agreement and, as applicable, the French Term Loan Agreements to the satisfaction of all relevant parties acting in good faith.

(c) Any assignment by the Original French Facility Lender must be made in accordance with the terms of this Agreement and each French Term Loan Agreement and must be made at par (unless the Original French Facility Lender and all the other Lenders otherwise consent).

(d) Upon the assignment by the Original French Facility Lender of all of its rights and obligations under the French Term Loan Agreements to a New Lender or New Lenders, the Original French Facility Lender will direct such New Lender or New Lenders to pay the relevant purchase price directly to the Agent (for the benefit of the Facility B Lender).

(e) Upon the assignment by the Original French Facility Lender of all of its rights and obligations under the French Term Loan Agreements to a New Lender or New Lenders, each Lender agrees to release, or instruct the Security Agent to release, without any consent, sanction authority or further confirmation from any Finance Party or Obligor, any Transaction Security which has been granted by the Original French Facility Lender over its rights in respect of the French Term Loan Agreements and any Transaction Security granted to secure the Facility B Loan only.

(f) Notwithstanding the above, no assignment or sub- participation or sub- contracting may be effected by the Original French Facility Lender in respect of any French Facility to a New Lender incorporated or acting through a Facility Office situated in a Non- Cooperative Jurisdiction.

25.4 Assignment fee

The New Lender shall, on the date upon which an assignment takes effect, pay to the Agent (for its own account) a fee of €2,500.

25.5 Limitation of responsibility of Existing Lenders

(a) Unless expressly agreed to the contrary, an Existing Lender makes no representation or warranty and assumes no responsibility to a New Lender for:

(i) the legality, validity, effectiveness, adequacy or enforceability of the Finance Documents, the Transaction Security or any other documents;

(ii) the financial condition of any Transaction Obligor;

(iii) the performance and observance by any Transaction Obligor of its obligations under the Finance Documents or any other documents; or

(iv) the accuracy of any statements (whether written or oral) made in or in connection with any Finance Document or any other document,

and any representations or warranties implied by law are excluded.

(b) Each New Lender confirms to the Existing Lender and the other Finance Parties that it:

(i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each Transaction Obligor and its related entities in connection with its participation in this Agreement and has not relied exclusively on any

information provided to it by the Existing Lender in connection with any Finance Document; and

(ii) will continue to make its own independent appraisal of the creditworthiness of each Transaction Obligor and its related entities whilst any amount is or may be outstanding under the Finance Documents or any Commitment is in force.

(c) Nothing in any Finance Document obliges an Existing Lender to:

(i) accept a re- assignment from a New Lender of any of the rights assigned of under this Clause 25; or

(ii) support any losses directly or indirectly incurred by the New Lender by reason of the nonperformance by any Transaction Obligor of its obligations under the Finance Documents or otherwise.

25.6 Procedure for assignment

(a) Subject to the conditions set out in Clause 25.2 (Conditions of assignment) an assignment may be effected in accordance with paragraph (c) below when the Agent executes an otherwise duly completed Assignment Agreement delivered to it by the Existing Lender and the New Lender. The Agent shall, subject to paragraph (b), as soon as reasonably practicable after receipt by it of a duly completed Assignment Agreement appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Assignment Agreement.

(b) The Agent shall only be obliged to execute an Assignment Agreement delivered to it by the Existing Lender and the New Lender once it is satisfied it has complied with all necessary "know you customer" or other similar checks under all applicable laws and regulations in relation to the assignment to such New Lender.

(c) Subject to Clause 25.9 (Pro rata interest settlement), on the Transfer Date:

(i) the Existing Lender will assign absolutely to the New Lender the rights and obligations under the Finance Documents expressed to be the subject of the assignment in the Assignment Agreement;

(ii) the Existing Lender will be released by each Obligor and the other Finance Parties from the obligations owed by it (the **Relevant Obligations**) and expressed to be the subject of the release in the Assignment Agreement; and

(iii) the New Lender shall become a Party as a **Lender** and will be bound by obligations equivalent to the Relevant Obligations.

(d) Lenders may utilise procedures other than those set out in this Clause 25.6 to assign their rights under the Finance Documents (but not, without the consent of the relevant Obligor, to obtain a release by that Obligor from the obligations owed to that Obligor by the Lenders nor the assumption of equivalent obligations by a New Lender) **provided that** they comply with the conditions set out in Clause 25.2 (Conditions of assignment).

(e) Transfer or assignment of the French Facility Loans shall be carried out in compliance with French law and the French Term Loan Agreements, and if necessary for perfecting such transfer or assignment

shall be notified by process server to the French Borrowers in accordance with the provisions of article 1690 of the French civil code.

25.7 Copy of Assignment Agreement to Obligors' Agent

The Agent shall, as soon as reasonably practicable after it has executed an Assignment Agreement send to the Obligors' Agent a copy of that Assignment Agreement.

25.8 Security over Lender's rights

(a) In addition to the other rights provided to Lenders under this Clause 25 and subject to paragraph (b) below, each Lender may without consulting with or obtaining consent from any Obligor, at any time charge, assign or otherwise create Security in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of that Lender including, without limitation:

(i) any charge, assignment or other Security to secure obligations to a federal reserve or central bank; and

(ii) in the case of any Lender which is a fund, any charge, assignment or other Security granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by that Lender as Security for those obligations or securities,

except that no such charge, assignment or other Security shall:

(iii) release a Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or other Security for the Lender as a party to any of the Finance Documents; or

(iv) require any payments to be made by an Obligor other than or in excess of, or grant to any person any more extensive rights than those required to be made or granted to the relevant Lender under the Finance Documents.

(b) Notwithstanding paragraph (a) above, as long as the Facility B Loan is outstanding, the Original French Facility Lender must only charge, assign or otherwise create Security in or over (whether by way of collateral or otherwise) all its rights in respect of the French Term Loan Agreements and related Transaction Security in favour of the Security Agent in the manner contemplated by this Agreement and the relevant Security Documents.

25.9 Pro rata interest settlement

(a) If the Agent has notified the Lenders that it is able to distribute interest payments on a "pro rata basis" to Existing Lenders and New Lenders then (in respect of any assignment pursuant to Clause 25.6 (Procedure for assignment) the Transfer Date of which, in each case, is after the date of such notification and is not on the last day of an Interest Period):

(i) any interest or fees in respect of the relevant participation which are expressed to accrue by reference to the lapse of time shall continue to accrue in favour of the Existing Lender up to but excluding the Transfer Date (**Accrued Amounts**) and shall become due and payable to the Existing Lender (without further interest accruing on them) on the last day of the current Interest Period (or, if the Interest Period is longer than six Months, on the next of the dates which falls at six Monthly intervals after the first day of that Interest Period); and

(ii) the rights assigned by the Existing Lender will not include the right to the Accrued Amounts, so that, for the avoidance of doubt:

(A) when the Accrued Amounts become payable, those Accrued Amounts will be payable to the Existing Lender; and

(B) the amount payable to the New Lender on that date will be the amount which would, but for the application of this Clause 25.9, have been payable to it on that date, but after deduction of the Accrued Amounts.

(b) In this Clause 25.9 references to **Interest Period** shall be construed to include a reference to any other period for accrual of fees.

25.10 Prohibition on Debt Purchase Transactions

No Obligor may enter into any Debt Purchase Transaction or beneficially own all or any part of the share capital of a company that is a Lender (except for the Original French Facility Lender in respect of the French Facility Loan) or a party to a Debt Purchase Transaction of the type referred to in paragraphs (b) or (c) of the definition of Debt Purchase Transaction.

25.11 Disenfranchisement of Sponsor Affiliates

(a) For so long as a Sponsor Affiliate (including, for the avoidance of doubt, the Original French Facility Lender):

(i) beneficially owns a Commitment; or

(ii) has entered into a sub- participation agreement relating to a Commitment or other agreement or arrangement having a substantially similar economic effect and such agreement or arrangement has not been terminated,

in ascertaining:

(A) the Majority Lenders; or

(B) whether (I) any given percentage (including, for the avoidance of doubt, unanimity) of the Total Commitments; (II) or the agreement of any specified group of Lenders,

has been obtained to approve any request for a consent, waiver, amendment or other vote under the Finance Documents such Commitment shall be deemed to be zero and such Sponsor Affiliate or the person with whom it has entered into such sub- participation, other agreement or arrangement shall be deemed not to be a Lender for the purposes of sub-paragraphs (A) and (B) above (unless in the case of a person not being a Sponsor Affiliate it is a Lender by virtue otherwise than by beneficially owning the relevant Commitment). The Sponsor Affiliate or the person with whom it has entered into a sub- participation, other agreement or arrangement shall be bound by any decisions made by the Majority Lenders voting on any request for a consent waiver, amendment or other vote under the Finance Documents.

(b) Each Lender shall, unless such Debt Purchase Transaction is an assignment, promptly notify the Agent in writing if it knowingly enters into a Debt Purchase Transaction with a Sponsor Affiliate (a **Notifiable Debt Purchase Transaction**), such notification to be substantially in the form set out in Part 1 of Schedule 11 (Forms of Notifiable Debt Purchase Transaction Notice).

(c) A Lender shall promptly notify the Agent if a Notifiable Debt Purchase Transaction to which it is a party:
(i) is terminated; or
(ii) ceases to be with a Sponsor Affiliate,
such notification to be substantially in the form set out in Part 2 of Schedule 11 (Forms of Notifiable Debt Purchase Transaction Notice).
(d) Each Sponsor Affiliate that is a Lender agrees that:
(i) in relation to any meeting or conference call to which all the Lenders are invited to attend or participate, it shall not attend or participate in the same if so requested by the Agent or, unless the Agent otherwise agrees, be entitled to receive the agenda or any minutes of the same; and
(ii) in its capacity as Lender, unless the Agent otherwise agrees, it shall not be entitled to receive any report or other document prepared at the behest of, or on the instructions of, the Agent or one or more of the Lenders.

25.12 French Term Loan Agreements

(a) No Lender under any French Term Loan Agreement:
(i) may take any independent action to accelerate or enforce any French Facility or otherwise declare any French Facility prematurely due and payable; or
(ii) independently enforce any Transaction Security which is granted to secure any French Facility; or
(iii) will amend, vary, novate, forego or waive any provision, right or condition arising in or under a French Term Loan Agreement or agree to do any of those things,
except, in each case, with the consent of the Agent, acting on the instructions on the requisite number of Lenders determined in accordance with the provisions of this Agreement.
(b) Nothing in paragraph (a) above shall prevent any Lender under any French Term Loan Agreement voting in accordance with the provisions set out in this Agreement.
(c) Each French Facility Lender will carry out any action in respect of each French Facility which the Agent requests it to do, provided that the Agent is authorised to make such request in accordance with the provisions of this Agreement.

26. CHANGES TO THE OBLIGORS

26.1 Assignments and transfers by Obligors

Without prejudice to the Original French Facility Lender's assignment and transfer rights under the Finance Documents, no Obligor may assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

26.2 Additional Borrowers

(a) The Company must ensure that each French Facility Borrower will become an Additional Borrower on the first Utilisation Date.

(b) Each French Facility Borrower will become an Additional Borrower upon the Agent notifying the other Finance Parties and the Company that it has received all of the documents and evidence listed in Part 1 of Schedule 3 (Conditions Precedent and Conditions Subsequent) in form and substance satisfactory to it unless waived by the Agent on such terms as the Lenders consider fit. The Agent shall notify the Obligors' Agent and the Lenders promptly upon being so satisfied.

(c) The Company must ensure that the Additional German Propco will become an Additional Borrower on the second Utilisation Date.

(d) The Additional German Proco will become an Additional Borrower upon the Agent notifying the other Finance Parties and the Company that it has received all of the documents and evidence listed in Part 3 of Schedule 3 (Conditions Precedent and Conditions Subsequent) in form and substance satisfactory to it unless waived by the Agent on such terms as the Lenders consider fit. The Agent shall notify the Obligors' Agent and the Lenders promptly upon being so satisfied.

26.3 Resignation of a Borrower

(a) The Obligors' Agent may request that a Borrower ceases to be a Borrower by delivering to the Agent a Resignation Letter.

(b) The Agent shall accept a Resignation Letter and notify the Obligors' Agent and the Lenders of its acceptance if:

(i) no Default is continuing or would result from the acceptance of the Resignation Letter or that Default would cease to be continuing as a result (and the Obligors' Agent has confirmed this is the case);

(ii) no payment is due by that Borrower under Clause 18 (Guarantee and Indemnity); and

(iii) an Obligor is disposing of its Ownership Interests in that Borrower in accordance with Clause 22.4 (Disposals).

(c) On acceptance by the Agent of a Resignation Letter the relevant Borrower shall cease to be a Borrower and shall have no further rights or obligations under the Finance Documents.

26.4 Additional Guarantors

(a) The Company must ensure that each French Facility Borrower and the OPCI will become an Additional Guarantor on the first Utilisation Date.

(b) Each French Facility Borrower and the OPCI will become an Additional Guarantor upon the Agent notifying the other Finance Parties and the Company that it has received all of the documents and evidence listed in Part 1 of Schedule 3 (Conditions Precedent and Conditions Subsequent) in form and substance satisfactory to it. The Agent shall notify the Obligors' Agent and the Lenders promptly upon being so satisfied.

(c) The Company must ensure that the Additional German Propco will become an Additional Guarantor on the second Utilisation Date.

(d) The Additional German Propco will become an Additional Guarantor upon the Agent notifying the other Finance Parties and the Company that it has received all of the documents and evidence listed in Part 3of Schedule 3 (Conditions Precedent and Conditions Subsequent) in form and substance satisfactory to it unless waived by the Agent on such terms as the Lenders consider fit. The Agent shall notify the Obligors' Agent and the Lenders promptly upon being so satisfied.

26.5 Resignation of a Guarantor

(a) The Obligors' Agent may request that a Guarantor (other than the Company) ceases to be a Guarantor by delivering to the Agent a Resignation Letter.

(b) The Agent shall accept a Resignation Letter and notify the Obligors' Agent and the Lenders of its acceptance if:

(i) no Default is continuing or would result from the acceptance of the Resignation Letter or that Default would cease to be continuing as a result (and the Obligors' Agent has confirmed this is the case);

(ii) no payment is due by the Guarantor under Clause 18 (Guarantee and Indemnity); and

(iii) an Obligor is disposing of its Ownership Interests in the Guarantor in accordance with Clause 22.4 (Disposals).

(c) On acceptance by the Agent of a Resignation Letter the relevant Guarantor shall cease to be a Guarantor and shall have no further rights or obligations under the Finance Documents.

26.6 Release of security

(a) If an Obligor has ceased to be a Guarantor in a manner allowed by this Agreement and has no further rights or obligations under the Finance Documents, any security created by that Obligor over its assets under the Security Documents will be released.

(b) If a disposal of any asset subject to security created by a Security Document is made in the following circumstances:

(i) the disposal is permitted by the terms of this Agreement;

(ii) the Majority Lenders agree to the disposal;

(iii) the disposal is being made at the request of the Security Agent in circumstances where any security created by the Security Documents has become enforceable; or

(iv) the disposal is being effected by an enforcement of, or made pursuant to, a Security Document,

the Security Agent must (in the case of paragraph (i) above, at the direction of the Agent) release the asset(s) being disposed of (and, in the case of a disposal of Ownership Interests in an Obligor which results in it or any of its Subsidiaries ceasing to be a member of the Group, all the assets of that Obligor) and those Subsidiaries from any security over those assets created by a Security Document. However,

the proceeds of any disposal (or an amount corresponding to them) must be applied in accordance with the requirements of the Finance Documents (if any).

(c) If the Security Agent is satisfied that a release is allowed under this Clause, (at the request and expense of the Obligors' Agent) each Finance Party must enter into any document and do all such other things which are reasonably required to achieve that release. Each other Finance Party irrevocably authorises the Security Agent to enter into any such document. Any release will not affect the obligations of any other Obligor under the Finance Documents.

26.7 Additional Subordinated Creditors

(a) The Obligors' Agent may request that any person becomes a Subordinated Creditor, with the prior approval of the Agent, by delivering to the Agent:

(i) a duly executed Subordination Agreement or Subordination Accession Letter;

(ii) a duly executed Security Document creating Security over any Subordinated Debt to be owed to it by an Obligor; and

(iii) such constitutional documents, corporate authorisations and other documents and matters as the Agent may reasonably require, in form and substance satisfactory to the Agent, to verify that the person's obligations are legally binding, valid and enforceable and to satisfy any applicable legal and regulatory requirements.

(b) A person referred to in paragraph (a) above will become a Subordinated Creditor on the date the Agent enters into the Subordination Agreement and the relevant Security Document delivered under paragraph (a) above.

27. ROLE OF THE AGENT, THE ARRANGER AND THE REFERENCE BANKS

27.1 Appointment of the Agent

(a) Each of the Arranger and the Lenders appoints the Agent to act as its agent under and in connection with the Finance Documents.

(b) Each of the Arranger and the Lenders authorises the Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.

27.2 Instructions

(a) The Agent shall:

(i) unless a contrary indication appears in a Finance Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Agent in accordance with any instructions given to it by:

(A) all Lenders if the relevant Finance Document stipulates the matter is an all Lender decision; and

(B) in all other cases, the Majority Lenders; and

(ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with sub- paragraph (i) above.

(b) The Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or, if the relevant Finance Document stipulates the matter is a decision for any other Lender or group of Lenders, from that Lender or group of Lenders) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Agent may refrain from acting unless and until it receives those instructions or that clarification.

(c) Save in the case of decisions stipulated to be a matter for any other Lender or group of Lenders under the relevant Finance Document and unless a contrary indication appears in a Finance Document, any instructions given to the Agent by the Majority Lenders shall override any conflicting instructions given by any other Parties and will be binding on all Finance Parties save for the Security Agent.

(d) The Agent may refrain from acting in accordance with any instructions of any Lender or group of Lenders until it has received any indemnification, security or pre- funding that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability which it may incur in complying with those instructions.

(e) In the absence of instructions, the Agent may act (or refrain from acting) as it considers to be in the best interest of the Lenders.

(f) The Agent is not authorised to act on behalf of a Lender (without first obtaining that Lender's consent) in any legal or arbitration proceedings relating to any Finance Document. This paragraph (f) shall not apply to any legal or arbitration proceeding relating to the perfection, preservation or protection of rights under the Security Documents or enforcement of the Transaction Security or Security Documents.

27.3 Duties of the Agent

(a) The Agent's duties under the Finance Documents are solely mechanical and administrative in nature.

(b) Subject to paragraph (c) below, the Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Agent for that Party by any other Party.

(c) Without prejudice to Clause 25.7 (Copy of Assignment Agreement to Obligors' Agent), paragraph (b) above shall not apply to any Assignment Agreement.

(d) Except where a Finance Document specifically provides otherwise, the Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.

(e) If the Agent receives notice from a Party referring to this Agreement, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the other Finance Parties.

(f) If the Agent is aware of the non- payment of any principal, interest, commitment fee or other fee payable to a Finance Party (other than the Agent, the Arranger or the Security Agent) under this Agreement, it shall promptly notify the other Finance Parties.

(g) The Agent shall provide to the Obligors' Agent within five Business Days of a request by the Obligors' Agent (but no more frequently than once per calendar month), a list (which may be in electronic form) setting out the names of the Lenders as at the date of that request, their respective Commitments, the address and fax number (and the department or officer, if any, for whose attention any communication

is to be made) of each Lender for any communication to be made or document to be delivered under or in connection with the Finance Documents, the electronic mail address and/or any other information required to enable the transmission of information by electronic mail or other electronic means to and by each Lender to whom any communication under or in connection with the Finance Documents may be made by that means and the account details of each Lender for any payment to be distributed by the Agent to that Lender under the Finance Documents.

(h) The Agent shall promptly forward to the Security Agent a copy of all notices issued pursuant to Clause 24.18 (Acceleration).

(i) The Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied).

27.4 Role of the Arranger

Except as specifically provided in the Finance Documents, the Arranger has no obligations of any kind to any other Party under or in connection with any Finance Document.

27.5 No fiduciary duties

(a) Nothing in any Finance Document constitutes the Agent or the Arranger as a trustee or fiduciary of any other person.

(b) Neither the Agent or the Arranger shall be bound to account to any Lender for any sum or the profit element of any sum received by it for its own account.

27.6 Business with the Obligors

The Agent and the Arranger may accept deposits from, lend money to and generally engage in any kind of banking or other business with any Transaction Obligor or Affiliate of a Transaction Obligor.

27.7 Rights and discretions

(a) The Agent may:

(i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;

(ii) assume that:

(A) any instructions received by it from the Majority Lenders, any Lenders or any group of Lenders are duly given in accordance with the terms of the Finance Documents; and

(B) unless it has received notice of revocation, that those instructions have not been revoked; and

(iii) rely on a certificate from any person:

(A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or

(B) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of sub- paragraph (A) above, may assume the truth and accuracy of that certificate.

(b) The Agent may assume (unless it has received notice to the contrary in its capacity as agent for the Lenders) that:

(i) no Default has occurred (unless it has actual knowledge of a Default arising under Clause 24.1 (Non- payment); any right, power, authority or discretion vested in any Party or any group of Lenders has not been exercised; and

(ii) any notice or request made by the Borrowers or the Obligors' Agent (other than a Utilisation Request) is made on behalf of and with the consent and knowledge of all the Obligors.

(c) The Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.

(d) Without prejudice to the generality of paragraph (c) above or paragraph (e) below, the Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Agent (and so separate from any lawyers instructed by the Lenders) if the Agent in its reasonable opinion deems this to be desirable.

(e) The Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.

(f) The Agent may act in relation to the Finance Documents through its officers, employees and agents and the Agent shall not:

(i) be liable for any error of judgment made by any such person; or

(ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part, of any such person,

unless such error or such loss was directly caused by the Agent's gross negligence or wilful misconduct.

(g) Unless a Finance Document expressly provides otherwise, the Agent may disclose to any other Party any information it reasonably believes it has received as Agent under this Agreement.

(h) Without prejudice to the generality of paragraph (g) above, the Agent:

(i) may disclose; and

(ii) on the written request of the Company or the Majority Lenders shall, as soon as reasonably practicable, disclose,

the identity of a Defaulting Lender to the Company and to the other Finance Parties.

(i) Notwithstanding any other provision of any Finance Document to the contrary, neither the Agent nor the Arranger is obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.

(j) Notwithstanding any provision of any Finance Document to the contrary, the Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

27.8 Responsibility for documentation

Neither the Agent nor the Arranger is responsible or liable for:

(a) the adequacy, accuracy or completeness of any information (whether oral or written) provided by the Agent, the Arranger, any Transaction Obligor or any other person in or in connection with any Transaction or the Property Reports, or the transactions contemplated by the Transaction Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document; or

(b) the legality, validity, effectiveness, adequacy or enforceability of any Transaction Document or the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document or the Security Property; or

(c) any determination as to whether any information provided or to be provided to any Finance Party or Finance Party is non- public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

27.9 No duty to monitor

The Agent shall not be bound to enquire:

(a) whether or not any Default has occurred;

(b) as to the performance, default or any breach by any Party of its obligations under any Finance Document; or

(c) whether any other event specified in any Finance Document has occurred.

27.10 Exclusion of liability

(a) Without limiting paragraph (b) below (and without prejudice to any other provision of any Finance Document excluding or limiting the liability of the Agent, the provisions of paragraph (e) of Clause 32.11 (Disruption to payment systems etc.), the Agent shall not be liable including, without limitation, for negligence or any other category of liability whatsoever) for:

(i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Transaction Document or the Security Property, unless directly caused by its gross negligence or wilful misconduct;

(ii) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Transaction Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Transaction Document or the Security Property; or

(iii) any shortfall which arises on the enforcement or realisation of the Security Property; or

(iv) without prejudice to the generality of sub- paragraphs (i) and (ii) above, any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of:

(A) any act, event or circumstance not reasonably within its control; or

(B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

(b) No Party (other than the Agent) may take any proceedings against any officer, employee or agent of the Agent in respect of any claim it might have against the Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Transaction Document and any officer, employee or agent of the Agent may rely on this Clause subject to Clause 1.8 (Third party rights) and the provisions of the Third Parties Act.

(c) The Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Agent if the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.

(d) Nothing in this Agreement shall oblige the Agent or the Arranger to carry out:

(i) any "know your customer" or other checks in relation to any person;
or

(ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Lender,

on behalf of any Lender and each Lender confirms to the Agent and the Arranger that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Agent or the Arranger.

(e) Without prejudice to any provision of any Finance Document excluding or limiting the Agent's liability, any liability of the Agent arising under or in connection with any Transaction Document or the Transaction Security shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Agent or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Agent at any time which increase the amount of that loss. In no event shall the Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Agent has been advised of the possibility of such loss or damages.

27.11 Lenders' indemnity to the Agent

(a) Each Lender (other than the Original French Facility Lender) shall (in proportion to its share of the Non- French Total Commitments or, if the Non- French Total Commitments are then zero, to its share of the Non- French Total Commitments immediately prior to their reduction to zero) indemnify the Agent, within three Business Days of demand, against any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Agent (otherwise than by reason of the Agent's gross negligence or wilful misconduct) (or, in the case of any cost, loss or liability pursuant to Clause 32.11 (Disruption to payment systems etc.) notwithstanding the Agent's negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent) in acting as Agent under the Finance Documents (unless the Agent has been reimbursed by an Obligor pursuant to a Finance Document).

(b) Subject to paragraph (c) below, the Obligors' Agent shall immediately on demand reimburse any Lender for any payment that Lender makes to the Agent pursuant to paragraph (a) above.

(c) Paragraph (b) above shall not apply to the extent that the indemnity payment in respect of which the Lender claims reimbursement relates to a liability of the Agent to an Obligor.

27.12 Resignation of the Agent

(a) The Agent may resign and appoint one of its Affiliates acting through an office in the United Kingdom as successor by giving notice to the Lenders and the Obligors' Agent.

(b) Alternatively the Agent may resign by giving 30 days' notice to the Lenders and the Obligors' Agent, in which case the Majority Lenders (after consultation with the Obligors' Agent) may appoint a successor Agent which shall not be incorporated or acting through an office situated in a Non- Cooperative Jurisdiction.

(c) The Company may, on no less than 30 days’ prior notice to the Agent, replace the Agent by requiring the Lenders to appoint a replacement Agent if any amount payable under a Finance Document by a French Obligor becomes not deductible from the French Obligor 's taxable income for French tax purposes by reason of that amount (i) being paid or accrued to an Agent incorporated, domiciled, established or acting through an office situated in a Non- Cooperative Jurisdiction or (ii) paid to an account opened in the name of that Agent in a financial institution situated in a Non-Cooperative Jurisdiction. In this case, the Agent shall resign and a replacement Agent, which shall not be incorporated or acting through an office situated in a Non- Cooperative Jurisdiction, shall be appointed by the Majority Lenders (after consultation with the Company) within 30 days after notice of replacement was given.

(d) If the Majority Lenders have not appointed a successor Agent in accordance with paragraph (b) above within 20 days after notice of resignation was given, the retiring Agent (after consultation with the Obligors' Agent) may appoint a successor Agent (acting through an office in the United Kingdom).

(e) If the Agent wishes to resign because (acting reasonably) it has concluded that it is no longer appropriate for it to remain as agent and the Agent is entitled to appoint a successor Agent under paragraph (c) above, the Agent may (if it concludes (acting reasonably) that it is necessary to do so in order to persuade the proposed successor Agent to become a party to this Agreement as Agent) agree with the proposed successor Agent amendments to this Clause 27 and any other term of this Agreement dealing with the rights or obligations of the Agent consistent with the current market practice for the appointment and protection of corporate trustees together with any reasonable amendments to the agency fee payable

under this Agreement which are consistent with the successor Agent's normal fee rates and those amendments will bind the Parties.

(f) The retiring Agent shall, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents. The Obligors' Agent shall, within three Business Days of demand, reimburse the retiring Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.

(g) The Agent's resignation notice shall only take effect upon the appointment of a successor.

(h) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (f)) above but shall remain entitled to the benefit of Clause 27.11 (Lenders' indemnity to the Agent) and this Clause 27.12 (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date. Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

(i) The Agent shall resign in accordance with paragraph (b) above (and, to the extent applicable, shall use reasonable endeavours to appoint a successor Agent pursuant to paragraph (b) above) if on or after the date which is three Months before the earliest FATCA Application Date relating to any payment to the Agent under the Finance Documents, either:

(i) the Agent fails to respond to a request under Clause 12.8 (FATCA Information) and the Obligors' Agent or a Lender reasonably believes that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;

(ii) the information supplied by the Agent pursuant to Clause 12.8 (FATCA Information) indicates that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date; or

(iii) the Agent notifies the Obligors' Agent and the Lenders that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;

and (in each case) the Obligors' Agent or a Lender reasonably believes that a Party will be required to make a FATCA Deduction that would not be required if the Agent were a FATCA Exempt Party, and the Obligors' Agent or that Lender, by notice to the Agent, requires it to resign.

27.13 Replacement of the Agent

(a) After consultation with the Obligors' Agent, the Majority Lenders may, by giving 30 days' notice to the Agent (or, at any time the Agent is an Impaired Agent, by giving any shorter notice reasonably determined by the Majority Lenders) replace the Agent by appointing a successor Agent (acting through an office in the United Kingdom) which shall not be incorporated or acting through an office situated in a Non- Cooperative Jurisdiction.

(b) The retiring Agent shall (at its own cost if it is an Impaired Agent and otherwise at the expense of the Lenders) make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.

(c) The appointment of the successor Agent shall take effect on the date specified in the notice from the Majority Lenders to the retiring Agent. As from this date, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (b) above) but shall remain entitled to the benefit of Clause 27.11 (Lenders' indemnity to the Agent) and this Clause 27.13 (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date).

(d) Any successor Agent and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

27.14 Confidentiality

(a) In acting as agent for the Finance Parties, the Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.

(b) If information is received by another division or department of the Agent, it may be treated as confidential to that division or department and the Agent shall not be deemed to have notice of it.

27.15 Relationship with the Finance Parties

(a) Subject to Clause 25.9 (Pro rata interest settlement), the Agent may treat the person shown in its records as Lender at the opening of business (in the place of the Agent's principal office as notified to the Finance Parties from time to time) as the Lender, acting through its Facility Office:

(i) entitled to or liable for any payment due under any Finance Document on that day; and

(ii) entitled to receive and act upon any notice, request, document or communication or make any decision or determination under any Finance Document made or delivered on that day,

unless it has received not less than five Business Days' prior notice from that Lender to the contrary in accordance with the terms of this Agreement.

(b) Any Lender may by notice to the Agent appoint a person to receive on its behalf all notices, communications, information and documents to be made or despatched to that Lender under the Finance Documents. Such notice shall contain the address, fax number and (where communication by electronic mail or other electronic means is permitted under Clause 34.6 (Electronic communication)) electronic mail address and/or any other information required to enable the transmission of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, fax number, electronic mail address (or such other information), department and officer by that Lender for the purposes of Clause 34.2 (Addresses) and paragraph (a)(ii) of Clause 34.6 (Electronic communication) and the Agent shall be entitled to treat such person as the person entitled to receive all such notices, communications, information and documents as though that person were that Lender.

27.16 Credit appraisal by the Finance Parties

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Transaction Document, each Finance Party confirms to the Agent and the Arranger that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Transaction Document including but not limited to:

(a) the financial condition, creditworthiness, condition, affairs, status and nature of each Transaction Obligor or the Group;

(b) the legality, validity, effectiveness, adequacy or enforceability of any Transaction Document, the Security Property and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document or the Security Property;

(c) whether that Finance Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Transaction Document, the Security Property, the transactions contemplated by the Transaction Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document or the Security Property;

(d) the adequacy, accuracy or completeness of any information provided by the Agent, any Party or by any other person under or in connection with any Transaction Document, the transactions contemplated by any Transaction Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Transaction Document; and

(e) the right or title of any person in or to, or the value or sufficiency of any part of the Security Assets, the priority of any of the Transaction Security or the existence of any Security affecting the Security Property.

27.17 Deduction from amounts payable by the Agent

If any Party owes an amount to the Agent under the Finance Documents the Agent may, after giving notice to that Party, deduct an amount not exceeding that amount from any payment to that Party which the Agent would otherwise be obliged to make under the Finance Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that Party shall be regarded as having received any amount so deducted.

28. THE SECURITY AGENT

28.1 Appointment of the Security Agent

(a) Each Finance Party (other than the Security Agent) appoints the Security Agent to act as its agent and trustee under the terms of this Agreement under or in connection with the Security Documents and authorises the Security Agent to exercise the rights, powers, authorities and discretions specifically given to the Security Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.

(b) Nothing in this Clause 28.1 shall imply that the Security Agent is required to exercise any of its rights, powers, authorities and discretions specifically conferred on it under the Finance Documents in the absence of express written instructions from the Majority Lenders or all Lenders (where all Lender consent is expressly required) or the Agent (acting on the instructions of the Majority Lenders or all Lenders, as relevant). The Security Agent is only obliged to act on any instructions or directions so received to the extent that it, acting reasonably, considers these instructions or directions to be incidental to the exercise of the express rights and powers given to it under the Finance Documents.

28.2 Security Agent as holder of Transaction Security

(a) Unless expressly provided to the contrary in any Finance Document, the Security Agent declares that it shall hold the Security Documents and all other rights, title and interests in, to and under the Finance Documents to which it is a party and expressed to be a trustee and all proceeds of enforcement of the Transaction Security and of such Finance Documents, on trust for the Finance Parties on the terms contained in this Agreement. Each of the Parties agrees that the Security Agent shall have only those duties, obligations and responsibilities expressly specified in this Agreement or in the Transaction Security Documents (and no others shall be implied).

(b) Each of the Finance Parties (other than the Security Agent) (as "mandant") appoints the Security Agent to act as (i) its agent ("mandataire" for the purposes of French law) under or in connection with the Finance Documents and (ii) as creditor of the Finance Party Claim under or in connection with the Finance Documents.

(c) Each Finance Party (other than the Security Agent) (as mandant):

(i) irrevocably and unconditionally appoints the Security Agent to act as agent (mandataire) (with full power to appoint and to substitute and to delegate) on its behalf to do anything upon the terms and conditions set out in this Agreement, under or in connection with Security Documents governed by French law, including, if need be, the appointment of a custodian which shall hold assets on its behalf (including, as may be the case, share certificates or share registries relating to shares in any Obligor) in custody under any Security Document governed by French law, and the Security Agent accepts such appointment;

(ii) confirms its approval of the Security Documents governed by French law and any Transaction Security created or to be created pursuant thereto and irrevocably authorises (with power of delegation), empowers and directs the Security Agent (by itself or by such person(s) as it may nominate) to execute and deliver for and on its behalf each Security Document governed by French law, to perform the duties and to exercise the rights, powers and discretions that are specifically delegated to the Security Agent or any Finance Party under or in connection with the Security Documents governed by French law, together with any other rights, powers and discretions which are incidental thereto and to give a good discharge for any moneys payable under the Security Documents governed by French law;

(iii) acknowledges that the Security Agent has been appointed by it to constitute, register, manage and enforce all Transaction Security created in its favour by any Security Documents governed by French law, and agrees that the Security Agent may exercise the rights and perform the obligations assumed by it pursuant to its nomination in accordance with applicable law from time to time;

(iv) appoints the Security Agent to act as its agent and authorises the Security Agent to enter into legal transactions in the name of that Finance Party with the Security Agent in its own name or as agent of a third party and to grant sub-powers of attorney;

(v) authorises the Security Agent to take any steps necessary and collect all information necessary or, in the Security Agent's discretion, desirable for the preparation of any Security Documents governed by French law, the perfection, the preservation and/or the enforcement of any French Security; and

(vi) irrevocably and unconditionally appoints the Security Agent to act as agent (mandataire) (with full power to appoint and to substitute and to delegate) on its behalf to release:

(A) any Transaction Security created by any Security Document governed by French law; and

(B) any Security Document governed by French law,

(C) and to do anything to make such release effective in each case to the extent such release is permitted under this Agreement).

(d) The Security Agent will act solely for itself (as a Finance Party) and as agent for the other Finance Parties in carrying out its functions as security agent under the relevant Security Documents governed by French law, the French Term Loan Agreement and this Agreement.

(e) In relation to Security Documents governed by French law and unless provided otherwise therein, the relationship between the Secured Parties (other than the Security Agent) and the Security Agent is that of principal (mandant) and agent (mandataire) only.

(f) In furtherance of this Clause 28, each Finance Party undertakes to the Security Agent that, promptly upon request, such Finance Party will ratify and confirm all transactions entered into and other actions by the Security Agent (or any of its substitutes or Delegates) in the proper exercise of the power granted to it hereunder.

28.3 Parallel Debt

(a) Other than the security granted by the relevant French Obligor to the French Facility Lender and subject to the guarantee limitation provided in Clause 18.13 (Limitations: French Guarantors), each Obligor hereby irrevocably and unconditionally undertakes (such undertaking and the obligations and liabilities which are a result thereof, hereinafter being referred to as its **Parallel Debt**) to pay to the Security Agent an amount equal the aggregate amount payable by it to any Finance Party under any Finance Document (the **Principal Obligations**) in accordance with the terms and conditions of such Principal Obligations. The Parallel Debt of each Obligor shall become due and payable as and when its Principal Obligations become due and payable.

(b) Each of the Parties acknowledges that:

(i) the Parallel Debt of each Obligor constitutes an undertaking, obligation and liability of such Obligor to the Security Agent (in its personal capacity and not in its capacity as agent) which is separate and independent from, and without prejudice to, its Principal Obligations and represents the Security Agent's own claim to receive payment of such Parallel Debt from such Obligor; and

(ii) the Security created under the Finance Documents to secure the Parallel Debt is granted to the Security Agent in its capacity as sole creditor of the Parallel Debt.

(c) Each of the Parties agrees that:

(i) the Parallel Debt of each Obligor shall be decreased if and to the extent that its Principal Obligations have been paid or in the case of guarantee obligations discharged or decreased (in each case in whole or in part and by the amount of such payment, discharge or decrease);

(ii) the Principal Obligations of each Obligor shall be decreased if and to the extent that its Parallel Debt has been paid or in the case of guarantee obligations discharged or decreased (in each case in whole or in part and by the amount of such payment, discharge or decrease); and

(iii) the amount payable under the Parallel Debt of each Obligor shall at no time exceed the amount payable under its Principal Obligations.

(d) Each Parallel Debt is created on the understanding that the Security Agent must:

(i) share the proceeds of each Parallel Debt with the other Finance Parties; and

(ii) pay those proceeds to the Finance Parties,

in accordance with the terms of this Agreement subject to limitations (if any) expressly provided for in any Security Document.

(e) The rights of the Finance Parties (other than the Security Agent) to receive payment of the Principal Obligations of each Obligor are several and separate and independent from, and without prejudice to, the rights of the Security Agent to receive payment under the Parallel Debt.

28.4 Enforcement through Security Agent only

The Finance Parties shall not have any independent power to enforce or have recourse to, any of the Security Property or to exercise any right, power, authority or discretion arising under the Security Documents except through the Security Agent.

28.5 Instructions

(a) The Security Agent shall:

(i) subject to paragraphs (c) and (d) below, exercise or refrain from exercising any right, power, authority or discretion vested in it as Security Agent in accordance with any instructions given to it by the Agent (acting on behalf of the Majority Lenders or, as the case may be, all the Lenders); and

(ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with sub- paragraph (i) above.

(b) The Security Agent shall be entitled to request instructions, or clarification of any instruction, from the Agent as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Security Agent may refrain from acting unless and until it receives those instructions or that clarification.

(c) Paragraph (a) above shall not apply:

(i) where a contrary indication appears in a Finance Document;

(ii) where this Agreement requires the Security Agent to act in a specified manner or to take a specified action;

(iii) in respect of any provision which protects the Security Agent's own position in its personal capacity as opposed to its role of Security Agent for the Finance Parties including, without

limitation, Clause 28.8 (No duty to account) to Clause 28.13 (Exclusion of liability), Clause 28.16 (Confidentiality) to Clause 28.22 (Custodians and nominees) and Clause 28.25 (Acceptance of title) to Clause 28.29 (Disapplication of Trustee Acts);

(iv) in respect of the exercise of the Security Agent's discretion to exercise a right, power or authority under any of:

(A) Clause 29.1 (Order of application);

(B) Clause 29.2 (Prospective liabilities); and

(C) Clause 29.5 (Permitted deductions).

(d) If giving effect to instructions given by the Agent (acting on the instructions of the Majority Lenders) would (in the Security Agent's opinion) have an effect equivalent to an amendment or waiver which is subject to Clause 38 (Amendments and Waivers), the Security Agent shall not act in accordance with those instructions unless consent to it so acting is obtained from each Party (other than the Security Agent) whose consent would have been required in respect of that amendment or waiver.

(e) In exercising any discretion to exercise a right, power or authority under the Finance Documents where either:

(i) it has not received any instructions as to the exercise of that discretion; or

(ii) the exercise of that discretion is subject to paragraph (c)(iv) above,

the Security Agent shall do so having regard to the interests of all the Finance Parties.

(f) The Security Agent may refrain from acting in accordance with any instructions of the Agent, the Majority Lenders or any other group of Lenders until it has received any indemnification, security or pre- funding that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability (together with any applicable VAT) which it may incur in complying with those instructions.

(g) Without prejudice to the provisions of the remainder of this Clause 28.5, in the absence of instructions, the Security Agent may act (or refrain from acting) as it considers in its discretion to be appropriate.

(h) At any time after receipt by the Security Agent of notice from the Agent directing the Security Agent to exercise all or any of its rights, remedies, powers or discretions under any of the Finance Documents, the Security Agent may, and shall if so directed by the Agent, take any action as in its sole discretion it thinks fit to enforce the Security Property.

28.6 Duties of the Security Agent

(a) The Security Agent's duties under the Finance Documents are solely mechanical and administrative in nature.

(b) The Security Agent shall promptly forward to the Agent a copy of any document received by the Security Agent from any Transaction Obligor under any Finance Document.

(c) Except where a Finance Document specifically provides otherwise, the Security Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.

(d) If the Security Agent receives notice from a Party referring to any Finance Document, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the Agent.

(e) The Security Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied).

28.7 No fiduciary duties to the Obligors

Nothing in this Agreement constitutes the Security Agent as an agent, trustee or fiduciary of any Transaction Obligor.

28.8 No duty to account

The Security Agent shall not be bound to account to any other Finance Party for any sum or the profit element of any sum received by it for its own account.

28.9 Business with the Obligors

The Security Agent may accept deposits from, lend money to and generally engage in any kind of banking or other business with any Transaction Obligor or Affiliate of a Transaction Obligor.

28.10 Rights and discretions

(a) The Security Agent may:

(i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;

(ii) assume that:

(A) any instructions received by it from the Agent, any Lenders or any group of Lenders are duly given in accordance with the terms of the Finance Documents;

(B) unless it has received notice of revocation, that those instructions have not been revoked; and

(C) if it receives any instructions to act in relation to the Security Property, that all applicable conditions under the Finance Documents for so acting have been satisfied; and

(iii) rely on a certificate from any person:

(A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or

(B) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of sub- paragraph (A) above, may assume the truth and accuracy of that certificate.

(b) The Security Agent shall be entitled to carry out all dealings with the Lenders through the Agent and may give to the Agent any notice or other communication required to be given by the Security Agent to the Lenders.

(c) The Security Agent may assume (unless it has received notice to the contrary in its capacity as Security Agent for the Finance Parties) that:

(i) no Default has occurred;

(ii) any right, power, authority or discretion vested in any Party, any Lenders or any group of Lenders has not been exercised; and

(iii) notice made by the Obligors' Agent is made on behalf of and with the consent and knowledge of all the Obligors.

(d) The Security Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.

(e) Without prejudice to the generality of paragraph (d) above or paragraph (f) below, the Security Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Security Agent (and so separate from any lawyers instructed by any Finance Party) if the Security Agent in its reasonable opinion deems this to be desirable.

(f) The Security Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Security Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.

(g) The Security Agent, any Receiver and any Delegate may act in relation to the Finance Documents and the Security Property through its officers, employees and agents and shall not:

(i) be liable for any error of judgment made by any such person; or

(ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of any such person,

unless such error or such loss was directly caused by the Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct.

(h) Unless a Finance Documents expressly specifies otherwise, the Security Agent may disclose to any other Party any information it reasonably believes it has received as security agent and trustee under this Agreement.

(i) Notwithstanding any other provision of any Finance Document to the contrary, the Security Agent is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of any fiduciary duty or duty of confidentiality.

(j) Notwithstanding any provision of any Finance Document to the contrary, the Security Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

28.11 Responsibility for documentation

None of the Security Agent, any Receiver nor any Delegate is responsible or liable for:

(a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Agent, a Transaction Obligor or any other person in or in connection with any Finance Document or the Property Reports or the transactions contemplated in the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document,

(b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Security Property or

(c) any determination as to whether any information provided or to be provided to any Finance Party is non- public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise

28.12 No duty to monitor

The Security Agent shall not be bound to enquire:

(a) whether or not any Default has occurred;

(b) as to the performance, default or any breach by any Party of its obligations under any Finance Document; or

(c) whether any other event specified in any Finance Document has occurred.

28.13 Exclusion of liability

(a) Without limiting paragraph (b) below (and without prejudice to any other provision of any Finance Document excluding or limiting the liability of the Security Agent, any Receiver or Delegate), none of the Security Agent, any Receiver nor any Delegate will be liable for:

(i) any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Finance Document or the Security Property unless directly caused by its gross negligence or wilful misconduct;

(ii) exercising or not exercising any right, power, authority or discretion given to it by or in connection with any Finance Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Finance Document or the Security Property;

(iii) any shortfall which arises on the enforcement or realisation of the Transaction Security; or

(iv) without prejudice to the generality of sub- paragraphs (i) to (iii) above, any damages, costs, losses, any diminution in value or any liability whatsoever arising as a result of:

(A) any act, event or circumstance not reasonably within its control; or

(B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

(b) No Party (other than the Security Agent, that Receiver or that Delegate (as applicable)) may take any proceedings against any officer, employee or agent of the Security Agent, a Receiver or a Delegate in respect of any claim it might have against the Security Agent, a Receiver or a Delegate or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document or any Transaction Security and any officer, employee or agent of the Security Agent, a Receiver or a Delegate may rely on this Clause subject to Clause 1.8 (Third party rights) and the provisions of the Third Parties Act.

(c) Nothing in any Finance Document shall oblige the Security Agent to carry out:

(i) any "know your customer" or other checks in relation to any person;
or

(ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Finance Party (other than the Security Agent),

on behalf of any Finance Party (other than the Security Agent) and each Finance Party (other than the Security Agent) confirms to the Security Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Security Agent.

(d) Without prejudice to any provision of any Finance Document excluding or limiting the liability of the Security Agent, any Receiver or Delegate, any liability of the Security Agent, any Receiver or Delegate arising under or in connection with any Finance Document or the Transaction Security shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Security Agent, Receiver or Delegate (as the case may be) or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Security Agent, Receiver or Delegate (as the case may be) at any time which increase the amount of that loss. In no event shall the Security Agent, any Receiver or Delegate be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Security Agent, Receiver or Delegate (as the case may be) has been advised of the possibility of such loss or damages.

28.14 Lenders' indemnity to the Security Agent

(a) Each Lender (other than the Original French Facility Lender) shall in proportion to its share of the Non- French Total Commitments (or, if the Non- French Total Commitments are then zero, to its share of the Non- French Total Commitments immediately prior to their reduction to zero), indemnify the Security Agent and every Receiver and every Delegate, within three Business Days of demand, against any cost, loss or liability incurred by any of them (otherwise than by reason of the relevant Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct) in acting as Security Agent, Receiver or Delegate under, or exercising any authority conferred under, the Finance Documents (unless the

relevant Security Agent, Receiver or Delegate has been reimbursed by an Obligor pursuant to a Finance Document).

(b) Subject to paragraph (c) below, the Obligors' Agent shall immediately on demand reimburse any Lender for any payment that Lender makes to the Security Agent pursuant to paragraph (a) above.

(c) Paragraph (b) above shall not apply to the extent that the indemnity payment in respect of which the Lender claims reimbursement relates to a liability of the Security Agent to an Obligor.

28.15 Resignation of the Security Agent

(a) The Security Agent may resign and appoint one of its Affiliates as successor by giving notice to the Obligors' Agent and to the Agent on behalf of the Lenders.

(b) Alternatively the Security Agent may resign by giving 30 days' notice to the other Parties (or the Agent on behalf of the Lenders), in which case the Majority Lenders may appoint a successor Security Agent.

(c) If the Majority Lenders have not appointed a successor Security Agent in accordance with paragraph (b) above within 20 days after notice of resignation was given, the retiring Security Agent (after consultation with the Agent) may appoint a successor Security Agent.

(d) The retiring Security Agent shall make available to the successor Agent such documents and records and provide such assistance as the successor Security Agent may reasonably request for the purposes of performing its functions as Security Agent under the Finance Documents. The Obligors' Agent shall, within three Business Days of demand, reimburse the retiring Security Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.

(e) The Security Agent's resignation notice shall only take effect upon:

(i) the appointment of a successor; and

(ii) the transfer of all the Transaction Security to that successor.

(f) Upon the appointment of a successor, the retiring Security Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (b) of Clause 28.26 (Winding up of trust) and paragraph (d) above) but shall remain entitled to the benefit of this Clause 28.15 and Clause 14.4 (Obligors' Indemnity to the Security Agent) (and any Security Agent fees for the account of the retiring Security Agent shall cease to accrue from (and shall be payable on) that date). Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if that successor had been an original Party.

(g) The Majority Lenders may, by notice to the Security Agent, require it to resign in accordance with paragraph (b) above. In this event, the Security Agent shall resign in accordance with paragraph (b) above.

28.16 Confidentiality

(a) In acting as agent and trustee for the Finance Parties, the Security Agent shall be regarded as acting through its agency and trustee division which shall be treated as a separate entity from any of its other divisions or departments.

(b) If information is received by another division or department of the Security Agent, it may be treated as confidential to that division or department and the Security Agent shall not be deemed to have notice of it.

(c) Notwithstanding any other provision of any Finance Document to the contrary, the Security Agent is not obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of any fiduciary duty.

28.17 Information from the Lenders

Each Lender shall supply the Security Agent with any information that the Security Agent may reasonably specify as being necessary or desirable to enable the Security Agent to perform its functions as Security Agent.

28.18 Credit appraisal by the Finance Parties

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Finance Document, each Finance Party confirms to the Security Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

(a) the financial condition, status and nature of each Transaction Obligor;

(b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document, the Security Property and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Security Property;

(c) whether that Finance Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Finance Document, the Security Property, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Security Property;

(d) the adequacy, accuracy or completeness of any information provided by the Security Agent, any Party or by any other person under or in connection with any Finance Document, the transactions contemplated by any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; and

(e) the right or title of any person in or to, or the value or sufficiency of any part of the Security Assets, the priority of any of the Transaction Security or the existence of any Security affecting the Security Property.

28.19 Security Agent's additional remuneration

(a) In the event of:

(i) a Default; or

(ii) the Security Agent being requested by a Transaction Obligor or the Lenders to undertake duties which the Security Agent and the Obligors' Agent agree to be of an exceptional nature or outside the scope of the normal duties of the Security Agent under the Finance Documents; or

(iii) the Security Agent and the Obligors' Agent agreeing that it is otherwise appropriate in the circumstances,

the Obligors' Agent shall pay to the Security Agent any additional remuneration (together with any applicable VAT) that may be agreed between them or determined pursuant to paragraph (b) below.

(b) If the Security Agent and the Obligors' Agent fail to agree upon the nature of the duties or upon the additional remuneration referred to in paragraph (a) above or whether additional remuneration is appropriate in the circumstances, any dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Security Agent and approved by the Obligors' Agent or, failing approval, nominated (on the application of the Security Agent) by the President for the time being of the Law Society of England and Wales (the costs of the nomination and of the investment bank being payable by the Obligors' Agent) and the determination of any investment bank shall be final and binding upon the Parties.

28.20 No responsibility to perfect Transaction Security

The Security Agent shall not be liable for any failure to:

(a) require the deposit with it of any deed or document certifying, representing or constituting the title of any Transaction Obligor to any of the Security Assets;

(b) obtain any licence, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any Finance Document or the Transaction Security;

(c) register, file or record or otherwise protect any of the Transaction Security (or the priority of any of the Transaction Security) under any law or regulation or to give notice to any person of the execution of any Finance Document or of the Transaction Security;

(d) take, or to require any Transaction Obligor to take, any step to perfect its title to any of the Security Assets or to render the Transaction Security effective or to secure the creation of any ancillary Security under any law or regulation; or

(e) require any further assurance in relation to any Security Document.

28.21 Insurance by Security Agent

(a) The Security Agent shall not be obliged:

(i) to insure any of the Security Assets;

(ii) to require any other person to maintain any insurance; or

(iii) to verify any obligation to arrange or maintain insurance contained in any Finance Document,

and the Security Agent shall not be liable for any damages, costs or losses to any person as a result of the lack of, or inadequacy of, any such insurance.

(b) Where the Security Agent is named on any insurance policy as an insured party, it shall not be liable for any damages, costs or losses to any person as a result of its failure to notify the insurers of any material fact relating to the risk assumed by such insurers or any other information of any kind, unless the Agent requests it to do so in writing and the Security Agent fails to do so within 14 days after receipt of that request.

28.22 Custodians and nominees

The Security Agent may appoint and pay any person to act as a custodian or nominee on any terms in relation to any asset of the trust as the Security Agent may determine, including for the purpose of depositing with a custodian this Agreement or any document relating to the trust created under this Agreement and the Security Agent shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it under this Agreement or be bound to supervise the proceedings or acts of any person.

28.23 Delegation by the Security Agent

(a) Each of the Security Agent, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any right, power, authority or discretion vested in it in its capacity as such.

(b) That delegation may be made upon any terms and conditions (including the power to sub- delegate) and subject to any restrictions that the Security Agent, that Receiver or that Delegate (as the case may be) may, in its discretion, think fit in the interests of the Finance Parties.

(c) No Security Agent, Receiver or Delegate shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

28.24 Additional Security Agents

(a) The Security Agent may at any time appoint (and subsequently remove) any person to act as a separate agent and trustee or as a co- agent or trustee jointly with it:

(i) if it considers that appointment to be in the interests of the Finance Parties;

(ii) for the purposes of conforming to any legal requirement, restriction or condition which the Security Agent deems to be relevant; or

(iii) for obtaining or enforcing any judgment in any jurisdiction,

and the Security Agent shall give prior notice to the Obligors' Agent and the Finance Parties of that appointment.

(b) Any person so appointed shall have the rights, powers, authorities and discretions (not exceeding those given to the Security Agent under or in connection with the Finance Documents) and the duties, obligations and responsibilities that are given or imposed by the instrument of appointment.

(c) The remuneration that the Security Agent may pay to that person, and any costs and expenses (together with any applicable VAT) incurred by that person in performing its functions pursuant to that

appointment shall, for the purposes of this Agreement, be treated as costs and expenses incurred by the Security Agent.

28.25 Acceptance of title

The Security Agent shall be entitled to accept without enquiry, and shall not be obliged to investigate, any right and title that any Transaction Obligor may have to any of the Security Assets and shall not be liable for, or bound to require any Transaction Obligor to remedy, any defect in its right or title.

28.26 Winding up of trust

If the Security Agent, with the approval of the Agent, determines that:

(a) all of the Secured Liabilities and all other obligations secured by the Security Documents have been fully and finally discharged; and

(b) no Finance Party is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Obligor pursuant to the Finance Documents,

then:

(i) the trusts set out in this Agreement shall be wound up and the Security Agent shall release, without recourse or warranty, all of the Transaction Security and the rights of the Security Agent under each of the Security Documents; and

(ii) any Security Agent which has resigned pursuant to Clause 28.15 (Resignation of the Security Agent) shall release, without recourse or warranty, all of its rights under each Security Document.

28.27 Release

(a) If a disposal of an asset which is subject to any Transaction Security is made to a person in the following circumstances:

(i) the disposal is permitted pursuant to paragraph (c) or paragraph (d) of Clause 22.4 (Disposals); or

(ii) the disposal is being made at the request of the Security Agent in circumstances where any Transaction Security has become enforceable; or

(iii) the disposal is being effected by enforcement of the Transaction Security,

the Security Agent is irrevocably authorised (at the cost of the Obligors and without any consent, sanction, authority or further confirmation from any Finance Party or Obligor):

(A) to:

I. release the Transaction Security or any other claim over that asset and execute and deliver or enter into any release of that Transaction Security or claim and issue any consent to dealing that may, in the discretion of the Security Agent, be considered necessary or desirable; and/or

II. agree to the transfer of any claim over that asset (and to accept such transfer on behalf of such member of the Group) and execute and deliver or enter into any document relating to such transfer that may, in the discretion of the Security Agent, be considered necessary or desirable, and

III. if the assets which are disposed of consist of shares or other equity investments in the capital of an Obligor, subject to paragraph (b) below:

(B) to release:

I. that Obligor and any Subsidiary of that Obligor from all or any part of its Secured Liabilities;

II. any Transaction Security granted by that Obligor or any Subsidiary of that Obligor over any of its assets; and

III. any other claim of an Obligor over that Obligor's assets or over the assets of any Subsidiary of that Obligor,

on behalf of the relevant Finance Parties and Obligors; and/or

(C) to agree to the transfer (and, if in favour of a member of the Group, to accept such transfer on behalf of such member of the Group), of:

I. all or any part of any Secured Liabilities of that Obligor and any Subsidiary of that Obligor; and

II. any other claim of an Obligor over that Obligor's assets or over the assets of any Subsidiary of that Obligor,

and execute and deliver or enter into any document relating to such transfer that may, in the discretion of the Security Agent, be considered necessary or desirable.

(b) If a disposal is not made, then any release relating to that disposal will have no effect, and the obligations of the Obligors under the Finance Documents will continue in full force and effect.

(c) If and to the extent that the Security Agent is not entitled to do anything mentioned in paragraph (a) above or does not wish to do so, each Party must enter into any document and do all such other things which are reasonably required to achieve that release in accordance with paragraph (a) above. Each other Finance Party irrevocably authorises the Security Agent to enter into any such document. Any release will not affect the obligations of any other Obligor under the Finance Documents.

(d) If a Property or another asset of an Obligor is the subject of a transaction permitted by the terms of the Finance Documents, the Security Agent shall, at the request and the cost of the Obligors, do all such acts or execute all such documents as may be reasonably required to facilitate and give effect to that transaction.

28.28 Powers supplemental to Trustee Acts

The rights, powers, authorities and discretions given to the Security Agent under or in connection with the Finance Documents shall be supplemental to the Trustee Act 1925 and the Trustee Act 2000 and in addition to any which may be vested in the Security Agent by law or regulation or otherwise.

28.29 Disapplication of Trustee Acts

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Agent in relation to the trusts constituted by this Agreement. Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of this Agreement, the provisions of this Agreement shall, to the extent permitted by law and regulation, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Agreement shall constitute a restriction or exclusion for the purposes of that Act.

29. APPLICATION OF PROCEEDS

29.1 Order of application

Subject to Clause 29.2 (Prospective liabilities), all amounts from time to time received or recovered by the Agent or the Security Agent pursuant to the terms of any Finance Document or in connection with the realisation or enforcement of all or any part of the Transaction Security (for the purposes of this Clause 29, the **Recoveries**) will be held by the Security Agent on trust (or, if received or recovered in a jurisdiction not recognising trusts, for the benefit of the Finance Parties) to apply them any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Clause 29, in the following order:

(a) in discharging any sums owing to the Security Agent, any Receiver or any Delegate;

(b) in payment of all costs and expenses incurred by the Agent or any Finance Party in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of this Agreement; and

(c) in payment to the Agent, on behalf of the Finance Parties, for application in accordance with Clause 32.6 (Partial Payments)).

Notwithstanding any provisions of Clause 29, any amount received or recovered by the Agent or the Security Agent under a French Facility Loan shall be fully credited into the Midco Block Account in accordance with Clause 17.5 (Midco Blocked Account) and discharge the French Facility Loans pro tanto.

29.2 Prospective liabilities

Following acceleration the Security Agent may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Security Agent with such financial institution (including itself) and for so long as the Security Agent shall think fit (the interest being credited to the relevant account) for later application under Clause 29.1 (Order of application) in respect of:

(a) any sum to the Security Agent, any Receiver or any Delegate; and

(b) any part of the Secured Liabilities,

that the Security Agent reasonably considers, in each case, might become due or owing at any time in the future.

29.3 Investment of proceeds

Prior to the application of the proceeds of the Recoveries in accordance with Clause 29.1 (Order of application), the Security Agent may, in its discretion, hold all or part of those proceeds in a suspense or impersonal account(s) in the name of, or under the control of, the Security Agent with such financial institution (including itself) and for so long as the Security Agent shall think fit (the interest (if any) being credited to the relevant account) pending the application from time to time of those moneys in the Security Agent's discretion in accordance with the provisions of this Clause 29.

29.4 Currency Conversion

(a) For the purpose of or pending the discharge of any of the Secured Liabilities the Security Agent may convert any moneys received or recovered by the Security Agent from one currency to another, at a market rate of exchange.

(b) The obligations of any Transaction Obligor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

29.5 Permitted deductions

The Security Agent shall be entitled in its discretion:

(a) to set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Agreement; and

(b) to pay all Taxes which may be assessed against it in respect of any of the Security Assets or as a consequence of performing its duties, or by virtue of its capacity as Security Agent under any of the Finance Documents or otherwise (other than in connection with its remuneration for performing its duties under this Agreement).

29.6 Good discharge of Secured Liabilities

(a) Any payment to be made in respect of the Secured Liabilities by the Security Agent may be made to the Agent on behalf of the Finance Parties and any payment made in that way shall be a good discharge to the extent of that payment, by the Security Agent.

(b) The Security Agent is under no obligation to make the payments to the Agent under paragraph (a) above in the same currency as that in which the obligations and liabilities owing to the relevant Finance Party are denominated.

30. CONDUCT OF BUSINESS BY THE FINANCE PARTIES

No provision of any Finance Document will:

(a) interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;

(b) oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or

(c) oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

31. SHARING AMONG THE FINANCE PARTIES

31.1 Payments to Finance Parties

If a Finance Party (a **Recovering Finance Party**) receives or recovers any amount from an Obligor or the Shareholder other than in accordance with Clause 29 (Application of Proceeds) or Clause 32 (Payment Mechanics) (a **Recovered Amount**) and applies that amount to a payment due under the Finance Documents then:

(a) the Recovering Finance Party shall, within three Business Days, notify details of the receipt or recovery, to the Agent;

(b) the Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Agent and distributed in accordance with Clause 32 (Payment Mechanics), without taking account of any Tax which would be imposed on the Agent in relation to the receipt, recovery or distribution; and

the Recovering Finance Party shall, within three Business Days of demand by the Agent, pay to the Agent an amount (the **Sharing Payment**) equal to such receipt or recovery less any amount which the Agent determines may be retained by the Recovering Finance Party as its share of any payment to be made, in accordance with Clause 32.6 (Partial Payments)).

31.2 Redistribution of payments

The Agent shall treat the Sharing Payment as if it had been paid by the relevant Obligor and distribute it between the Finance Parties (other than the Recovering Finance Party) (the **Sharing Finance Parties**) in accordance with Clause) towards the obligations of that Obligor to the Sharing Finance Parties.

31.3 Recovering Finance Party's rights

On a distribution by the Agent under Clause 31.2 (Redistribution of payments), of a payment received by a Recovering Finance Party from an Obligor as between the relevant Obligor and the Recovering Finance Party, an amount of the Recovered Amount, equal to the Sharing Payment will be treated as not having been paid by that Obligor.

31.4 Reversal of redistribution

If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

(a) each Sharing Finance Party shall, upon request of the Agent, pay to the Agent for the account of that Recovering Finance Party an amount equal to the appropriate part of its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Finance Party for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay) (the **Redistributed Amount**); and

(b) as between the relevant Obligor and each relevant Sharing Finance Party an amount equal to the relevant Redistributed Amount will be treated as not having been paid by that Obligor.

31.5 Exceptions: sharing

(a) This Clause 31 shall not apply to the extent that the Recovering Finance Party would not, after making any payment pursuant to this Clause, have a valid and enforceable claim against the relevant Obligor or the Shareholder.

(b) A Recovering Finance Party is not obliged to share with any other Finance Party any amount which the Recovering Finance Party has received or recovered as a result of taking legal or arbitration proceedings, if:

(i) it notified that other Finance Party of the legal or arbitration proceedings; and

(ii) that other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

32. PAYMENT MECHANICS

32.1 Payments to the Agent

(a) On each date on which an Obligor or a Lender is required to make a payment under a Finance Document, that Obligor or Lender shall make the same available to the Agent (unless a contrary indication appears in a Finance Document) for value on the due date at the time and in such funds specified by the Agent as being customary at the time for settlement of transactions in the relevant currency in the place of payment.

(b) Payment shall be made to such account in London with such bank as the Agent specifies.

32.2 Distributions by the Agent

Each payment received by the Agent under the Finance Documents for another Party shall, subject to Clause 27.17 (Deduction from amounts payable by the Agent), Clause 32.3 (Distributions to an Obligor) and Clause 32.4 (Clawback and pre- funding), be made available by the Agent as soon as practicable after receipt to the Party entitled to receive payment in accordance with this Agreement (in the case of a Lender, for the account of its Facility Office), to such account as that Party may notify to the Agent by not less than five Business Days' notice with a bank specified by that Party in London.

32.3 Distributions to an Obligor

The Agent may (with the consent of the Obligor or in accordance with Clause 33 (Set- Off)) apply any amount received by it for that Obligor in or towards payment (on the date and in the currency and funds of receipt) of any amount due from that Obligor under the Finance Documents or in or towards the purchase of any amount of any currency to be so applied.

32.4 Clawback and pre- funding

(a) Where a sum is to be paid to the Agent under the Finance Documents for another Party, the Agent is not obliged to pay that sum to that other Party (or to enter into or perform any related exchange contract) until it has been able to establish to its satisfaction that it has actually received that sum.

(b) Unless paragraph (c) below applies, if the Agent pays an amount to another Party and it proves to be the case that the Agent had not actually received that amount, then the Party to whom that amount (or

the proceeds of any related exchange contract) was paid by the Agent shall on demand refund the same to the Agent together with interest on that amount from the date of payment to the date of receipt by the Agent, calculated by the Agent to reflect its cost of funds.

(c) If the Agent has notified the Lenders that it is willing to make available amounts for the account of the Borrowers before receiving funds from the Lenders then if and to the extent that the Agent does so but it proves to be the case that it does not then receive funds from a Lender in respect of a sum which it paid to the Borrowers:

(i) the Agent shall notify the Obligors' Agent of that Lender's identity and the Borrowers to whom that sum was made available shall on demand refund it to the Agent; and

(ii) the Lender by whom those funds should have been made available or, if that Lender fails to do so, the Borrowers to whom that sum was made available, shall on demand pay to the Agent the amount (as certified by the Agent) which will indemnify the Agent against any funding cost incurred by it as a result of paying out that sum before receiving those funds from that Lender.

32.5 Impaired Agent

(a) If, at any time, the Agent becomes an Impaired Agent, an Obligor or a Lender which is required to make a payment under the Finance Documents to the Agent in accordance with Clause 32.1 (Payments to the Agent) may instead either:

(i) pay that amount direct to the required recipient(s); or

(ii) if in its absolute discretion it considers that it is not reasonably practicable to pay that amount direct to the required recipient(s), pay that amount or the relevant part of that amount to an interest- bearing account held with a bank or financial institution which has a Requisite Rating within the meaning of paragraph (a) of the definition of **Requisite Rating** and in relation to which no Insolvency Event has occurred and is continuing, in the name of the Obligor or the Lender making the payment (the **Paying Party**) and designated as a trust account for the benefit of the Party or Parties beneficially entitled to that payment under the Finance Documents (the **Recipient Party** or **Recipient Parties**).

In each case such payments must be made on the due date for payment under the Finance Documents.

(b) All interest accrued on the amount standing to the credit of the trust account shall be for the benefit of the Recipient Party or the Recipient Parties pro rata to their respective entitlements.

(c) A Party which has made a payment in accordance with this Clause 32.5 shall be discharged of the relevant payment obligation under the Finance Documents and shall not take any credit risk with respect to the amounts standing to the credit of the trust account.

(d) Promptly upon the appointment of a successor Agent in accordance with Clause 27.13 (Replacement of the Agent), each Paying Party shall (other than to the extent that that Party has given an instruction pursuant to paragraph (e) below) give all requisite instructions to the bank with whom the trust account is held to transfer the amount (together with any accrued interest) to the successor Agent for distribution to the relevant Recipient Party or Recipient Parties in accordance with Clause 32.2 (Distributions by the Agent).

(e) A Paying Party shall, promptly upon request by a Recipient Party and to the extent:

(i) that it has not given an instruction pursuant to paragraph (d) above; and
(ii) that it has been provided with the necessary information by that Recipient Party,
give all requisite instructions to the bank with whom the trust account is held to transfer the relevant amount (together with any accrued interest) to that Recipient Party.

32.6 Partial payments

(a) If the Agent receives a payment that is insufficient to discharge all the amounts then due and payable by an Obligor under the Finance Documents (or the provisions of this Clause are otherwise expressed to apply to such payment), the Agent shall apply that payment towards the obligations of that Obligor under the Finance Documents in the order set out in paragraphs (d)(i) to (d)(vii)] of Clause 17.4 (Rent Accounts).
(b) The provisions of subparagraphs (d)(i) to (d)(vii)] of Clause 17.4 (Rent Accounts) and of paragraph (a) above will override any appropriation made by any Obligor.

32.7 No set- off by Obligors

(a) All payments to be made by an Obligor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set- off or counterclaim.
(b) Paragraph (a) above shall not affect the operation of any payment or close- out netting in respect of any amounts owing under any Hedging Agreement or any repayment made pursuant to paragraph (c) of Clause 6.1 (Repayment).

32.8 Business Days

(a) Except in relation to the Final Repayment Date, any payment under the Finance Documents which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).
(b) Any payment under the Finance Documents which is due to be made on the Final Repayment Date and the Final Repayment Date is not a Business Day, such payment shall be made on the preceding Business Day.
(c) During any extension of the due date for payment of any principal or an Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.

32.9 Currency of account

(a) Subject to paragraphs (b) and (e) below, the Base Currency is the currency of account and payment for any sum due from an Obligor under any Finance Document.
(b) Each payment of a Loan or Unpaid Sum or a part of a Loan or Unpaid Sum must be made in the currency in which that Loan or Unpaid Sum is denominated, pursuant to this Agreement.
(c) Each payment of interest must be made in the currency in which the sum in respect of which the interest is payable was denominated, pursuant to this Agreement.

(d) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.

(e) Any amount expressed to be payable in a currency other than the Base Currency shall be paid in sterling.

32.10 Change of currency

(a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:

(i) any reference in the Finance Documents to, and any obligations arising under the Finance Documents in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Agent (after consultation with the Obligors' Agent); and

(ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Agent (acting reasonably).

(b) If a change in any currency of a country occurs, this Agreement will, to the extent the Agent (acting reasonably and after consultation with the Obligors' Agent) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the London Interbank Market and otherwise to reflect the change in currency.

32.11 Disruption to payment systems etc.

If either the Agent determines (in its discretion) that a Disruption Event has occurred or the Agent is notified by the Obligors' Agent that a Disruption Event has occurred:

(a) the Agent may, and shall if requested to do so by the Obligors' Agent, consult with the Obligors' Agent with a view to agreeing with the Obligors' Agent such changes to the operation or administration of the Facility as the Agent may deem necessary in the circumstances;

(b) the Agent shall not be obliged to consult with the Obligors' Agent in relation to any changes mentioned in paragraph (a) above if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes;

(c) the Agent may consult with the Finance Parties in relation to any changes mentioned in paragraph (a) but shall not be obliged to do so if, in its opinion, it is not practicable to do so in the circumstances;

(d) any such changes agreed upon by the Agent and the Obligors' Agent shall (whether or not it is finally determined that a Disruption Event has occurred) be binding upon the Parties as an amendment to (or, as the case may be, waiver of) the terms of the Finance Documents notwithstanding the provisions of Clause 38 (Amendments and Waivers);

(e) the Agent shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever (including, without limitation for negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this Clause 32.11; and

(f) the Agent shall notify the Finance Parties of all changes agreed pursuant to paragraph (d) above.

33. SET- OFF

A Finance Party (other than the Original French Facility Lender (for as long as the French Facility Lender is the Original French Facility Lender)) may set off any matured obligation due from an Obligor under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to that Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set- off.

34. NOTICES

34.1 Communications in writing

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax or letter.

34.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Finance Documents is:

(a) in the case of the Obligors' Agent that identified with its name in the execution pages to this Agreement;

(b) in the case of each Lender or any other Obligor, that notified in writing to the Agent on or prior to the date on which it becomes a Party, and

(c) in the case of the Agent and the Security Agent, that identified with its name in the execution pages to this Agreement,

or any substitute address or fax number or department or officer as the Party may notify to the Agent (or the Agent may notify to the other Parties, if a change is made by the Agent) by not less than five Business Days' notice.

34.3 Delivery

(a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:

(i) if by way of fax, when received in legible form; or

(ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 34.2 (Addresses), if addressed to that department or officer.

(b) Any communication or document to be made or delivered to the Agent or the Security Agent will be effective only when actually received by the Agent or the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Agent's or the Security Agent's signature below (or any substitute department or officer as the Agent or Security Agent shall specify for this purpose).

(c) All notices from or to an Obligor shall be sent through the Agent.

(d) Any communication or document made or delivered to the Obligors' Agent in accordance with this Clause will be deemed to have been made or delivered to each of the Obligors.

(e) All notices to a Lender from the Security Agent shall be sent through the Agent.

(f) Any communication or document which becomes effective, in accordance with paragraphs (a) to (d) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

34.4 Notification of address and fax number

Promptly upon changing its address or fax number, the Agent shall notify the other Parties.

34.5 Communication when Agent is an Impaired Agent

If the Agent is an Impaired Agent the Parties may, instead of communicating with each other through the Agent, communicate with each other directly and (while the Agent is an Impaired Agent) all the provisions of the Finance Documents which require communications to be made or notices to be given to or by the Agent shall be varied so that communications may be made and notices given to or by the relevant Parties directly. This provision shall not operate after a replacement Agent has been appointed.

34.6 Electronic communication

(a) Any communication to be made between any two Parties under or in connection with the Finance Documents may be made by electronic mail or other electronic means (including without limitation by way of posting to a secure website) if those two Parties:

(i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and

(ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.

(b) Any such electronic communication as specified in paragraph (a) above to be made between an Obligor and a Finance Party may only be made in that way to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.

(c) Any such electronic communication as specified in paragraph (a) above made between any two Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to the Agent or the Security Agent only if it is addressed in such a manner as the Agent or the Security Agent shall specify for this purpose.

(d) Any electronic communication which becomes effective, in accordance with paragraph (b) above, after 5.00 p.m. in the place in which the Party to whom the relevant communication is sent or made available

has its address for the purpose of this Agreement shall be deemed only to become effective on the following day.

(e) Any reference in a Finance Document to a communication being sent or received shall be construed to include that communication being made available in accordance with this Clause 34.6.

34.7 English language

(a) Any notice given under or in connection with any Finance Document must be in English.

(b) All other documents provided under or in connection with any Finance Document must be:

(i) in English; or

(ii) if not in English, and if so required by the Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

35. CALCULATIONS AND CERTIFICATES

35.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by a Finance Party are prima facie evidence of the matters to which they relate.

35.2 Certificates and determinations

(a) Any certification or determination by a Finance Party of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

(b) In respect of a French Term Loan Agreement, the entries made in the accounts maintained by a Finance Party (other than the Original French Facility Lender) are prima facie evidence of the matters to which they relate vis-a- vis the Original French Facility Lender.

35.3 Day count convention

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days for any euro amounts or 365 days for any sterling amounts or, in any case where the practice in the London interbank market differs, in accordance with that market practice.

36. PARTIAL INVALIDITY

If, at any time, any provision of a Finance Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

37. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, any right or remedy under a Transaction Document shall operate as a waiver of any such right or remedy or constitute an

election to affirm any Transaction Document. No election to affirm any of the Finance Documents on the part of any Finance Party or Finance Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Transaction Document are cumulative and not exclusive of any rights or remedies provided by law.

38. AMENDMENTS AND WAIVERS

38.1 Required Consents

(a) Subject to Clause 38.2 (All Lender matters) and paragraph (b) of Clause 38.3 (Other exceptions), any term of the Finance Documents may be amended or waived only in writing with the consent of the Majority Lenders and the Obligors' Agent on behalf of the Obligors and any such amendment or waiver will be binding on all Parties.

(b) The Agent, or in respect of the Security documents the Security Agent, may effect, on behalf of any Finance Party, any amendment or waiver permitted by this Clause 38.

(c) Without prejudice to the generality of paragraphs (c), (d) and (e) of Clause 27.7 (Rights and discretions), the Agent may engage, pay for and rely on the services of lawyers in determining the consent level required for and effecting any amendment, waiver or consent under any Finance Document.

(d) Each Obligor agrees to any such amendment or waiver permitted by this Clause 38.1 which is agreed to by the Obligors' Agent; this includes any amendment or waiver which would, but for this paragraph (d), require the consent of all of the Obligors.

(e) If a Lender fails to respond to a request for a consent, waiver or amendment of or in relation to any of the terms of any Finance Document or other vote of the Lenders under the terms of this Agreement within fifteen Business Days (unless the Company and the Agent agree to a longer period in relation to any request) of that request being made, its Commitment and/or participation will not be included for the purpose of calculating the Total Commitments or participations in the Loans when ascertaining whether any relevant percentage (including, for the avoidance of doubt unaminity) of Total Commitments and/or participations has been obtained to approve that request.

38.2 All Lender matters

(a) Subject to Clause 38.4 (Replacement of Screen Rate) an amendment, waiver or (in the case of a Transaction Security Document) a consent of or in relation to, any term of any Finance Document that has the effect of changing or which relates to:

(i) the definition of **Majority Lenders** in Clause 1.1 (Definitions);

(ii) an extension to the date of payment of any amount under the Finance Documents;

(iii) a reduction in the Margin or a reduction in the amount of any payment of principal, rate of interest, fees or commission payable (other than any reduction in the Margin payable to a Lender which that Lender has consented to in accordance with the terms of any Margin Letter);

(iv) a change in currency of payment of any amount under the Finance Documents;

(v) an increase in any Commitment or the Total Commitments, an extension of any Availability Period or any requirement that a cancellation of Commitments reduces the Commitments of the Lenders rateably under the Facility;

(vi) a change to an Obligor other than in accordance with Clause 26 (Changes to the Obligors);

(vii) any provision which expressly requires the consent of all the Lenders;

(viii) Clause 2.3 (Finance Parties' rights and obligations), Clause 7.2 (Change of control and minimum parameter mandatory prepayment events), Clause 7.4 (Mandatory prepayment), Clause 7.5 (Cash Trap Event mandatory prepayment), Clause 25 (Changes to Finance Parties), Clause 31 (Sharing Among the Finance Parties), this Clause 38, Clause 41 (Governing Law) or Clause 42.1 (Jurisdiction);

(ix) (other than as expressly permitted by the provisions of any Finance Document) the nature or scope of:

(A) the guarantee and indemnity granted under Clause 18 (Guarantee and Indemnity);

(B) the Security Assets or the Transaction Security; or

(C) the manner in which the proceeds of enforcement of the Transaction Security are distributed,

(except in the case of sub- paragraphs (B) and (C) above, insofar as it relates to a sale or disposal of an asset which is the subject of the Transaction Security where such sale or disposal is expressly permitted under this Agreement or any other Finance Document); or

(x) the release of any guarantee or indemnity granted under Clause 17 (Bank Accounts) or of any Transaction Security unless permitted under this Agreement or any other Finance Document or relating to a sale or disposal of an asset which is the subject of the Transaction Security where such sale or disposal is expressly permitted under this Agreement or any other Finance Document,

shall not be made or given without the prior consent of all the Lenders.

38.3 Other exceptions

(a) An amendment or waiver which relates to the rights or obligations of the Agent, the Security Agent or the Arranger (each in their capacity as such) may not be effected without the consent of the Agent, the Security Agent or the Arranger, as the case may be.

(b) The Obligors' Agent and the Agent, the Arranger or the Security Agent, as applicable, may amend or waive a term of a Fee Letter to which they are party.

38.4 Replacement of Screen Rate

(a) Subject to Clause 38.3 (Other exceptions), if the Screen Rate is not available for sterling, any amendment or waiver which relates to providing for another benchmark rate to apply in relation to sterling in place of that Screen Rate (or which relates to aligning any provision of a Finance Document to the use of that benchmark rate) may be made with the consent of the Majority Lenders and the Obligors.

(b) If any Lender fails to respond to a request for an amendment or waiver described in paragraph (a) above within ten Business Days (unless the Obligors' Agent and the Agent agree to a longer time period in relation to any request) of that request being made:

(i) its Commitment shall not be included for the purpose of calculating the Total Commitments when ascertaining whether any relevant percentage of Total Commitments has been obtained to approve that request; and

(ii) its status as a Lender shall be disregarded for the purpose of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve that request.

38.5 Approvals by the Agent and Security Agent

If a Securitisation has been (or is to be) effected, the Agent or the Security Agent may, without prejudice to the other powers and discretions granted to it by the Finance Documents:

(a) consult with any rating agency that maintains (or is to maintain) a rating in connection with the Securitisation in relation to any consent or approval sought of it by the Obligors' Agent or any Obligor under any Finance Document; and/or

(b) refuse or withhold any such consent or approval if the grant of the approval or consent would or could reasonably be expected to prejudice the rating (or prospective rating) of any notes issued (or to be issued) in connection with the Securitisation,

and none of the Agent or the Security Agent shall be deemed to be acting unreasonably or in bad faith in so doing.

38.6 Excluded Commitments

If any Defaulting Lender fails to respond to a request for a consent, waiver, amendment of or in relation to any term of any Finance Document or any other vote of Lenders under the terms of this Agreement within 15 Business Days of that request being made (unless, the Company and the Agent agree to a longer time period in relation to any request):

(i) its Commitment(s) shall not be included for the purpose of calculating the Total Commitments under the relevant Facilities when ascertaining whether any relevant percentage (including, for the avoidance of doubt, unanimity) of Total Commitments has been obtained to approve that request; and

(ii) its status as a Lender shall be disregarded for the purpose of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve that request.

38.7 Replacement of Lender

(a) If any Lender becomes a Non- Consenting Lender (as defined in paragraph (d) below), then the Company may, on 10 Business Days' prior written notice to the Agent and such Lender, replace such Lender by requiring such Lender to (and, to the extent permitted by law, such Lender shall) transfer pursuant to Clause 25 (Changes to Finance Parties) all (and not part only) of its rights and obligations under this Agreement to a Lender or other bank, financial institution, trust, fund or other entity (a **Replacement Lender**) selected by the Company and which confirms its willingness to assume and does assume all the obligations of the transferring Lender in accordance with Clause 25 (Changes to Finance Parties) for a purchase price in cash payable at the time of transfer in an amount equal to the outstanding principal

amount of such Lender's participation in the outstanding Utilisations and all accrued interest (to the extent that the Agent has not given a notification under Clause 25.9 (Pro rata interest settlement)), Break Costs and other amounts payable (including without limitation any prepayment fees) in relation thereto under the Finance Documents.

(b) The replacement of a Lender pursuant to this Clause 38.7 shall be subject to the following conditions:

(i) the Company shall have no right to replace the Agent or Security Agent;

(ii) neither the Agent nor the Lender shall have an obligation to the Company to find a Replacement Lender;

(iii) in the event of a replacement of a Non- Consenting Lender such replacement must take place not later than 10 Business Days after the date on which that Lender is deemed a Non- Consenting Lender;

(iv) in no event shall the Lender replaced under this Clause 38.7 be required to pay or surrender to such Replacement Lender any of the fees received by such Lender pursuant to the Finance Documents; and

(v) the Lender shall only be obliged to transfer its rights and obligations pursuant to paragraph (a) above once it is satisfied that it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to that transfer.

(c) A Lender shall perform the checks described in paragraph (b)(v) above as soon as reasonably practicable following delivery of a notice referred to in paragraph (a) above and shall notify the Agent and the Company when it is satisfied that it has complied with those checks.

(d) In the event that:

(i) the Company or the Agent (at the request of the Company) has requested the Majority Lenders or all the Lenders to give a consent in relation to, or to agree to a waiver or amendment of, any provisions of the Finance Documents;

(ii) the consent, waiver or amendment in question requires the approval of the Majority Lender or all the Lenders; and

(iii) the Majority Lenders have consented or agreed to such waiver or amendment,

then any Lender who does not and continues not to consent or agree to such waiver or amendment shall be deemed a **Non-Consenting Lender**.

38.8 Disenfranchisement of Defaulting Lenders

(a) For so long as a Defaulting Lender has any Available Commitment, in ascertaining:

(i) the Majority Lenders; or

(ii) whether:

(A) any given percentage (including, for the avoidance of doubt, unanimity) of the Total Commitments under the relevant Facilities; or

(B) the agreement of any specified group of Lenders,

has been obtained to approve any request for a consent, waiver, amendment or other vote of Lenders under the Finance Documents,

that Defaulting Lender's Commitments under the relevant Facilities will be reduced by the amount of its Available Commitments under the relevant Facilities and, to the extent that that reduction results in that Defaulting Lender's Total Commitments being zero, that Defaulting Lender shall be deemed not to be a Lender for the purposes of paragraphs (i) and (ii) above.

(b) For the purposes of this Clause 38.8, the Agent may assume that the following Lenders are Defaulting Lenders:

(i) any Lender which has notified the Agent that it has become a Defaulting Lender;

(ii) any Lender in relation to which it is aware that any of the events or circumstances referred to in paragraphs (a), (b), (c) of the definition of **Defaulting Lender** has occurred,

unless it has received notice to the contrary from the Lender concerned (together with any supporting evidence reasonably requested by the Agent) or the Agent is otherwise aware that the Lender has ceased to be a Defaulting Lender.

38.9 Replacement of a Defaulting Lender

(a) The Company may, at any time a Lender has become and continues to be a Defaulting Lender, by giving 5 Business Days' prior written notice to the Agent and such Lender replace such Lender by requiring such Lender to (and, to the extent permitted by law, such Lender shall) assign or transfer pursuant to Clause 25 (Changes to Finance Parties) all (and not part only) of its rights and obligations under this Agreement to a Lender or other bank, financial institution, trust, fund or other entity (a **Replacement Lender**) selected by the Company, which confirms its willingness to assume and does assume (in case of a transfer by way of assignment, assumption and release) all the obligations, or all the relevant obligations, of the transferring Lender in accordance with Clause 25 (Changes to Finance Parties) for a purchase price in cash payable at the time of assignment or transfer which is either:

(i) in an amount equal to the outstanding principal amount of such Lender's participation in the outstanding Utilisations and all accrued interest, Break Costs and other amounts payable in relation thereto under the Finance Documents; or

(ii) in an amount agreed between that Defaulting Lender, the Replacement Lender and the Company and which does not exceed the amount described in paragraph (i) above.]

(b) Any transfer of rights and obligations of a Defaulting Lender pursuant to this Clause 38.9 shall be subject to the following conditions:

(i) the Company shall have no right to replace the Agent or Security Agent;

(ii) neither the Agent nor the Defaulting Lender shall have any obligation to the Company to find a Replacement Lender;

(iii) the transfer must take place no later than 5 Business Days after the notice referred to in paragraph (a) above;

(iv) in no event shall the Defaulting Lender be required to pay or surrender to the Replacement Lender any of the fees received by the Defaulting Lender pursuant to the Finance Documents; and

(v) the Defaulting Lender shall only be obliged to transfer its rights and obligations pursuant to paragraph (a) above once it is satisfied that it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to that transfer to the Replacement Lender.

(c) The Defaulting Lender shall perform the checks described in paragraph (b)(v) above as soon as reasonably practicable following delivery of a notice referred to in paragraph (a) above and shall notify the Agent and the Company when it is satisfied that it has complied with those checks.

39. CONFIDENTIALITY

39.1 Confidential Information

Each Finance Party agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by Clause 39.2 (Disclosure of Confidential Information).

39.2 Disclosure of Confidential Information

Any Finance Party may disclose:

(a) to any of its Affiliates and Related Funds and any of its or their officers, directors, employees, professional advisers, auditors, partners and Representatives such Confidential Information as that Finance Party shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph (a) is informed in writing of its confidential nature and that some or all of such Confidential Information may be price- sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information;

(b) to any person:

(i) to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents or which succeeds (or which may potentially succeed) it as Agent or Security Agent and, in each case, to any of that person's Affiliates, Related Funds, Representatives and professional advisers;

(ii) with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Finance Documents and/or one or more Obligors and to any of that person's Affiliates, Related Funds, Representatives and professional advisers;

(iii) appointed by any Finance Party or by a person to whom sub- paragraph (i) or (ii) above applies to receive communications, notices, information or documents delivered pursuant to the Finance Documents on its behalf (including, without limitation, any person appointed under paragraph (b) of Clause 27.15 (Relationship with the Finance Parties));

(iv) who invests in or otherwise finances (or may potentially invest in or otherwise finance), directly or indirectly, any transaction referred to in subparagraph (i) or (ii) above;

(v) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;

(vi) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes;

(vii) to whom or for whose benefit that Finance Party charges, assigns or otherwise creates Security (or may do so) pursuant to Clause 25.8 (Security over Lenders' rights);

(viii) to be provided to, or included in any information or materials prepared for the primary purpose of disclosure to, any person who is an investor or potential investor in any securitisation of that Finance Party's rights or obligations under the Finance Documents;

(ix) to any person who is an agent or trustee of that Finance Party or in respect of a securitisation and any agent of or professional and financial advisor to, that person;

(x) who is a Party, a member of the Group or any related entity of an Obligor; or

(xi) with the consent of the Obligors' Agent,

in each case, such Confidential Information as that Finance Party shall consider appropriate if:

(A) in relation to subparagraphs (i), (ii) and (iii) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking except that there shall be no requirement for a Confidentiality Undertaking if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the Confidential Information;

(B) in relation to subparagraph (iv) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking or is otherwise bound by requirements of confidentiality in relation to the Confidential Information they receive and is informed that some or all of such Confidential Information may be price- sensitive information; and

(C) in relation to subparagraphs (v), (vi) and (vii) above, the person to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price- sensitive information except that there shall be no requirement to so inform if, in the opinion of that Finance Party, it is not practicable so to do in the circumstances;

(c) to any person appointed by that Finance Party or by a person to whom paragraph (b)(i) or (b)(ii) above applies to provide administration or settlement services in respect of one or more of the Finance Documents including without limitation, in relation to the trading of participations in respect of the Finance Documents, such Confidential Information as may be required to be disclosed to enable such service provider to provide any of the services referred to in this

paragraph (c) if the service provider to whom the Confidential Information is to be given has entered into a confidentiality agreement substantially in the form of the Loan Market Association Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Obligors' Agent and the relevant Finance Party; and

(d) to any rating agency (including its professional advisers) such Confidential Information as may be required to be disclosed to enable such rating agency to carry out its normal rating activities in relation to the Finance Documents and/or the Obligors if the rating agency to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price- sensitive information.

39.3 Entire agreement

This Clause 39 (Confidentiality) constitutes the entire agreement between the Parties in relation to the obligations of the Finance Parties under the Finance Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

39.4 Inside information

Each of the Finance Parties acknowledges that some or all of the Confidential Information is or may be price- sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and each of the Finance Parties undertakes not to use any Confidential Information for any unlawful purpose.

39.5 Notification of disclosure

Each of the Finance Parties agrees (to the extent permitted by law and regulation) to inform the Obligors' Agent:

(a) of the circumstances of any disclosure of Confidential Information made pursuant to paragraph (b)(v) of Clause 39.2 (Disclosure of Confidential Information) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and

(b) upon becoming aware that Confidential Information has been disclosed in breach of this Clause 39.

39.6 Continuing obligations

The obligations in this Clause 39 are continuing and, in particular, shall survive and remain binding on each Finance Party for a period of 12 Months from the earlier of:

(a) the date on which all amounts payable by the Obligors under or in connection with the Finance Documents have been paid in full and all Commitments have been cancelled or otherwise cease to be available; and

(b) the date on which such Finance Party otherwise ceases to be a Finance Party.

40. COUNTERPARTS

Each Finance Document (other than any Transaction Security Document governed by the law of Scotland) may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Finance Document.

41. GOVERNING LAW

This Agreement and any non- contractual obligations arising out of or in connection with it are governed by English law.

42. ENFORCEMENT

42.1 Jurisdiction

(a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or the consequences of its nullity or any non- contractual obligations arising out of or in connection with this Agreement) (a **Dispute**).

(b) Each Obligor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Obligor shall argue to the contrary.

(c) Notwithstanding paragraph (a)(a), any Finance Party may take proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties and Finance Parties may take concurrent proceedings in any number of jurisdictions.

42.2 Service of process

Each Obligor (other than an English Obligor) agrees that the documents which start any proceedings in relation to any Finance Document, and any other documents required to be served in connection with those proceedings, may be served on it by being delivered to NorthStar Asset Management UK, or to such other address in England and Wales as each such Obligor may specify by notice in writing to the Agent. Nothing in this paragraph shall affect the right of any Finance Party to serve process in any other manner permitted by law. This Clause applies to proceedings in England and proceedings elsewhere.

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement.

SCHEDULE 1
ORIGINAL PARTIES
PART 1
FACILITY A BORROWERS

Facility A Borrowers	Registered Number	Jurisdiction
Trias GER Immermannstraße – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192539	B 192539	Luxembourg
Trias GER Kirchheide – T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192579	B 192579	Luxembourg
Trias GER Münsterstrasse – T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192544	B 192544	Luxembourg
Trias GER Uhlandstrasse – T S.à.r.l, a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192581	B 192581	Luxembourg
Trias GER Rather Strasse – T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192630	B 192630	Luxembourg
Trias GER Stuttgart – T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192583	B 192583	Luxembourg

Facility A Borrowers	Registered Number	Jurisdiction
Trias GER Ludwigstrasse – T S.à.r.l, a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192548	B 192548	Luxembourg
Trias GER Bunte Kuh – T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192584	B 192584	Luxembourg
Trias GER Kaygasse – T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192561	B 192561	Luxembourg
Trias GER Pferdemarkt – T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192585	B 192585	Luxembourg
Trias GER Bottrop – T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192563	B 192563	Luxembourg
Trias GER Munich Airport T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192586	B 192586	Luxembourg
Trias GER Holzwickede – T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192569	B 192569	Luxembourg

Facility A Borrowers	Registered Number	Jurisdiction
Trias GER Ibis Berlin – T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192597	B 192597	Luxembourg
Trias GER Münster – T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192568	B 192568	Luxembourg
Trias GER IC Berlin – T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192631	B 192631	Luxembourg
Trias GER Werl – T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192577	B 192577	Luxembourg
Trias GER Parexel – T S.à.r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192593	B 192593	Luxembourg
Trias NLD Rijswijk – T, BV	62583247	Netherlands
Trias NLD De Meern – T, BV	62583514	Netherlands

PART 2
FACILITY C BORROWERS

Facility C Borrowers	Registered Number	Jurisdiction
Trias UK Delta – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of GBP15.000, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 194335	B 194335	Luxembourg
Trias UK Gemini – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of GBP15.000, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 194339	B 194339	Luxembourg
Trias UK Edinburgh – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of GBP15.000, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 194364	B 194364	Luxembourg
Trias UK Sherard – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of GBP15.000, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 194345	B 194345	Luxembourg
Trias UK Centrium 1 – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of GBP15.000, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 194350	B 194350	Luxembourg
Trias UK The Building – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of GBP15.000, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B194373	B 194373	Luxembourg

ORIGINAL GUARANTORS

Original Guarantors	Registered Number	Jurisdiction
Trias Holdco C - T S.à r.l., a private limited liability company (sociétéB à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192534	192534	Luxembourg
Trias Pool I – T S.à r.l., a private limited liability company (société àB responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 193460	193460	Luxembourg
Trias Pool III – T S.à r.l., private limited liability company (société àB responsabilité limitée)incorporated and existing under the laws of Luxembourg, with a share capital of € 12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 194829	194829	Luxembourg
Trias Pool III – TGP S.à r.l., a private limited liability companyin the course of being (société à responsabilité limitée) incorporated and existing under theregistered laws of Luxembourg, with a share capital of €12.500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, in the course of being registered with the Luxembourg trade and companies register		Luxembourg
Trias Pool III – TLP S.C.A., a partnership limited by shares (société enin the course of being commandite par actions) incorporated and existing under the laws ofregistered Luxembourg, with a share capital of € 31,000, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, in the course of being registered with the Luxembourg trade and companies register		Luxembourg
Trias Pool VI – T S.à.r.l., a private limited liability company (société àB responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 194833	194833	Luxembourg
Trias Pool VIII – T S.à r.l., a private limited liability company (sociétéB à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 194842	194842	Luxembourg

Original Guarantors	Registered Number	Jurisdiction
Trias GER Immermannstraße – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192539	B 192539	Luxembourg
Trias GER Kirchheide – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192579	B 192579	Luxembourg
Trias GER Münsterstrasse – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192544	B 192544	Luxembourg
Trias GER Uhlandstrasse – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192581	B 192581	Luxembourg
Trias GER Rather Strasse – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192630	B 192630	Luxembourg
Trias GER Stuttgart – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192583	B 192583	Luxembourg
Trias GER Ludwigstrasse – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192548	B 192548	Luxembourg

Original Guarantors	Registered Number	Jurisdiction
Trias GER Bunte Kuh – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192584	B 192584	Luxembourg
Trias GER Kaygasse – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192561	B 192561	Luxembourg
Trias GER Pferdemarkt – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192585	B 192585	Luxembourg
Trias GER Bottrop – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192563	B 192563	Luxembourg
Trias GER Munich Airport T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192586	B 192586	Luxembourg
Trias GER Holzwickede – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192569	B 192569	Luxembourg
Trias GER Ibis Berlin – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192597	B 192597	Luxembourg

Original Guarantors	Registered Number	Jurisdiction
Trias GER Münster – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192568	B 192568	Luxembourg
Trias GER IC Berlin – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192631	B 192631	Luxembourg
Trias GER Werl – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192577	B 192577	Luxembourg
Trias GER Parexel – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of €12,500, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 192593	B 192593	Luxembourg
Trias UK Delta – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of GBP15,000, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 194335	B 194335	Luxembourg
Trias UK Gemini – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of GBP15,000, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 194339	B 194339	Luxembourg
Trias UK Edinburgh – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of GBP15,000, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 194364	B 194364	Luxembourg

Original Guarantors	Registered Number	Jurisdiction
Trias UK Sherard – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of GBP15,000, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 194345	B 194345	Luxembourg
Trias UK Centrium 1 – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of GBP15,000, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B 194350	B 194350	Luxembourg
Trias UK The Building – T S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg, with a share capital of GBP15,000, with its registered office at 6A, route de Trèves, L- 2633 Senningerberg, being registered with the Luxembourg trade and companies register under number B194373	B194373	Luxembourg
Trias NLD Rijswijk – T, BV	62583247	Netherlands
Trias NLD De Meern – T, BV	62583514	Netherlands

PART 4
ORIGINAL LENDERS

Name of Original Lender	Facility A Commitment (EUR)	Facility B Commitment (EUR)	Facility C Commitment (GBP)
GE Real Estate Loans Limited as original facility A lender (the **Original Facility A Lender**)	€128,003,781	n/a	
GE Real Estate Loans Limited as original facility B lender (the **Original Facility B Lender**)	n/a	€72,386,694	n/a
GE Real Estate Loans Limited as original facility C lender (the **Original Facility C Lender**)	n/a	n/a	26,080,076

Name of Original Lender	French Facility A Commitment (EUR)	French Facility B Commitment (EUR)	French Facility C Commitment (EUR)	French Facility D Commitment (EUR)
Trias Pool III – TLP S.C.A. as original French facility lender (the **Original French Facility Lender**)	25,294,694	7,992,000	30,100,000	9,000,000

SCHEDULE 2
THE PROPERTIES
PART 1
DUTCH PROPERTIES

No.	Property address and registered title number(s) (if applicable)	Freehold/Leasehold	Owner	Allocated Loan Amount (€)
1.	Rijnzathe 12, 3454PV De Meern, The Netherlands	Freehold	Trias NLD De Meern B.V.	T2,400,000
2.	Rijswijk (ZH), Laan van Hoornwijck 55/65, 2289 DG	Freehold	Trias NLD Rijswijk B.V.	T2,956,770

PART 2
ENGLISH PROPERTIES

No.	Property address and registered title number(s) (if applicable)	Freehold/Leasehold	Owner	Allocated Loan Amount (£)
1.	The Sherard Building, Oxford Science Park, Grenoble Road, Sandford On Thames, Oxford	Leasehold	Trias UK Sherard - T S.à r.l.	5,214,090
2.	920 Aztec West, Almondsbury, Bristol BS32 4SR	Freehold	Trias UK Gemini - T S.à r.l.	3,967,795
3.	578/586 Chiswick High Road, Chiswick W4 5RP	Freehold	Trias UK The Building - T S.à r.l.	6,857,228
4.	1 Centrium Business Park, Griffiths Way, St Albans AL1 2RD	Freehold	Trias UK Centrium 1 - T S.à r.l.	3,179,323

PART 3
SCOTTISH PROPERTY

No.	Property address and registered title number(s) (if applicable)	Owner	Allocated Loan Amount (£)
1.	Delta House, 46- 54 West Nile Street, Glasgow G1 2NP	Trias UK Delta - T S.à r.l.	4,133,120
2.	3 Lochside View, Edinburgh, EH12 9DH	Trias UK Edinburgh - T S.à r.l.	2,728,520

PART 4
FRENCH PROPERTIES

No.	Property address and registered title number(s) (if applicable)	Freehold/Leasehold	Owner	Allocated Loan Amount (€)
1.	58 avenue Marceau and 23/25 rue de Bassano, 75008 Paris	Freehold	SAS 58 Avenue Marceau	30,100,000
2.	20/22 rue Joubert and 98 bis rue de la Victoire, 75009 Paris	Freehold (Co- Ownership)	SAS 20 rue Joubert	7,992,000
3.	Moimont II Industrial Zone (Zone d'activités de Moimont II), 95670 Marly- la- Ville	Freehold	SCI Trias FRA Marly - T	25,294,694
4.	121 rue d'Alésia, 75014 Paris	Freehold (Volume Division)	SAS 121 Rue d'Alésia	9,000,000

PART 5
GERMAN PROPERTIES

No.	Property address and registered title number(s) (if applicable)	Freehold/ Leasehold	Land Register Details	Owner	Allocated Loan Amount (€)
1.	Am Bahnhof Westend 3 and 15, 14059 Berlin	Freehold	Land register of Stadt Charlottenburg at the local court of Charlottenburg, folios 44790 and 8414, sub-district 4, land parcels 1182, 1185, 1194, 2689/13 and 1193	Trias GER Parexel - T S.à r.l.	27,215,005
2.	Münsterstraße 261, 40470 Düsseldorf	Freehold	Land register of Derendorf at the local court of Düsseldorf, folio 6940, sub-district 9, land parcel 80	Trias GER Münsterstrasse - T S.à r.l.	2,168,298
3.	Eichenstraße 11a – 11d, 81375 Munich	Freehold	Land register of Oberding at the local court of Erding, folio 4438, land parcel 5469/2	Trias GER Munich Airport - T S.à r.l.	3,000,000
4.	Rather Straße 49 d, 40476 Düsseldorf	Freehold	Land register of Derendorf at the local court of Düsseldorf, folio 21694, sub- district 4, land parcel 171	Trias GER Rather Strasse - T S.à r.l.	4,826,212
5.	Brückenstraße 6, Ludwigstr. 2, 6, 50667 Cologne	Freehold	Land register of Cologne at the local court of Cologne, folio 2731, sub- district 19, land parcels 1119, 1078 and 1118	Trias GER Ludwigstrasse - T S.à r.l.	17,231,931
6.	Konrad- Adenauer-Allee 2, Am Bahnhof, 27472 Cuxhaven	Freehold	Land register of Cuxhaven at the local court of Cuxhaven, folio 6074, sub-district 2, land parcels 243/2, 243/5, 257/2, 257/4, 258/3, 258/5, 259, 261/12 and sub- district 3, land parcels 1/40, 1/50 and 1/52	Trias GER Cuxhaven - T S.à r.l.	14,434,127

7.	Uhlandstraße 2, Sonnemannstraße 6, Oskar- von- Miller- Straße 20, 24, 26, 28, 60314 Frankfurt am Main	Freehold re land parcel 12/10 Joint condominium ownership (1/2 co-ownership share of 40/10,000 condominium share regarding parking spaces nos. 13 and 14), registered in folios 1725 and 1726 Joint condominium ownership (1/4 co-ownership share of 80/10,000 condominium share regarding parking spaces nos. 36, 37, 42, 44 and 1/2 co-ownership share of 20/10,000 condominium share regarding parking space no. 38), registered in folios 1679- 1681, 1685 and 1687	Land register of Frankfurt Bezirk 14 at the local court of Frankfurt am Main, folio 1620, sub- district 170, land parcel 12/10 Co- ownership register of Frankfurt Bezirk 14 at the local court of Frankfurt am Main, folios 1726 and 1725, sub- district 172, land parcel 2/22 Co- ownership register of Frankfurt Bezirk 14 at the local court of Frankfurt am Main, folio 1679- 1681, 1685 and 1687, sub- district 172, land parcel 2/13	Trias GER Uhlandstrasse - T S.à r.l.	10,428,180
8.	Robert- Bosch- Straße 2, 59439 Holzwickede	Freehold	Land register of Holzwickede at the local court of Unna, folio 5813, sub- district 3, land parcels 1111 and 1118	Trias GER Holzwickede - T S.à r.l.	2,816,880
9.	Birkenwaldstraße 149, 70191 Stuttgart	Freehold	Land register of Stuttgart at the local court of Stuttgart, folio 22178, sub- district 2708, land parcels 8801/18 and 8807/12	Trias GER Stuttgart - T S.à r.l.	2,570,424
10.	Korvettenstraße 69, 71, 73, 75, 23558 Lübeck	Freehold	Land register of Lübeck at the local court of Lübeck, folios 79242 and 8319, sub-district 19, land parcels 38, 40, 15/81 and 16/29	Trias GER Bunte Kuh - T S.à r.l.	1,260,000

11.	Brandenburgische Straße 11, 10713 Berlin	Freehold	Land register of Berlin-Wilmersdorf at the local court of Charlottenburg, folio 4640, sub- district 3, land parcel 178/22	Trias GER Ibis Berlin - T S.à r.l.	7,185,270
12.	Am Seegraben 2, 12526 Berlin	Freehold	Land register of Schönefeld at the local court of Königs-Wusterhausen, folio 2406, sub- district 2, land parcel 1359	Trias GER IC Berlin - T S.à r.l.	12,017,841
13.	Immermannstraße 15, 40210 Düsseldorf	Freehold	Land register of Pempelfort at the local court of Düsseldorf, folio 5582A, sub-district 6, land parcel 216	Trias GER Immermannstrasse- T S.à r.l.	3,840,622
14.	Kaygasse, 50676 Köln	Freehold	Land register of Cologne at the local court of Cologne, folio 41630, sub- district 9, land parcel 1655	Trias GER Kaygasse - T S.à r.l.	2,746,340
15.	Nevinghoff 8 and 10, 48147 Münster	Freehold	Land register of Münster at the local court of Münster, folios 28425 and 28426, sub-district 121, land parcels 58 and 59	Trias GER Münster - T S.à r.l.	4,731,633
16.	Neuer Markt 9, 10, 11, 12, 13, 59457 Werl	Partial Ownership	Co- ownership register of Werl at the local court of Werl, folio 5403, sub- district 37, land parcels 572, 24, 573 and 571	Trias GER Werl - T S.à r.l.	1,570,586
17.	Osterfelder Straße 9, 9A-C, Böckenhoffstraße 10A, 46236 Bottrop	Freehold	Land register of Bottrop at the local court of Bottrop, folio 3371, sub- district 72, land parcel 128	Trias GER Bottrop - T S.à r.l.	2,880,467
18.	Kirchheide 39- 42, 28757 Bremen	Freehold	Land register of Vegesack at the local court of Bremen-Blumenthal, folio 1537, sub- district 1, land parcels 255/9 and 255/13	Trias GER Kirchheide - T S.à r.l.	769,396

19.	Pferdemarkt 6, 8 and Marlesgrube 9, 11, 13, 15, 23552 Lübeck	Freehold (Pferdemarkt) Partial Ownership (Marlesgrube 9, 11, 13, 15)	Land register of Lübeck at the local court of Lübeck, folio 6184, sub- district 54, land parcels 58/9, 59/2 and 60/2 Co- ownership register of Lübeck at the local court of Lübeck, folio 40779, sub-district 54, land parcel 48/5	Trias GER Pferdemarkt - T S.à r.l.	953,797

PART 6
ORIGINAL PROPERTIES

Dutch Properties

No.	Property address and registered title number(s) (if applicable)	Freehold/Leasehold	Owner	Allocated Loan Amount (€)
1.	Rijnzathe 12, 3454PV De Meern, The Netherlands	Freehold	Trias NLD De Meern - T B.V.	2,400,000
2.	Rijswijk (ZH), Laan van Hoornwijck 55/65, 2289 DG	Freehold	Trias NLD Rijswijk - T B.V.	2,956,770

English Properties

No.	Property address and registered title number(s) (if applicable)	Freehold/Leasehold	Owner	Allocated Loan Amount (£)
1.	The Sherard Building, Oxford Science Park, Grenoble Road, Sandford On Thames, Oxford	Leasehold	Trias UK Sherard - T S.à r.l.	5,214,090
2.	920 Aztec West, Almondsbury, Bristol BS32 4SR	Freehold	Trias UK Gemini - T S.à r.l.	3,967,795
3.	578/586 Chiswick High Road, Chiswick W4 5RP	Freehold	Trias UK The Building - T S.à r.l.	6,857,228
4.	1 Centrium Business Park, Griffiths Way, St Albans AL1 2RD	Freehold	Trias UK Centrium 1 - T S.à r.l.	3,179,323

Scottish Property

No.	Property address and registered title number(s) (if applicable)	Owner	Allocated Loan Amount (£)
1.	Delta House, 46- 54 West Nile Street, Glasgow G1 2NP	Trias UK Delta - T S.à r.l.	4,133,120
2.	3 Lochside View, Edinburgh, EH12 9DH	Trias UK Edinburgh - T S.à r.l.	2,728,520

French Properties

No.	Property address and registered title number(s) (if applicable)	Freehold/Leasehold	Owner	Allocated Loan Amount (€)
1.	58 avenue Marceau and 23/25 rue de Bassano, 75008 Paris	Freehold	SAS 58 Avenue Marceau	30,100,000
2.	20/22 rue Joubert and 98 bis rue de la Victoire, 75009 Paris	Freehold (Co- Ownership)	SAS 20 rue Joubert	7,992,000
3.	Moimont II Industrial Zone (Zone d'activités de Moimont II), 95670 Marly- la- Ville	Freehold	SCI Trias FRA Marly - T	25,294,694
4.	121 rue d'Alésia, 75014 Paris	Freehold (Volume Division)	SAS 121 Rue d'Alésia	9,000,000

German Properties

No.	Property address and registered title number(s) (if applicable)	Freehold/ Leasehold	Land Register Details	Owner	Allocated Loan Amount (€)
1.	Am Bahnhof Westend 3 and 15, 14059 Berlin	Freehold	Land register of Stadt Charlottenburg at the local court of Charlottenburg, folios 44790 and 8414, sub-district 4, land parcels 1182, 1185, 1194, 2689/13 and 1193	Trias GER Parexel - T S.à r.l.	27,215,005
2.	Münsterstraße 261, 40470 Düsseldorf	Freehold	Land register of Derendorf at the local court of Düsseldorf, folio 6940, sub- district 9, land parcel 80	Trias GER Münsterstrasse - T S.à r.l.	2,168,298
3.	Eichenstraße 11a – 11d, 81375 Munich	Freehold	Land register of Oberding at the local court of Erding, folio 4438, land parcel 5469/2	Trias GER Munich Airport - T S.à r.l.	3,000,000
4.	Rather Straße 49 d, 40476 Düsseldorf	Freehold	Land register of Derendorf at the local court of Düsseldorf, folio 21694, sub- district 4, land parcel 171	Trias GER Rather Strasse - T S.à r.l.	4,826,212
5.	Brückenstraße 6, Ludwigstr. 2, 6, 50667 Cologne	Freehold	Land register of Cologne at the local court of Cologne, folio 2731, sub- district 19, land parcels 1119, 1078 and 1118	Trias GER Ludwigstrasse - T S.à r.l.	17,231,931

6.	Uhlandstraße 2, Sonnemannstraße 6, Oskar- von- Miller-Straße 20, 24, 26, 28, 60314 Frankfurt am Main	Freehold re land parcel 12/10 Joint condominium ownership (1/2 co-ownership share of 40/10,000 condominium share regarding parking spaces nos. 13 and 14), registered in folios 1725 and 1726 Joint condominium ownership (1/4 co-ownership share of 80/10,000 condominium share regarding parking spaces nos. 36, 37, 42, 44 and 1/2 co-ownership share of 20/10,000 condominium share regarding parking space no. 38), registered in folios 1679- 1681, 1685 and 1687	Land register of Frankfurt Bezirk 14 at the local court of Frankfurt am Main, folio 1620, sub- district 170, land parcel 12/10 Co- ownership register of Frankfurt Bezirk 14 at the local court of Frankfurt am Main, folios 1726 and 1725, sub- district 172, land parcel 2/22 Co- ownership register of Frankfurt Bezirk 14 at the local court of Frankfurt am Main, folio 1679- 1681, 1685 and 1687, sub- district 172, land parcel 2/13	Trias GER Uhlandstrasse - T S.à r.l.	10,428,180
7.	Robert- Bosch- Straße 2, 59439 Holzwickede	Freehold	Land register of Holzwickede at the local court of Unna, folio 5813, sub- district 3, land parcels 1111 and 1118	Trias GER Holzwickede - T S.à r.l.	2,816,880
8.	Birkenwaldstraße 149, 70191 Stuttgart	Freehold	Land register of Stuttgart at the local court of Stuttgart, folio 22178, sub- district 2708, land parcels 8801/18 and 8807/12	Trias GER Stuttgart - T S.à r.l.	2,570,424
9.	Korvettenstraße 69, 71, 73, 75, 23558 Lübeck	Freehold	Land register of Lübeck at the local court of Lübeck, folios 79242 and 8319, sub-district 19, land parcels 38, 40, 15/81 and 16/29	Trias GER Bunte Kuh - T S.à r.l.	1,260,000

10.	Brandenburgische Straße 11, 10713 Berlin	Freehold	Land register of Berlin-Wilmersdorf at the local court of Charlottenburg, folio 4640, sub- district 3, land parcel 178/22	Trias GER Ibis Berlin - T S.à r.l.	7,185,270
11.	Am Seegraben 2, 12526 Berlin	Freehold	Land register of Schönefeld at the local court of Königs-Wusterhausen, folio 2406, sub- district 2, land parcel 1359	Trias GER IC Berlin - T S.à r.l.	12,017,841
12.	Immermannstraße 15, 40210 Düsseldorf	Freehold	Land register of Pempelfort at the local court of Düsseldorf, folio 5582A, sub-district 6, land parcel 216	Trias GER Immermannstrasse- T S.à r.l.	3,840,622
13.	Kaygasse, 50676 Köln	Freehold	Land register of Cologne at the local court of Cologne, folio 41630, sub- district 9, land parcel 1655	Trias GER Kaygasse - T S.à r.l.	2,746,340
14.	Nevinghoff 8 and 10, 48147 Münster	Freehold	Land register of Münster at the local court of Münster, folios 28425 and 28426, sub-district 121, land parcels 58 and 59	Trias GER Münster - T S.à r.l.	4,731,633
15.	Neuer Markt 9, 10, 11, 12, 13, 59457 Werl	Partial Ownership	Co- ownership register of Werl at the local court of Werl, folio 5403, sub- district 37, land parcels 572, 24, 573 and 571	Trias GER Werl - T S.à r.l.	1,570,586
16.	Osterfelder Straße 9, 9A-C, Böckenhoffstraße 10A, 46236 Bottrop	Freehold	Land register of Bottrop at the local court of Bottrop, folio 3371, sub- district 72, land parcel 128	Trias GER Bottrop - T S.à r.l.	2,880,467
17.	Kirchheide 39- 42, 28757 Bremen	Freehold	Land register of Vegesack at the local court of Bremen-Blumenthal, folio 1537, sub- district 1, land parcels 255/9 and 255/13	Trias GER Kirchheide - T S.à r.l.	769,396

18.	Pferdemarkt 6, 8 and Marlesgrube 9, 11, 13, 15, 23552 Lübeck	Freehold (Pferdemarkt) Partial Ownership (Marlesgrube 9, 11, 13, 15)	Land register of Lübeck at the local court of Lübeck, folio 6184, sub- district 54, land parcels 58/9, 59/2 and 60/2 Co- ownership register of Lübeck at the local court of Lübeck, folio 40779, sub-district 54, land parcel 48/5	Trias GER Pferdemarkt - T S.à r.l.	953,797

SIGNATORIES

The Parent
SIGNED on behalf of **TRIAS HOLDCO B – T S.À. R.L.**
/s/ David Fallick
Signature of authorised person
David Fallick
Name of authorised person
Address: 6A Route de Treves, L- 2633 Senningerberg
Fax: +352 24 611904
Tel: +352 26 94 06255
Email: dfallick@nsamgroup.eu
Att:

The Company
SIGNED on behalf of **TRIAS HOLDCO C- T S.À R.L.** by
/s/ David Fallick
Signature of authorised person
David Fallick
Name of authorised person
Address: 6A Route de Treves, L- 2633 Senningerberg
Fax: +352 24 611904
Tel: +352 26 94 06255
Email: dfallick@nsamgroup.eu
Att:

Facility A Borrowers

SIGNED on behalf of **TRIAS GER IMMERMANNSTRASSE – T S.À R.L.**
/s/ David Fallick
Signature of authorised person
David Fallick
Name of authorised person
Address: 6A Route de Treves, L- 2633 Senningerberg
Fax: +352 24 611904
Tel: +352 26 94 06255
Email: dfallick@nsamgroup.eu
Att:

SIGNED on behalf of **TRIAS GER KIRCHHEIDE – T S.À R.L.** by
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/s/ David Fallick
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Fax: +352 24 611904
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Att:

Facility B Borrower
SIGNED on behalf of **TRIAS POOL III – TLP S.C.A.** by
/s/ David Fallick
Signature of authorised person
David Fallick
Name of authorised person
Address: 6A Route de Treves, L- 2633 Senningerberg
Fax: +352 24 611904
Tel: +352 26 94 06255
Email: dfallick@nsamgroup.eu
Att:

Facility C Borrowers
SIGNED on behalf of **TRIAS UK DELTA – T S.À R.L.** by
/s/ David Fallick
Signature of authorised person
David Fallick
Name of authorised person
Address: 6A Route de Treves, L- 2633 Senningerberg
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Att:

SIGNED on behalf of **TRIAS UK GEMINI – T S.À R.L.** by
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Att:

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Name of authorised person
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Att:

Original Guarantors
SIGNED on behalf of **TRIAS HOLDCO C - T S.À R.L.** by
/s/ David Fallick
Signature of authorised person
David Fallick
Name of authorised person
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Att:

SIGNED on behalf of **TRIAS POOL I – T S.À R.L.** by
/s/ David Fallick
Signature of authorised person
David Fallick
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Att:

SIGNED on behalf of **TRIAS POOL VI – T S.À R.L.** by
/s/ David Fallick
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David Fallick
Name of authorised person
Address: 6A Route de Treves, L- 2633 Senningerberg
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Att:

SIGNED on behalf of **TRIAS POOL VIII – T S.À R.L.** by
/s/ David Fallick
Signature of authorised person
David Fallick
Name of authorised person
Address: 6A Route de Treves, L- 2633 Senningerberg
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Email: dfallick@nsamgroup.eu
Att:

Arranger
For and on behalf of **GE REAL ESTATE LOANS LIMITED**

By: /s/ Randall Leon Hunter Randall Leon Hunter
Director

Address: The Ark, 201 Talgarth Road, London, W6 8BJ
Fax:
Tel: +44 (0) 207 302 6261
Email: tal.levari@ge.com
Att: Tal Lev Ari Fink

Original Lenders
SIGNED on behalf of **GE REAL ESTATE LOANS LIMITED** by
/s/ Randall Leon Hunter
Signature of authorised person

Randall Leon Hunter
Director
Name of authorised person

Address: The Ark, 201 Talgarth Road, London, W6 8BJ
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Att: Tal Lev Ari Fink

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Att:

The Agent
SIGNED on behalf of **CBRE LOAN SERVICING LIMITED**

By: /s/ Gerard Nation Gerard Nation /s/ Piotr Tokarski Piotr Tokarski
Senior Director Director

Address: c/o Henrietta House, Henrietta Place, London W1G 0NB
Fax: +44 (0) 20 7182 2198
Tel: +44 (0) 20 7182 2967/ 2937
Email: Gerard.nation@cbre.com; Maike.baudisch@cbre.com
Att: Gerard Nation/ Maike Baudisch

Security Agent
SIGNED on behalf of **CBRE LOAN SERVICING GMBH**

By: /s/ Clarence Dixon Clarence Dixon
Executive Director

Address: c/o CBRE Loan Servicing Limited
Henrietta House, Henrietta Place, London W1G 0NB
Fax: +44 (0) 20 7182 2198
Tel: +44 (0) 20 7182 2967/ 2937
Email: Gerard.nation@cbre.com; Maike.baudisch@cbre.com
Att: Gerard Nation/ Maike Baudisch

/s/ Gerard Nation

Gerard Nation
Senior Director

(Witness)

Amendment and Restatement Agreement of 20 July 2015 to the Loan Agreement in the amount of up to EUR 248,000,000 of 25 September 2014

between

Geschäftshaus am Gendarmenmarkt GmbH
- hereinafter referred to as "**Borrower**" or "**GaG**" -

and

Landesbank Hessen- Thüringen Girozentrale
Neue Mainzer Str. 52 - 58
60311 Frankfurt am Main
- hereinafter referred to as the "**Lender**" -

Table of Contents

Amendment and Restatement Agreement of 20 July 2015 to the Loan Agreement in the amount of up to EUR 248,000,000 of 25 September 2014

between

(1) **Geschäftshaus am Gendarmenmarkt GmbH**, c/o Hauck Schuchardt, Niedenau 61- 63, 60325 Frankfurt am Main, having its registered seat in Frankfurt am Main, registered in the commercial register of the local court of Frankfurt am Main under no. HRB 82647 (the "**Borrower**" or "**GaG**");

and

(2) **Landesbank Hessen- Thüringen Girozentrale**, with business address at Neue Mainzer Str. 52- 58, 60311 Frankfurt am Main (the "**Lender**").

The companies listed under (1) to (2) above are referred to as the "**Parties**".

Preamble

(A) The Borrower and the Lender entered into a loan agreement in an amount of up to EUR 248,000,000 on 25 September 2014 (the "**Existing Loan Agreement**"). The full loan amount available under the Existing Loan Agreement was drawn by and paid to the Borrower in 2014.

(B) The shares in the Borrower have been sold under a share sale and purchase agreement dated 11/12 June 2015 (deed no. 519 of the notarial role of deed for the year 2015 of the notary public Dr. Christian Wicker in Frankfurt am Main - the "**SPA**") to five limited liability companies established under Luxembourg law as further specified in such SPA (the "**Purchasers**", and the shares in the Borrower purchased by the Purchasers the "**Purchased Shares**").

(C) The Lender is prepared to make available to the Borrower a loan, and the proceeds of such loan are to be distributed to the Purchasers with the view to partially refinance the purchase price already paid by the Purchasers for the Purchased Shares. The Parties have agreed to include in the Existing Loan Agreement a new tranche in the amount of EUR 82,000,000 to be made available to the Borrower (such tranche hereinafter referred to as "**Tranche 2**", and the loan in the amount of EUR 248,000,000 advanced under the Existing Loan Agreement to the Borrower in 2014 hereinafter referred to as "**Tranche 1**"). In addition, the Parties have agreed to implement a number of other changes to the Existing Loan Agreement which are, inter alia, to reflect the acquisition of the Purchased Shares by the Purchasers, the new shareholder structure and the increase in the overall loan amount to EUR 330,000,000.

(D) To implement the changes referred to under (C) above, the Parties have agreed to amend the Existing Loan Agreement by this amendment and restatement agreement (the "**Amendment Agreement**") as follows.

1. Changes to the Existing Loan Agreement

1.1 The Existing Loan Agreement shall be amended and reinstated (insgesamt neu gefasst) as set out in Schedule 1 - New Version of the Loan Agreement. The Existing Loan Agreement as amended by the Amendment Agreement is hereinafter referred to as the "**Amended Loan Agreement**".

1.2 The amendments to the Existing Loan Agreement shall become binding upon entering into the Amendment Agreement subject to the following provision:

Section 4.1 (Interest) of the Existing Loan Agreement shall, in relation to Tranche 1, remain in full force and effect until the first disbursement under Tranche 2. Upon the first disbursement under Tranche 2, any Interest Period currently running in relation to Tranche 1 shall end and interest for such ended Interest Period shall become payable in accordance with the terms of the Existing Loan Agreement, and all following Interest Periods in relation to Tranche 1 shall be the same Interest Periods as of Tranche 2.

1.3 The Parties are in agreement that the amendments to the Existing Loan Agreement by the Amendment Agreement do not change the nature, scope and identity of the claims outstanding under the Existing Loan Agreement. These claims continue to be outstanding under the Amended Loan Agreement but will be governed by the terms and conditions of the Amended Loan Agreement from the day of this Amendment Agreement (unless otherwise agreed above).

2. Continued legal effect of the Security, Confirmation of Security Documents

2.1 The Parties are in agreement that any security granted in connection with the Existing Loan Agreement shall not be affected by the amendments to the Existing Loan Agreement and that such security and in particular the agreements listed in Schedule 2 - Security Documents shall remain in full force and effect subject to the following paragraphs.

2.2 All references to the Existing Loan Agreement or to the term "Loan Agreement" in the Security Documents (as defined in the Existing Loan Agreement) and the other Finance Documents (as defined in the Existing Loan Agreement) shall be a reference to the Existing Loan Agreement as amended by the Amendment Agreement (i.e. to the Amended Loan Agreement); references to Finance Documents shall incorporate a reference to the Existing Loan Agreement as amended by the Amendment Agreement (i.e. to the Amended Loan Agreement).

2.3 The entering into of the documents listed in Schedule 2 is hereby confirmed (bestätigt). For the avoidance of doubt, such confirmation is made under implementation of the clarification set

forth under clause 2.2 above. The Borrower shall notify the Account Banks (as defined in the Account Pledge Agreement) of this confirmation of pledge.

2.4 The Parties are in agreement that the Security Purpose Agreement (as defined in Schedule 2) also applies to the second- ranking land charge in the nominal amount of EUR 82,000,000 granted or to be granted according to the terms and conditions of the Amended Loan Agreement, and any reference to the Land Charges (as defined in the Security Purpose Agreement) is to include a reference to the newly created land charge in the nominal amount of EUR 82,000,000.

2.5 Clause 2.1 above is without prejudice to any security granted or to be granted in connection with the Amended Loan Agreement or any amendment made to the existing Security Documents (as defined in the Existing Loan Agreement) in connection with the amendment of the Existing Loan Agreement. The Parties are in agreement that new and/or additional versions of the documents listed in Schedule 2 (other than the Global Assignment Agreement) will be entered into.

3. Miscellaneous

3.1 This Amendment Agreement is a Finance Document (within the meaning of the Existing Loan Agreement and the Amended Loan Agreement).

3.2 Sections 21.1 (Applicable Law) to 21.4 (Enforceability), 21.8 (Waiver) of the Amended Loan Agreement shall apply correspondingly to this Amendment Agreement.

3.3 The Parties can enter into the Amendment Agreement also by exchanging signed copies by fax or as an electronic copy.

Schedule 1 (New Version of the Loan Agreement)

Loan Agreement

dated 25 September 2014
as amended by an Amendment and Restatement Agreement dated 20 July 2015

between

Geschäftshaus am Gendarmenmarkt GmbH
- hereinafter referred to as the "Borrower" or „GaG" -

and

Landesbank Hessen- Thüringen Girozentrale
Neue Mainzer Str. 52 - 58
60311 Frankfurt am Main

- hereinafter referred to as the "Lender" or "Helaba" -

in an amount of up to EUR 330,000,000 (in words EUR three hundred and thirty million)

1. Preamble and Definitions

1.1 GaG is the owner (Eigentümer) of the three building complexes as further described in Schedule 1.1 – Property (the "**Property**"). The Property was purchased on the basis of a purchase agreement between, inter alia, Blitz 07- 202 AG and Blitz F07 dreihundertneun GmbH as purchaser and

DekaBank Deutsche Girozentrale as seller dated 24 April 2007 (the "**Property Purchase Agreement**") and is mainly leased to Deka Bank Deutsche Girozentrale ("**Deka**") and Deutsche Bundesbank ("**Bundesbank**"). The Property has been valued by HIB in a valuation report dated 19 February 2015 (the "**Initial Valuation**").

1.2 Madison Trianon S.à r.l. ("**Madison**"), MSEOF Trianon S.à r.l. ("**MSEOF**") and Wesselton GmbH & Co. KG are the sole shareholders (the "**Existing Shareholders**") of GaG and Madison and MSEOF are the sole shareholders of GMS Gebäudemanagement und Service GmbH ("**GMS**"), a limited liability company established under the laws of the Federal Republic of Germany and registered under number HRB 36774 with the commercial register of the local court in Frankfurt am Main. Under a sale and purchase agreement (the "**SPA**") dated 11/12 June 2015,

a) the Existing Shareholders sold 100% of their shares in GaG to Symbol I - T S.à r.l., Symbol II - T S.à r.l., Symbol III - T S.à r.l., Symbol IV - T S.à r.l. and Symbol V - T S.à r.l. (the "**New Shareholders**") as further specified in the SPA and

b) Madison and MSEOF sold 100% of their shares in GMS to Symbol HoldCo C – T S.à r.l. ("**HoldCo**"),

in each case as further specified in the SPA. Helaba has given its consent to the sale of the shares from the Existing Shareholders to the New Shareholders under a waiver letter, dated 11 June 2015.

1.3 This loan agreement (the "**Loan Agreement**") was originally entered into on 25 September 2014 for the purpose of refinancing GaG's existing bank debt. The parties to this Loan Agreement (the "**Parties**") have agreed to amend the Loan Agreement to reflect the change of control as described in Section 1.2 above, to increase the loan amount to up to EUR 330,000,000 by adding a new tranche to the existing loan and to allow the Borrower to draw such additional tranche under the Loan Agreement.

1.4 In this Loan Agreement, the following terms shall have the following meaning:

"**Acceptable Rating Agencies**" means Standard & Poor's Rating Services, Moody's Investors Services Limited and Fitch Ratings Limited.

"**Availability Period**" is defined in Section 4.4.

"**Bank Accounts**" is defined in Section 14.1.2.

"**Beneficial Lender**" is defined in Section 22.5.

"**BNP Paribas**" is defined in Section 11.2.2.

"**Bundesbank**" is defined in Section 1.1.

"**Business Days**" is defined in Section 4.2.

"**Business Plan**" is defined in Section 13.4.

"**Capex Account**" means the account designated as such either in Schedule 14.1.1 or, if such account has been opened after the date of this Loan Agreement, in the notification of the Borrower to be provided to the Lender pursuant to Section 14.1.2.
"**Capex Costs**" means the capital expenditure incurred or to be incurred in connection with certain fire protection measures the Borrower has to implement
"**Cash Flow Waterfall**" is defined in Section 14.2.3.
"**Cash Trap Account**" means the account designated as such in Schedule 14.1.1 – Transaction Accounts.
"**Cash Trap Event**" is defined in Section 17.1.
"**Change of Control**" and "**control**" is defined in Section 3.2.
"**Coba Deposit Account**" means the accounts designated as such (and further described) in Schedule 14.1.1 – Transaction Accounts held by the Borrower with Commerzbank AG for the purpose of depositing an amount of EUR 2,500,000 as security for the Deka Guarantee.
"**Compensation Amount**" is defined in Section 3.5.
"**Compliance Certificate**" is defined in Section 13.3.2.
"**Consortium Agreement**" is defined in Section 22.5.
"**Cost of Funds**" is defined in Section 4.1.
"**Cure Payment**" is defined in Section 17.2.
"**Cure Period**" is defined in Section 17.2.
"**Deka**" is defined in Section 1.3.
"**Deka Easement**" means the limited personal servitude (right of use) (beschränkt persönliche Dienstbarkeit (Nutzungsrecht)) for Deka registered in Section II of the land register, folio 1758 of the local court Frankfurt am Main.
"**Deka Guarantee**" means a guarantee (Bürgschaft) within the meaning of § 648a of the German Civil Code (BGB) in an amount of EUR 2,500,000 issued by Commerzbank AG to Deka Immobilien GmbH dated 24 November 2011 (No. MFWAV11328000100) and securing payment claims of Deka Immobilien AG in connection with the General Contractor Agreement.
"**Deposit Account**" means the account designated as such in Schedule 14.1.1 – Transaction Accounts.
"**Documents**" is defined in Section 10.1.16.
"**Drawdown Date**" is defined in Section 8.1.
"**Duty of Care Agreement**" is defined in Section 11.2.3.

"**Encumbrances**" (Belastungen) means the creation or retention of encumbrances in rem of all types including the creation of mortgages, land charges, easements, priority notices, pledges, security transfers or assignments of assets pursuant to any legal system.
"**Event of Default**" is defined in Section 18.1, and an Event of Default or a Potential Event of Default is "**continuing**", if it has not been remedied or waived.
"**Existing Charges**" is defined in Section 10.1.12 (B).
"**Fee Letter**" is defined in Section 5.1.
"**Finance Documents**" means (i) the Loan Agreement, (ii) the Security Documents, (iii) the Fee Letter, (iv) the hedging agreements entered into with a Hedging Counterparty, and (v) any other agreement entered into between a Finance Party and another party in connection with the Loan and designated as a "Finance Document" by the Lender and the Borrower.
"**Finance Party**" means the Lender, any Beneficial Lender and any Hedging Counterparty.
"**Financial Indebtedness**" is defined in Section 12.3.2.
"**Financing Rights**" are defined in Section 22.5.
"**General Account**" means the account designated as such in Schedule 14.1.1 – Transaction Accounts.
"**General Contractor Agreement**" is defined in Section 12.18.1.
"**General Terms and Conditions (AGB)**" is defined in Section 21.5.
"**GMS**" is defined in Section 1.2.
"**Group**" is defined in Section 3.1.
"**Group Company/Group Companies**" is defined in Section 3.1.
"**Hedging Counterparty**" means the Lender (or any person, who has been approved by the Lender to become a hedging counterparty) and who has entered into an interest hedging agreement with the Borrower in accordance with Section 9 of the Loan Agreement.
"**Hedging Trigger Rate**" is defined in Section 9.1.
"**HIB**" means Helaba Gesellschaft für Immobilienbewertung mbH.
„**HoldCo**" is defined in Section 1.2.
"**Initial Fees**" is defined in Section 5.5.
"**Initial Valuation**" is defined in Section 1.1.
"**Interest Payment Date**" is defined in Section 4.3.1.

"**Interest Period**" is defined in Section 4.2.
"**ISCR**" is defined in Section 15.1.
"**ISCR Level**" is defined in Section 15.1.
"**Klüberstrasse**" is defined in Section 3.4 b).
"**Land Charge**" is defined in Schedule 7.1 (Security).
"**Legal Reservations**" means any general principle of law limiting the rights of creditors generally and which are specifically referred to in any legal opinion delivered pursuant to Section 8.1.
"**Loan**" is defined in Section 2.1.
"**Loan Agreement**" is defined in Section 1.3.
"**LTV**" is defined in Section 16.1.
"**Lump Sum**" is defined in Section 15.3.3.
"**Margin**" is defined in Section 4.1.
"**Material Adverse Effect**" is defined in Section 10.1.25.
"**Material Tenant**" means any of the following: (i) Deka, (ii) Deutsche Bundesbank, (iii) Franklin Templeton Investment Services GmbH and (iv) any other tenant who has entered into a lease agreement with the Borrower which lease agreement generates or is expected to generate lease rentals in the amount of more than EUR 1,000,000 p.a.
"**New Shareholders**" is defined in Section 1.2.
"**Operating Account**" means the account designated as such in Schedule 14.1.1 – Transaction Accounts.
"**Parties**" is defined in Section 1.3.
"**Permitted Liabilities**" is defined in Section 12.3.1.
"**Potential Event of Default**" is defined in Section 13.6 lit. b).
"**Projected Interest Service**" is defined in Section 15.4.
"**Projected Net Rental Income**" is defined in Section 15.3.
"**Property**" is defined in Section 1.1.
"**Property Management Agreement**" is defined in Section 11.2.2.
"**Property Manager**" is defined in Section 11.2.2.
"**Property Purchase Agreement**" is defined in Section 1.2.

"**Public Law Contract**" means the public law contract dated 26/28 January 2011 between Stadt Frankfurt am Main and the Borrower regarding the implementation of fire protection and safety related measures, as amended by the following amendment agreements: (i) first amendment agreement (1. Nachtrag zum öffentlich- rechtlichen Vertrag) dated 26 August/5 September 2011, (ii) second amendment agreement (2. Nachtrag zum öffentlich- rechtlichen Vertrag) dated 16/22 December 2011 and (iii) third amendment agreement (3. Nachtrag zum öffentlich- rechtlichen Vertrag) dated 17 February 2012 as further amended from time to time.
"**Rate of Interest**" is defined in Section 4.1.
"**Reference Banks**" is defined in Section 4.1.
"**Reference Bank Rate**" is defined in Section 4.1.
"**Rent Receipt Account**" means the account designated as such in Schedule 14.1.1 – Transaction Accounts.
"**Relevant Date**" is defined in Section 6.6.
"**Repayment Date**" is defined in Section 4.4.
"**Security**" is defined in Section 7.1.
"**Security Document/Security Documents**" is defined in Section 7.1.
"**Security Provider**" means any person that has provided security under any of the Security Documents or has subordinated its claims under the Subordination Agreement.
"**Settlement Agreement**" means the settlement agreement (Vergleichsvertrag) between, inter alia, the Borrower and Deka dated 24 May 2011.
"**Shareholders**" is defined in Section 3.1.
"**Shareholder Structure**" is defined in Section 3.1.
"**SPA**" is defined in Section 1.2.
"**Sponsor**" is defined in Section 3.1 and Section 3.2.
"**Status Report**" is defined in Section 13.1.
"**Subordination Agreement**" is defined in Section 12.5.
"**Suitable Assignee**" is defined in Section 22.2.
"**Suitable Hedging Counterparty**" means a bank or financial institution which has a rating for its long- term unsecured and non- credit enhanced debt obligations of A/A2 or higher by at least two Acceptable Rating Agencies.
"**Tenant Deposit Account**" means the account designated as such in Schedule 14.1.1 – Transaction Accounts and any other account solely used for the purposes described in Section 14.7.

"**Term**" is defined in Section 4.4.
"**Terms and Conditions of Loan**" is defined in Section 21.5.
"**Term Sheet**" is defined in Section 5.1.
"**Test Date**" is defined in Section 15.2 and – in relation to LTV – in Section 16.2.
"**Test Period**" is defined in Section 15.2.
"**Tranche 1**" is defined in Section 2.1 a).
"**Tranche 2**" is defined in Section 2.1 b).
"**Transaction Accounts**" is defined in Section 14.1.1.
"**Transaction Costs**" means the costs incurred by the Borrower in connection with the negotiation, completion and perfection of the Finance Documents including any notarial fees, land registry fees and other fees incurred or to be incurred in connection with the creation of the Security, including the Land Charge, the registration fees payable to the land register and the transfer of any enforcement title (in particular of any existing submissions to immediate enforcement) to the Lender.
"**Valuation Report**" is defined in Section 13.8.

1.5 Any reference to the singular of a term shall include a reference to the plural of such term and vice versa.

2. Loan, Purpose

2.1 Loan Amount

Subject to the terms of the Loan Agreement, the Lender hereby makes available to the Borrower a loan (the "**Loan**") in the aggregate amount of EUR 330,000,000. The Loan is split into two tranches:

a) a tranche in the amount of EUR 248,000,000 which amount was fully drawn by and was fully advanced to the Borrower on 15 October 2014 ("**Tranche 1**"), and

b) a tranche in the amount of EUR 82,000,000 which tranche can be drawn by the Borrower – subject to the terms and conditions of the Loan Agreement – ("**Tranche 2**").

2.2 Purpose

The Borrower applied the Loan drawn by it in 2014 for the refinancing of the bank debt then existing. The Borrower shall apply the loan amount that can be drawn by it under Tranche 2 solely towards the funding of a distribution or an up-stream loan or repayment of a shareholder loan to the New Shareholders with the view of refinancing a portion of equity funds applied by the New Shareholders to pay the purchase price payable by the New Shareholders to the Existing Shareholders under the SPA as further described in the funds flow statement to be delivered under item 8.4 of Schedule 8 – Conditions Precedent. The Lender is not required to monitor whether the

Borrower complies with the purpose of the Loan and/or the laws applicable to the distribution or lending of the loan proceeds to the New Shareholders.

3. Shareholder Structure of the Borrower, Mandatory and Voluntary Prepayment

3.1 Shareholder Structure

The Borrower represents and warrants as at the date of this Loan Agreement and as at the Drawdown Date that the shareholder structure outlined in Schedule 3.1 – Shareholder Structure is complete and correct. The shareholder structure under Schedule 3.1 is hereinafter referred to as the "**Shareholder Structure**". NorthStar Realty Finance Corp is hereinafter referred to as the "**Sponsor**", the New Shareholders and HoldCo are hereinafter also referred to as the "**Shareholders**", and the Shareholders together with the Borrower and GMS, the "**Group**" and each member of the Group, a "**Group Company**".

3.2 Change of Control

The Parties agree that the Shareholder Structure and the current control of the Group and the Lender's trust in the qualification of the management of the Sponsor for the term of the Loan forms a material basis for the Lender's decision to grant the Loan and therefore, if a Change of Control occurs – without the prior consent of the Lender – it shall be unreasonable (unzumutbar) for the Lender to continue the loan relationship. The Lender is therefore entitled to request a mandatory prepayment (whereby the outstanding Loan shall become immediately due and payable), if a Change of Control occurs without the prior consent of the Lender. For the avoidance of doubt, but without prejudice to Section 18.1 (Events of Default), any change in the Shareholder Structure that does not constitute a Change of Control does not render the continuation of the loan relationship unreasonable within the meaning of sentence 1.

"**Change of Control**" means that

(i) the Sponsor and/or a Related Entity do/does not hold directly or indirectly more than 50% of the capital and the voting rights of the Borrower and GMS; and/or

(ii) a third party (not being the Sponsor or a Related Entity) gains control (beherrschender Einfluss) over the Borrower or GMS within the meaning of section 290 (2) of the German Commercial Code (Handelsgesetzbuch) (or the corresponding provisions of a foreign law applicable to the Borrower).

"**Related Entity**" means

a) a Subsidiary (as defined below) of the Sponsor, or

b) any legal entity (in the following the "**Entity**") in relation to which all of the following statements are true:

(i) no person holds 25% or more of the capital or the voting rights in the Entity;

(ii) the Entity is not controlled by any person within the meaning of section 290 (2) of the German Commercial Code;

(iii) the Entity is fully managed by the Sponsor, NorthStar Asset Management Group Inc. ("**NSAM**") or a Subsidiary of the Sponsor or NSAM (the managing entity in the following the "**Fund Manager**"), and for the purposes of this paragraph, "fully managed" means that the Fund Manager (A) either has concluded an asset management agreement with the Entity substantially similar to the one in place between the Sponsor and a subsidiary of NSAM as of the date hereof or (B) has the right to represent the Entity and the right to take certain investment and other business decisions (including decisions as to the day- to- day management of the Entity other than those reserved for the board of directors of the Entity) but in either case subject to any applicable laws and any other corporate requirement applicable to the Entity which provide that the responsibility for certain matters has to remain (or is taken back) under the control of the board or the shareholders of the Entity (it being understood that, if it is a corporate requirement that certain matters are not transferred to the Fund Manager then such matter is handled by the Entity itself and will not preclude it from being "fully managed"); and

(iv) the Lender has reasonably been satisfied that the control of the Entity over the Borrower does not, as of the date when the Entity gains control over the Borrower, lead to additional material obligations of the Lender under the laws of the jurisdiction under which the Entity (or the Fund Manager) is incorporated or where its main management decisions are taken, due to the fact that the Lender is a party to the Finance Documents (in particular no material reporting and other information obligations); an obligation is material in this sense if, for example, compliance with such obligation would cause – in light of the business relationship between the Lender and the Borrower – exceptional additional expenses or unreasonably high extra management, organisational or operational time, for which the Lender does not receive adequate compensation from the Borrower.

For the purposes of the definition of Related Entity, "**Subsidiary**" means, in relation to a person, any entity that is controlled within the meaning of section 290 (2) nos. 1 to 3 of the German Commercial Code by such person.

c) The parties are aware that the Sponsor intends to spin off its indirect shareholding in the Borrower ultimately into a newly established US REIT, the corporate organization of which is substantially similar to the one of the Sponsor. For this purpose, the Sponsor has already established "NorthStar Realty Europe Corp." (in the following "**NRE**") which currently exists as a subsidiary of the Sponsor. Upon clearance by the SEC and further steps to be accomplished, the Sponsor's indirect shareholding in the Borrower will be contributed to "NRE" or a subsidiary hereof. Notwithstanding anything to the contrary in paragraph b) above, the Lender hereby agrees to the transfer of the Sponsor's indirect shareholding in the Borrower to NRE provided that

(i) no person holds 25% or more of the capital or the voting rights in NRE,

(ii) NRE is not controlled by any person within the meaning of section 290 (2) of the German Commercial Code,

(iii) NRE enters into an asset management agreement with the Sponsor, NSAM, or a Subsidiary (as defined above) of the Sponsor or NSAM on terms similar to the terms and conditions of the asset management agreement, dated 30 September 2014 and entered into by the Sponsor and NSAM J- NNRF, a subsidiary of NSAM.

Accordingly, following such transfer and as long as the conditions (i) to (iii) of this paragraph c) are met, NRE shall be the "Sponsor" for the purposes of this Agreement, and any references to "Sponsor" in the Finance Documents shall be construed from then onwards as a reference to "NorthStar Realty Europe Corp.", and no longer to "NorthStar Realty Finance Corp.".

3.3 **Compulsory Purchase**

The Borrower shall prepay the outstanding Loan, if the Property or any material part thereof becomes subject to a compulsory purchase.

3.4 **Disposal of Property**

a) The outstanding amount of the Loan shall become immediately due and payable, if the Borrower disposes of the Property. A part disposal is not permissible. The Borrower shall instruct the buyer of the Property to pay the purchase price with discharging effect (mit befreiender Wirkung) onto the Deposit Account. The Borrower shall apply the proceeds from the sale of the Property in accordance with Section 14.5.

b) The Lender will consent to the legal separation of the residential units in Klüberstrasse 6,8 and 10 ("**Klüberstrasse**") from the Property and also agrees to a sale of Klüberstrasse provided that the amount paid into the Deposit Account is equal to or exceeds EUR 8,000,000 and such amount shall be used as follows: (i) in the amount of EUR 8,000,000 in prepayment of the Loan and (ii) to the extent that the net purchase proceeds deriving from the sale of Klüberstrasse exceed EUR 8,000,000 in payment to the General Account. All costs associated with the legal separation of Klüberstrasse from the Property shall be borne by the Borrower.

3.5 **Recovery Claims from Third Parties**

The Borrower must apply any proceeds of a claim against the provider of the legal, technical, financial or any other due diligence report in connection with the financing of the purchase price under the SPA in prepayment of the outstanding amount of the Loan. The Borrower shall instruct the debtor of such claim to pay the compensation amount (the "**Compensation Amount**") onto the Deposit Account. Any amount so received shall be applied in prepayment of the amounts outstanding under Tranche 1 and Tranche 2 as directed by the Lender on the next Interest Payment Date.

For the avoidance of doubt, the above rule of allocation does not apply to the Cash Flow Waterfall or the rules of allocation agreed in the Security Documents.

3.6 **Illegality**

If it becomes unlawful in any applicable jurisdiction for the Lender to perform any obligations as contemplated by this Loan Agreement or to fund or maintain its participation in any Loan

a) the Lender shall immediately notify the Borrower of becoming aware of such event;

b) upon the Lender notifying the Borrower any undrawn amounts of the Loan will be immediately cancelled; and

c) the Borrower shall repay the Loan on the next Interest Payment Date occurring after the Lender has notified the Borrower or, if earlier, the date specified by the Lender in the notice delivered to the Borrower (being no earlier than the last day of any applicable grace period permitted by law).

3.7 **Voluntary Prepayment**

The Borrower may prepay the Loan in whole or in part and in multiples of EUR 1,000,000, if it gives the Lender no less than ten Business Days's prior notice.

3.8 **Payment of Interest and Costs in connection with a Prepayment**

Any prepayment shall be made with accrued interest on the amount prepaid and the breakage costs related to the amount prepaid. Other than the breakage costs, no premium or penalty shall be payable in connection with a prepayment.

3.9 **No Re- Borrowing**

Any amount repaid or prepaid may not be redrawn or re- borrowed.

3.10 **Mitigation**

a) The Lender shall, in consultation with the Borrower, take all reasonable steps to mitigate any circumstances which arise and which could result in any amount becoming payable under section 3.6 (Illegality) including transferring its rights and obligations under the Finance Documents to any of the Lender's affiliates.

b) Paragraph a) above does not in any way limit the obligations of the Borrower under the Finance Documents.

c) The Borrower shall indemnify the Lender for all costs and expenses reasonably incurred by the Lender as a result of steps taken by the Lender under paragraph a) above.

d) The Lender is not obliged to take any steps under paragraph a) above if, in the opinion of the Lender (acting reasonably) to do so might be prejudicial to it.

4. Terms and Conditions

4.1 Interest

The rate of interest (the "**Rate of Interest**") on the Loan shall be fixed for each Interest Period (as defined below) and is the percentage rate per annum which is the aggregate of

– the Cost of Funds, plus

– the Margin.

"**Cost of Funds**" means the 3 month EURIBOR applicable to the relevant Interest Period. EURIBOR means the rate published on Reuters page "EURIBOR 01" at 11:00 a.m. (CET) two Business Days prior to the commencement of the relevant Interest Period for a period of the applicable Interest Period (which is, generally, three months). If Reuters page "EURIBOR 01" is not available for any reason, the following pages shall be used in substitute in the following order: first another Reuters page publishing EURIBOR, then Bloomberg page "GPGX 509 8 1". If neither of the Reuters' pages nor the Bloomberg page referred to above have the required details or these pages are not accessible, the applicable EURIBOR will be the Reference Bank Rate (as defined below). If EURIBOR should fall below zero, EURIBOR shall be deemed to be zero for the purposes of calculating the Cost of Funds.

In relation to the first Interest Period in relation to Tranche 2 only, which is expected to be shorter than three months, the Costs of Funds shall be calculated on the basis of an Interpolated EURIBOR. "**Interpolated EURIBOR**" means the rate which results from interpolating on a linear basis between:

a) the applicable EURIBOR for the longest period (for which that EURIBOR is available) which is less than the first Interest Period; and

b) the applicable EURIBOR for the shortest period (for which that EURIBOR is available) which exceeds the first Interest Period.

"**Margin**" means 145 basis points p.a.

"**Reference Banks**" means (i) Bayerische Landesbank, Munich, (ii) Landesbank Baden- Württemberg, Stuttgart, (iii) Landesbank Saar, Saarbrücken, (iv) Norddeutsche Landesbank –Girozentrale, Hannover, (v) Deutsche Bank AG, Frankfurt am Main, (vi) Barclays Bank plc, London, (vii) HSBC, London.

"**Reference Bank Rate**" means the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Lender at its request by at least two Reference Banks as the rate at which the quoting Reference Bank could borrow money in the European interbank market in the relevant currency and for the relevant period.

The Lender shall determine the relevant Rate of Interest two Business Days prior to the beginning of each Interest Period, with binding effect for that respective Interest Period, and shall promptly

notify the Borrower of such Rate of Interest, the date for payment of interest for that respective Interest Period, and the amount of interest payable.

4.2 **Interest Period**

Save for the first Interest Period and subject to the following sentences, each Interest Period shall have a term of three months (i.e. a calendar quarter) subject to the following rules: (i) the first Interest Period of the Loan shall start on the day of its disbursement and shall end on the last day (including such last day) of the calendar quarter in which the disbursement took place, (ii) each subsequent Interest Period shall start at the end of the last day of the preceding Interest Period (excluding the last day of such Interest Period) and shall end on the last day of the relevant Interest Period, i.e. the end of the calendar quarter (including the last day), and (iii) the last Interest Period shall end at the latest on the Repayment Date (as defined below).

The Lender shall determine the relevant Interest Period with binding effect for all Parties.

The term "**Interest Period**" means each period determined in accordance with this Section 4.2 and Section 4.3.2.

"**Business Days**" shall mean days on which banks in Frankfurt am Main are open for business to carry out the type of transactions required under this Loan Agreement and on which the Trans- European Automated Real Time Gross Settlement Express Transfer System is available to settle payments in Euro.

Interest shall be calculated by reference to the actual number of days elapsed and on the basis of a 360 days year.

4.3 **Payment of Interest/ Interest Payment Date**

4.3.1 The Borrower shall pay accrued interest on the Loan in respect of any Interest Period on the last day of such Interest Period (the "**Interest Payment Date**").

4.3.2 If an Interest Period (or Repayment Date) would otherwise end on a day, which is not a Business Day, that Interest Period (or Repayment Date) will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

4.4 **Other Terms and Conditions**

"**Amortisation**": Following the expiration of four years following the Drawdown Date, the Borrower shall repay the Loan on each Interest Payment Date (the first being 30 September 2019) in an amount equal to 0.625% of the aggregate Loan Amount advanced under this Loan Agreement (i.e. in the amount of EUR 2,062,500, if the full amount of the Loan (EUR 330,000,000) has been advanced). The Borrower is not required to make such repayment, if the Borrower evidences to the satisfaction of the Lender that LTV on the relevant Interest Payment Date is lower than 65%.

"**Repayment Date**": Save as otherwise provided for in this Loan Agreement, the amount of the Loan outstanding shall be repaid at the earlier of: (i) the end of its Term and (ii) the sale of the Property.

"**Term**": Eight years from the Drawdown Date.

"**Availability Period**": From the signing of this Loan Agreement until 31 August 2015.

5. Fees, Costs

5.1 **Arrangement Fee**

The Borrower shall pay to the Lender the arrangement fee as agreed in the indicative term sheet dated 9 June 2015 (the "**Term Sheet**") and as further specified in the fee letter agreed upon between the Borrower and the Lender on or about the date of the Loan Agreement (the "**Fee Letter**").

5.2 **Commitment Fee**

The Borrower undertakes to pay the Lender a commitment fee of 50 basis points per annum on the committed and undrawn amount of the Loan from the date commencing 30 Business Days after the date of this Loan Agreement and ending when the Loan is fully drawn, at the latest, however, on the last day of the Availability Period. Such commitment fee shall also be payable, if the distribution of the Loan is delayed or not made for reasons for which the Lender is not

responsible. The commitment fee shall become due and payable to the Lender in arrears on the last day of the Availability Period or the Drawdown Date.

5.3 **Agency Fee**

The Borrower shall pay to the Lender as agent an agency fee in the amount, manner and at the times agreed in the Fee Letter.

5.4 **Breakage Costs**

If the Borrower repays or prepays the Loan, in whole or in part, on a day other than at the end of an Interest Period, the Borrower shall pay breakage costs to the Lender. The breakage costs shall be calculated pursuant to the principles developed by case law for the purposes of section 490 (2) BGB.

5.5 **Costs**

The Borrower shall reimburse the Lender the amount of all costs and expenses incurred by the Lender as agreed in the Term Sheet; such agreement is hereby confirmed (bestätigt) by the Parties. The Borrower shall also bear all notary and land register fees, costs and expenses which become payable in accordance with applicable statutory regulations, in particular in connection with the creation or assignment of the Land Charge, the creation or transfer of any submission to immediate enforcement (Unterwerfung unter die sofortige Zwangsvollstreckung) and the registration of any assignment of the Land Charge in the land register, as well as the costs of HIB for producing the Initial Valuation (the "**Initial Fees**"). The Initial Fees shall be payable by the Borrower even if the Loan is not disbursed by the Lender.

The first paragraph of this section shall apply correspondingly to any amendment made to the Finance Documents.

The Borrower shall in addition reimburse the Lender the amount of all costs, which are reasonably and necessarily incurred by the Lender in connection with the preservation or enforcement of its rights under this Loan Agreement and other Finance Documents.

Any other claims of the Lender or a Hedging Counterparty to costs and expenses under this Loan Agreement (including statutory claims) shall remain unaffected hereby (in particular those costs under section 9 (Interest Hedging)).

6. Increased Costs

6.1 If a Finance Party's refinancing costs should increase after the Relevant Date as a result of any change in the law or a regulation implemented after the Relevant Date, for example the introduction of a cash deposit or minimum liquidity reserves, or if increased costs are incurred by a Finance Party by reason of a change to liquidity or capital adequacy requirements introduced after the Relevant Date, the Borrower shall bear such additional costs from the commencement of the next Interest Period following the introduction of such measure, and after being notified thereof by the Lender together with a statement confirming and describing the amount of the increased costs.

6.2 Section 6.1 does not apply to the extent any such increased costs are:

(i) attributable to the gross negligent or wilful breach by the relevant Finance Party or its affiliates of any law or regulation;

(ii) attributable to the implementation or application of or compliance with the "International Convergence of Capital Measurements and Capital Standards, a Revised Framework" published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the date of this Agreement ("**Basel II**") or any law or regulation enacted on or prior to the Relevant Date which implements Basel II (whether such implementation, application or compliance is by government, regulator or the relevant Finance Party); or

(iii) attributable to the implementation or application of or compliance with Basel III.

"**Basel III**" means

(A) the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurements, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer", published by the Basel Committee on Banking Supervision in December 2010;

(B) the rules for global systemically important banks contained in "Global systemically important banks: assessment methodology and the additional loss absorbency requirement – Rules text" published by the Basel Committee on Banking Supervision in November 2011;

(C) the rules for determination of the liquidity coverage ratio and monitoring of liquidity risks contained in "Basel III: The Liquidity Coverage Ratio and liquidity risk monitoring tools" published by the Basel Committee on Banking Supervision in January 2013;

(D) any further guidance or standards published by the Basel Committee on Banking Supervision relating to "Basel III";

(E) (a) any law and legislation transposing the following EU directives into national law: Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directive 2006/48/

EC and 2006/49/EC, as published in the Official Journal of the European Union L 176/338 on 27 June 2013 and (b) Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, as published in Official Journal of the European Union L 176/1 on 27 June 2013,
in each case in the form and with the contents existing on the Relevant Date.

6.3 In the event that the Lender requires the Borrower to pay increased costs in accordance with Section 6.1, the Borrower may prematurely terminate that portion of the Loan beneficially owned by the relevant Finance Party. Upon such premature termination, the portion of the Loan affected by the termination shall be repaid. The Borrower shall compensate the Lender for breakage costs (if any).

6.4 The Finance Party incurring increased costs shall, after consultation by the Lender with the Borrower for not less than three Business Days, take all reasonable steps to mitigate any circumstances which arise and which would result in any amounts becoming due and payable under or pursuant to any of Section 6 (Increased Costs), or clause 6 (Tax) of the Terms and Conditions of Loan including but not limited to transferring its rights and obligations under the Finance Documents to another affiliate or facility office. The preceding sentence does not in any way limit the obligations of the Borrower or any Security Provider under the Finance Documents.

6.5 The Borrower shall indemnify each Finance Party – via the Lender – for all costs and expenses incurred by that Finance Party (acting reasonably) as a result of steps taken by it according to Section 6.4. A Finance Party is not obliged to take any step under Section 6.4, if, in the opinion of that Finance Party (acting reasonably), to do so might be prejudicial to it in any material respect.

6.6 The right to claim increased costs under this Section 6 (Increased Costs) and the amount of such increased costs shall be established for the each Finance Party on an individual basis, i.e. on the basis of the Relevant Date and the regulatory environment applying to the relevant Finance Party. "**Relevant Date**" means, in relation to the Lender, the date of this Loan Agreement and, in relation to any other Finance Party, the date on which such Finance Party has become a Finance Party under the Finance Documents.

6.7 For the avoidance of doubt, any Finance Party, other than the Lender, that wishes to make a claim for increased costs under this Section 6 must raise such claim via the Lender. Any restriction that may exist on such Finance Party under the Consortium Agreement to raise such claim remains unaffected.

7. Security

7.1 The Borrower and the other Security Providers shall create the security listed in Schedule 7.1 – Security in favour of the Lender (the "**Security",** and each of the agreements entered into over the Security, hereinafter the **"Security Documents**").

7.2 The Lender shall release Klüberstrasse from all Security created over Klüberstraße upon irrevocable and unconditional repayment of the Loan in the amount set forth in Section 3.4 b) it being

understood that such release may require the Lender to issue certain declarations (such as deletion consents (Löschungsbewilligung)) prior to the irrevocable and unconditional repayment of the loan but subject to trust arrangements. The costs of such release shall be borne by the Borrower.

8. Conditions Precedent and Conditions Subsequent to Drawdown of Tranche 2

8.1 The Lender shall disburse Tranche 2 to the Borrower, as soon as all documentation/evidence listed in Schedule 8.1 – Conditions Precedent has been fulfilled to its satisfaction. The Borrower must submit an irrevocable utilisation request within the Availability Period which must be received at the latest three Business Days prior to the date the Lender is to make the disbursement (the date of scheduled disbursement the "**Drawdown Date**").

8.2 The Loan must be drawn by submission of one utilisation request. The utilisation request must be in the form attached as Schedule 8.2 – Form of Utilisation Request. The Borrower can only submit the utilisation request after the Lender has confirmed in writing to the Borrower that all conditions precedent have been fulfilled to its satisfaction.

8.3 The Borrower shall provide

a) within 30 Business Days after the entering into of this Loan Agreement the power of attorney to be granted to the Lender according to Schedule 7.1, authorising the Lender to declare the second- ranking land charge at any time immediately enforceable;

b) promptly after the entering into of any interest hedging agreement (i) the legal opinion in relation to such document as further specified in Schedule 8.1 item 7 (i.e. capacity opinion from counsel to the Borrower) and (ii) if the interest hedging agreement has not been entered into with the Lender, a copy of such interest hedging agreement;

c) within ten Business Days from the Drawdown Date the apostille in relation to the process agent letter (which letter itself has to be presented as a condition precedent pursuant to Schedule 8.1 item 8.4);

d) within five Business Days from the Drawdown Date the confirmations from all account banks running a pledged account as to the receipt of the notice of pledge and the subordination of its own pledge agreement as further specified in the relevant account pledge agreements;

e) promptly after registration of the second- ranking non- certificated land charge in the amount of EUR 82,000,000 certified (beglaubigt) land registry excerpts in relation to the Property;

f) where a Finance Document has been signed on behalf of the Borrower by a managing director not registered as such in the commercial register yet, promptly after the registration of such managing director in the commercial register a confirmation/approval of the terms and conditions of such Finance Document by duly appointed and registered managing directors of the Borrower.

9. Interest Hedging

9.1 Obligation to enter into Interest Hedging Arrangements

The Borrower must enter into and maintain (an) appropriate interest hedging agreement(s) in relation to 100% of the aggregate loan amount within 20 Business Days after the date of this Loan Agreement. If prior to the expiration of the 20 Business Days (i) the Euro Swap Rate on any day for the period from such day until the Repayment Date or (ii) the 3-Months- EURIBOR exceeds the amount of 2% p.a. – the "**Hedging Trigger Rate**" – the Borrower shall promptly (unverzüglich), but in any case no later than within two Business Days enter into an appropriate interest hedging agreement. If the Borrower fails to enter into an interest hedging agreement within this period with a person, who, although not being a Lender, has been approved by the Lender to become a hedging counterparty, the Borrower shall enter into the interest hedging agreement with the Lender. The Borrower shall promptly inform the Lender of any interest hedging agreement entered into with a third party by sending a copy of the relevant interest hedging agreement to the Lender.

9.2 Appropriate Interest Hedging Agreement

An "appropriate interest hedging agreement" shall be carried out by effecting interest hedging transactions on the basis of (i) a cap or (ii) a swap combined with a floor. The interest hedging transaction shall be entered into only with the Lender (or any person, who, although not being the Lender, has been approved by the Lender to become a hedging counterparty) in line with market conditions (which the Lender undertakes to offer) on the basis of the ISDA Master Agreement (or the sample German framework agreement for derivatives (Muster des Deutschen Rahmenvertrags für Finanztermingeschäfte (DRV)). Specific details, such as notional amount, type and maturity date, are to be separately agreed upon on the execution of the relevant hedging agreement. The Lender is obliged to approve a person to become a hedging counterparty, if such person is a "**Suitable Hedging Counterparty**" and if the Lender – in the reasonable discretion of the Borrower – has not offered the most competitive conditions.

9.3 Assignment

The claims and rights of the Borrower under any interest hedging must be pledged and/or, if so decided by the Lender, assigned to the Lender by the latest at the time such interest hedging agreement is entered into.

9.4 Subordination

The payments under the interest hedging must be subordinated to the payments under the Loan Agreement.

9.5 Termination of an appropriate interest hedging agreement

In the event that prior to the expiry of a term of an appropriate interest hedging agreement the amount hedged, or part thereof, is repaid, the interest hedging agreement relating to the premature repaid amount, shall be terminated, to the extent that there is a risk to the Lender connected therewith. The Borrower may terminate the interest hedging agreement provided that the notional

amount of the hedge remaining after such termination is not less than the amount of the Loan outstanding. The appropriate interest hedging agreement shall also be ended, if the Loan is, in whole or part, not drawn down. The appropriate interest hedging agreement can, however, be maintained with the Lender, to the extent that suitable security has been created in connection therewith.

10. Representations and Warranties

10.1 The Borrower represents and warrants to the Lender in relation to itself and (whether it is addressed in the following as Borrower or Group Company) the other Group Companies, where relevant, in the form of an independent guarantee the following:

10.1.1 **Due Incorporation**: Each Group Company is a corporation (or, in relation to the Borrower following the conversion of its legal form approved by the Lender in accordance with Section 12.22, a limited partnership (GmbH & Co. KG)) duly incorporated under the laws of its incorporation; the capital of each Group Company is fully paid up; there have been no repayments of capital and there has been no constructive equity contribution (verdeckte Einlage) or constructive equity contribution in kind (verdeckte Sacheinlage).

10.1.2 **Actual Place of Administration**: Each Group Company has its actual place of administration and its centre of main interests (as such term is used in Art. 3 (1) of council regulation (EC) 1346/2000 of 29 May 2000 on insolvency proceedings) in the jurisdiction of its incorporation.

10.1.3 **Business Activity**: The Borrower is a corporation whose sole activity consists of the owning and administration of the Property. GMS is a corporation whose sole activity consists of renting parking space and certain parts of the Property treated – for tax purposes – as moveable asset (Betriebsvorrichtungen) from the Borrower, leasing the parking space and such parts to third parties and the provision of certain administrative services to the Borrower in relation to the Property. The Borrower does not own any assets other than the Property, office furniture and equipment, receivables and cash and GMS does not own any assets other than office furniture and equipment, receivables and cash. The Borrower and GMS have no employees.

10.1.4 **Permits**: Each Group Company is in possession of all governmental authorisations and other authorisations (which shall include the agreement reached pursuant to the Public Law Contract) which are necessary for the operation of its business. Further, it has not breached any law or regulatory provision, nor any conditions attached to any authorisation, in a way which would cause the authorisation to be revoked or withdrawn.

10.1.5 **Legal Obligations**: The obligations of the Borrowers and the Security Providers under the Finance Documents are, subject to the Legal Reservations, upon execution legally binding and the obligations incurred and disposals (Verfügungen) made by the Borrower and the Security Providers under the Finance Documents are binding and enforceable in accordance with their terms. All corporate and governmental authorisations the Borrower or a Security Provider requires to enter into the Finance Documents have been validly obtained.

10.1.6 **No Conflict with other Obligations**: The execution of the Finance Documents and the performance of the obligations thereunder by the Borrower and the Security Providers do not constitute a breach of (i) the articles of association or partnership agreement of the Borrower or a Security Provider nor (ii) any applicable law and (iii) do not require the obtaining of any regulatory authorisation.

10.1.7 **No Breach of Contract with a Third Party**: The entering into and performance of the Finance Documents will not result in the Borrower or a Security Provider breaching any obligation which

it has vis- à- vis a third party or being obliged to create an encumbrance for the benefit of any person (other than the Lender).

10.1.8 **Pari Passu**: The payment obligations of the Borrower under the Finance Documents are at least equal in ranking with all other present and future unsecured and non- subordinated payment obligations of the Borrower, save for such payment obligations which have seniority by operation of law.

10.1.9 **No Deductions and Amounts Retained**: Neither the Borrower nor a Security Provider is obliged to deduct or withhold amounts from payments to be made under the Finance Documents.

10.1.10 **No Event of Default**: No Event of Default is continuing.

10.1.11 **No Litigation**: Other than the administrative proceedings, which are the subject- matter of the Public Law Contract, the Borrower has no knowledge (after due enquiry) that it or GMS are involved in any legal dispute (including arbitration proceedings) or court (gerichtliche) or administrative (behördliche) proceedings where the amount in dispute individually or in the aggregate with other such disputes or proceedings amounts to more than EUR 250,000.

10.1.12 **The Property**:

(A) The Borrower is the legal and beneficial owner (rechtlicher und wirtschaftlicher Eigentümer) of the Property it being understood that such ownership relates, in relation to Zimmerweg, to a leasehold (Erbbaurecht).

(B) Save for the security granted or to be granted under this Loan Agreement, no encumbrances exist over the Property other than those encumbrances listed in Part II of the land register of the Property and which are specified in Schedule 10.1.12 (B) – Existing Charges (the "**Existing Charges**").

(C) The existence of and use of the buildings on the Property do not violate any applicable planning or building laws and regulations in such a way that the value or use of the Property could be impaired more than insubstantially save for the existing technical fire protection defects, described in more detail in Schedule 10.1.12 (C) – Defects.

(D) The Property is in good repair (ordentlicher Zustand) and has no defects or damage, which could impair more than insubstantially the value or use of the Property, save for the existing technical fire protection defects, described in more detail in Schedule 10.1.12 (C) – Defects.

(E) The defects described in more detail in Schedule 10.1.12 (C) can be cured by using commercial reasonable efforts.

10.1.13 **Lease Agreements**: All lease agreements entered into with a Material Tenant are legal, valid and binding in all material respects (including, without limitation, the lease payment obligations and the term of the lease agreement).

10.1.14 **Insurance**: The insurance contracts entered into by the Borrower satisfy the requirements of the Loan Agreement. All due premiums have been paid and the Borrower has not breached any term of an insurance agreement.

10.1.15 **Financial Indebtedness**: Save for any Financial Indebtedness permitted pursuant to the definition of Permitted Liabilities and any indemnity obligation regarding the Deka Guarantee, the Borrower has no Financial Indebtedness.

10.1.16 **Documents about the Group Companies**: All documents and information provided to the Lender with regard to the Group Companies and the Sponsor (the "**Documents**") are based on up- to- date information and are correct and complete in all material respects and are not misleading.

10.1.17 **Accounts**: All accounts provided to the Lender have been compiled properly, carefully and correctly in accordance with applicable law and pursuant to generally recognised current accounting principles as consistently applied and reflect the actual circumstances, asset values, the finance, business and profit position of the Borrower at the time such accounts were drawn up. There has been no material adverse change in the Borrower's assets, business or financial condition since the date of the accounts delivered pursuant to Section 8.1 (Conditions Precedent to Drawdown).

10.1.18 **Tax Liabilities**: No tax claims have been levied against the Borrower, which, if levied, could impair the full satisfaction of the obligations of the Borrower under the Finance Documents in the contractually agreed manner. The Borrower has settled the taxes and levies payable in accordance with its last tax returns or assessments unless the tax assessment (Steuerfestsetzung) is contested on founded prospects of success, the relevant tax authority suspends the payment of such taxes and the Borrower has formed sufficient reserves to fulfil the tax assessment it has contested.

10.1.19 **Arm's Length Terms**: All legal transactions the Borrower has entered into with its respective shareholders, companies affiliated with the shareholders, or with third parties, have been entered into on arm's length terms.

10.1.20 **Acting for own Account**: The Borrower shall use all monies provided to it by the Lender pursuant to this Loan Agreement for its own account.

10.1.21 **Ranking**: The Security has or will have first ranking priority on the Drawdown Date and it is not subject to any prior ranking or pari passu ranking security other than (i) the second ranking land charge to be granted pursuant to Schedule 7.1, (ii) the second- ranking account pledge to be granted by the Borrower pursuant to Schedule 7.1 and (iii) any account pledges arising under standard terms and conditions of the banks holding the accounts.

10.1.22 **Environmental laws**: The Borrower is in compliance with all environmental laws and any environmental permit in its possession, no circumstances have occurred which would prevent compliance and no claim, proceeding, formal notice or investigation by any person in respect of environmental law has been commenced or threatened against it, in each case in a manner or to an extent which has or is reasonably likely to have a Material Adverse Effect.

10.1.23 **No filing or stamp duties**: It is not necessary that the Finance Documents be filed, recorded or enrolled with any court or other authority (except for the documents related to the Land Charge and the share pledge agreement in relation to the shares in the Borrower) or that any stamp, registration, notarial or similar taxes or costs be paid on or in relation to the Finance Documents (except for costs and fees to be paid in connection with the Land Charge and the notarisation of the share pledge agreement).

10.1.24 **Insolvency**:

a) No insolvency, bankruptcy, liquidation or similar proceedings have been initiated or threatened with respect to the Borrower or GMS or a moratorium declared in respect of any indebtedness of the Borrower or GMS;

b) neither the Borrower nor GMS (i) is unable and does admit its inability to pay its debts as they fall due, (ii) has suspended or threatened to suspend making payments on any of its debt, (iii) has by reason of actual or anticipated financial difficulties, commenced negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness and (iv) has commenced an action under any law relating to bankruptcy, insolvency or any similar proceeding;

c) with respect to the Borrower, the value of its assets is not less than its liabilities.

10.1.25 **No Material Adverse Effect**: There is no circumstance which has a material adverse effect on

a) the business, operation or financial condition of the Borrower;

b) the ability of the Borrower to perform its payment obligations under the Finance Documents; or

c) the validity or enforceability of, or the effectiveness or ranking of any Security granted or purported to be granted pursuant to any of the Finance Documents, and if there is such an issue, such issue is, if capable of remedy, not remedied within 20 Business Days of the earlier of (i) the Borrower becoming aware thereof and (ii) the Lender giving notice to the Borrower,

(any of the circumstances referred to above a "**Material Adverse Effect**").

10.1.26 All shares to be acquired by the New Shareholders and HoldCo under the SPA are legally and beneficially owned (directly or indirectly) by the New Shareholders (in relation to the shares in the Borrower) and HoldCo (in relation to the shares in GMS) and such shares are owned free from any encumbrances or other third party rights (except any rights under the Finance Documents).

10.1.27 There has been no amendment to or variation or waiver of the terms of the SPA and the Borrower (after due enquiry) has no knowledge (Kenntnis) of any fact or matter which would render the representations given by the vendor in the SPA untrue or inaccurate.

10.1.28 The acquisition of the shares in the Borrower and GMS is made in accordance with all laws, governmental and regulatory consents and clearances and third party consents.

10.2 **Repeating Obligations**

The representations and warranties pursuant to section 10.1 (Representations and Warranties), except for the representations and warranties set out in Section 10.1.9 (No Deductions and Amounts Retained), 10.1.11 (No Litigation), 10.1.13 (Lease Agreements) and sentence 2 of Section 10.1.17 (Accounts) are deemed to be repeated on the Drawdown Date of the Loan as well as on each Interest Payment Date with reference to the conditions and circumstances then existing. The representation set out in sentence 1 of Section 10.1.17 (Accounts) shall be made with respect to accounts provided in accordance with Section 8 (Conditions Precedent to Drawdown) only on the date of this Loan Agreement and with respect to any other accounts only at the time such accounts are delivered and only in respect of the accounts delivered at that time.

11. Property- Related Undertakings

The Borrower undertakes for the whole term of the Loan:

11.1 **Condition and Use of the Property**

The Property may not be changed in any material way. The Property shall be kept in good repair, free of defects and damage, provided that the existing technical fire protection defects described in more detail in Schedule 10.1.12 (C) – Defects shall be cured within any period binding upon the Borrower and, in the absence of such period, by 31 December 2016, at the latest. All building, regulatory and other public law regulations and conditions shall be complied with where failure to do so is reasonably likely to have a Material Adverse Effect. The Borrower shall, in particular, comply with the Public Law Contract. The use of the Property as commercial property may not be changed. This provision does not apply to the changes in the Property to be made as listed in Schedule 11.1 – Planned Changes to the Property. The Borrower shall further pursue the registration of all rights granted to it and which require registration in the land register pertaining to the Property or any other property with the care of a prudent businessman.

11.2 **Management of the Property**

11.2.1 The Property must be managed properly, on market terms and conditions and by a property manager with sufficient experience in the management of similar properties to that of the Property. The Lender confirms that the existing Property Management Agreement complies with this provision.

11.2.2 The Borrower has appointed BNP Paribas Real Estate Property Management GmbH, Mainzer Landstraße 16, 60325 Frankfurt am Main ("**BNP Paribas**") to manage the Property (this entity and any successor entity including any new property manager appointed in compliance with the terms of this Loan Agreement, the "**Property Manager**"). The Lender consents to the appointment of BNP Paribas as Property Manager. The Borrower shall enter into a written agreement on the management of the Property with the Property Manager (such agreement the "**Property Management Agreement**"). The Borrower may not agree to amendments to the Property Management Agreement with the Property Manager without the consent of the Lender, if such amendments adversely affect the interests of the Lender.

11.2.3 The Borrower may not change the Property Manager without the consent of the Lender. The Lender shall grant its consent, if all of the following conditions are met:

a) The proposed property manager must have sufficient experience in the management of properties similar to that of the Property and it must have a good reputation.

b) The proposed property manager enters into a written property management agreement with the Borrower. Such property management agreement must provide that, if the Property Manager breaches the Property Management Agreement and if such breach is reasonably likely to result in a material deterioration in the Lender's risk position, the Lender can request that a new Property Manager is appointed (to which new appointment this Section 11.2.3 does apply).

c) The proposed property manager enters into a written duty of care agreement with the Lender (the "**Duty of Care Agreement**") in the form set out in Schedule 11.2.3.

d) The proposed property manager has entered into a third party liability insurance with an insured cover amount of at least EUR 5,000,000.

e) The proposed property manager has confirmed to the Lender that it has been informed of the Security.

The new Property Management Agreement may only be entered into in consultation with the Lender.

11.2.4 If the Property Manager (other than BNP Paribas) breaches the Property Management Agreement and such breach is reasonably likely to result in a material deterioration in the Lender's risk position, then the Lender can request that a new Property Manager is appointed.

11.3 **Protection of the Environment and Health**

11.3.1 The Borrower shall comply with all applicable environmental laws and environmental permits where failure to do so has or is reasonably likely to result in a Material Adverse Effect.

11.3.2 The Borrower shall inform the Lender promptly of

a) any environmental claim that exists or is threatened against the Borrower;

b) any circumstances that could result in an environmental claim against the Borrower; and

c) the revocation of, withdrawal of or dispute with respect to an environmental permit.

11.4 **Lease Agreements**

The Borrower

a) may not agree to any amendment, waiver or surrender of or extension of or enter into any new lease agreement with respect to a Material Tenant without the consent of the Lender (such consent not to be unreasonably withheld). The Borrower shall within the framework of what is legally permissible ensure that the Material Tenants agree to the passing on of information in relation hereto;

b) shall ensure, without prejudice to a) above, that all new lease agreements (whether with respect to existing tenants or new tenants) and extensions and amendments of existing lease agreements are entered into on the basis of and subject to German law, on arm's lengths terms, in line with market conditions and with tenants of a quality and nature (including the nature of their business to be carried out in the Property) that does not have the potential of impairing the value of the Property;

c) undertakes to make all commercially reasonable efforts to lease vacant parts of the Property;

d) shall at all times act with the care of a prudent lessor (mit der Sorgfalt eines ordentlichen Vermieters);

e) shall ensure within the scope of its possibilities that each tenant has, in the reasonable judgement of the Borrower, an acceptable creditworthiness;

f) shall provide the Lender with copies of any lease agreement (except for lease agreements where the lease object is parking space only and for lease agreements regarding residential units, but, in relation to these, sample lease agreements have to be provided once changes have been made to the samples previously submitted to the Lender).

11.5 **Insurance**

11.5.1 The following insurances must be entered into under contracts subject to German law (or – provided that the choice of such law does not impair the cover pool eligibility (Deckungsfähigkeit) of any part of the Loan – English law) and maintained by the Borrower at its own cost:

a) insurances of the Property including buildings, fixtures and plant and equipment, against damage from fire, storm, water and hail storm, all other risks against which are insured in normal business practice by a prudent company with the same business as the Borrower or to a reasonable scope requested by the Lender, on a full reinstatement basis including the costs of site clearance as well as any fees of architects, engineers, valuers or other fees in connection therewith (plus reserves for future developments in inflation);

b) insurance to cover the loss of rent for a period of time of at least three years taking into account potential rent increases;

c) liability insurance (Haftpflichtversicherung) and operating liability insurance (Betriebshaftpflichtversicherung);

d) insurance against terrorism.

11.5.2 The requirements laid down in this Section 11.5 represent only the minimum requirements to be met by the contractual terms of the insurance covering the Property. This Section does not contain any recommendation or statement by the Lender as to whether such requirements are reasonable or not.

11.5.3 The Borrower shall provide the Lender with regard to (i) all insurances in relation to the Property with a cover note (Deckungszusage/Deckungsbestätigung) and (ii) with regard to all insurances in relation to the Property, a copy of the insurance policy.

11.5.4 At the date of this Agreement, all insurance companies must have a sufficient rating. A sufficient rating exists, if an insurance company has at least two investment grade credit ratings provided by reputable rating companies. Any insurer can only be replaced with another reputable insurer.

11.5.5 The Borrower shall provide the Lender for each insurance governed by German law with a security confirmation or security note (Sicherungsschein) and – in relation to any insurance entered into under foreign law – any similar document issued under such foreign law.

11.5.6 The Borrower shall ensure that the Lender receives all material information in relation to the insurances. Section 11.5.3 shall remain unaffected hereby. In particular, the Borrower must inform the Lender 30 days prior to the expiry of an insurance that such insurance is expiring and to inform the Lender of every extension or amendment and must promptly inform the Lender of any termination or threatened termination of an insurance.

11.5.7 If the Borrower fails to take out the insurances as required, after the Lender has informed the Borrower in writing that the insurances taken out do not meet the requirements of this Section 11.5 and further provided that the Borrower has not provided evidence to the satisfaction of the Lender

within 10 Business Days after receipt of such notification that it has taken out the required insurances, then, after expiration of these 10 Business Days, the Lender may, at the costs of the Borrower, insure the Property and take out the insurances as required under this Loan Agreement and take any further measures that it considers, in its reasonable view, necessary in order to prevent or remedy a breach of this Section by the Borrower. Any further rights of the Lender, in particular termination of this Loan Agreement, shall remain unaffected hereby.

11.6 **Public Law Requirements**

The Borrower shall inform the Lender without delay of all requirements (Anforderungen) and obligations under public law, including requirements under building (bauordnungsrechtliche) and construction planning (bauplanungsrechtliche) law, as well as building encumbrances (Baulasten) concerning the Property but only to the extent such are materially prejudicial to the risk position of the Lender.

11.7 **Remedial Action**

11.7.1 If the Borrower has not fulfilled an obligation under the Finance Documents with respect to the Property, the Lender shall be entitled, at the costs of the Borrower to

a) access the Property (including the buildings on it);

b) fulfil requests (Aufforderungen) of third parties addressed to the Borrower or object to such requests;

c) take all actions which it reasonably considers to be necessary or expedient to prevent the breach of the obligation or to remedy it.

11.7.2 The Lender can exercise its rights under this Section 11.7 either itself or have them carried out through a third party. It shall notify the Borrower in advance of its intention to exercise its rights under this Section 11.7 with an appropriate notice period unless immediate action is required.

12. General Duties

The following general undertakings are to be adhered to and complied with by the Borrower for the whole term of the Loan. Where such undertakings relate to the conduct of a third party, the Borrower shall use its best efforts that such party observes such undertaking.

12.1 **Authorizations**

The Borrower shall obtain and maintain all governmental and other permits which it requires under the respective law to carry out its business activities if failure to do so is reasonably likely to have a Material Adverse Effect.

12.2 **Compliance with the law**

The Borrower may not breach any statutory or regulatory provisions to an extent which might cause a Material Adverse Effect.

12.3 **Third Party Liabilities**

12.3.1 The Borrower may not enter into any liabilities vis- à- vis a third party without the consent of the Lender unless such liabilities are Permitted Liabilities. "**Permitted Liabilities**" shall mean only those liabilities

a) which are incurred under the Finance Documents or an interest hedging agreement entered into with a party other than the Lender in compliance with Section 9 (Interest Hedging),

b) which are not Financial Indebtedness and, subject to the other undertakings under this Section 12, are entered into in the normal course of business,

c) which the Borrower must enter into by reason of law or governmental/court order,

d) which form subordinated liabilities pursuant to Section 12.5 (Subordinated Liabilities),

e) which are Financial Indebtedness within the meaning of lit. (d), (h) and (j) of the definition of Financial Indebtedness, but are incurred in the course of spending or securing the payment of Capex Costs, or

f) which constitute Financial Indebtedness not falling within the scope of paragraph e) above and has been incurred in the normal course of business, but subject to a maximum aggregate amount of EUR 5,000,000 for all Financial Indebtedness permitted under this paragraph f).

12.3.2 "**Financial Indebtedness**" means any indebtedness arising out of or in connection with (a) the entering into of loans or credits; (b) the issuance of bonds; (c) the acceptance of bills of exchange and the issuance of promissory notes; (d) deferred purchase agreements where payment is due more than 90 days after the day of supply; (e) leasing agreements in relation to which the lessee is classified, according to generally accepted accounting principles applicable to the lessee, as the economic owner of the leased assets (including sale and lease back arrangements); (f) recourse factoring, i.e. the purchase of receivables where the risk of bad debt remains with the seller of the

receivables; (g) swaps, derivatives and other forms of hedging provided they are used to secure against fluctuations in rates, interest rates, prices or revenues or they derive a benefit from these (the value of the liabilities is calculated on the basis of its current market value (mark to market value)); (h) indemnity of obligations in relation to bank guarantees, suretyships, indentures, letters of credit, letters of comfort etc.; (i) any other transaction being the economic equivalent of a borrowing (including forward buyings and selling agreements); and (j) any suretyship, guarantee, letter of comfort, assumption of liability or indemnity in relation to the aforementioned liabilities.

12.4 **Security**

Save for

a) the security created under the Finance Documents,

b) the Existing Charges,

c) any lien arising by operation of law and in the ordinary course of business,

d) any security arising under the general terms and conditions of banks or Sparkassen (Allgemeine Geschäftsbedingungen der Banken und Sparkassen) with whom the Borrower maintains a banking relationship in the ordinary course of business, and

e) any security in favour of Commerzbank AG over the Coba Deposit Account,

without the consent of the Lender, the Borrower shall not create any Encumbrances or permit to subsist any Encumbrances over the Property, the lease receivables, its shares or its assets which serve as security in favour of the Lender. This shall not apply to the creation of security which may not be prohibited in accordance with section 1136 German Civil Code (Bürgerliches Gesetzbuch – BGB).

12.5 **Subordinated Liabilities**

All loans granted to the Borrower by direct and indirect shareholders of the Borrower as well as any comparable liabilities of the Borrower and interest payments in relation thereto, must be subordinated (pursuant to a subordination agreement agreed between, inter alia, the Lender and the respective direct or indirect shareholders, such agreement the "**Subordination Agreement**") to all payment obligations pursuant to this Loan Agreement and the other Finance Documents.

All such loans must have a minimum term that exceeds the Term it being understood, however, that this requirement does not prevent the Borrower from repaying or pre- paying such loans out of amounts standing to the credit of the General Account and further provided that such amount can be freely distributed according to Section 14.6 (General Account).

12.6 **No VAT Group**

The Borrower shall not be part of a VAT Group.

12.7 **No Cash Pooling**

The Borrower shall not participate in any cash pooling.

12.8 **No Subsidiaries**

The Borrower may not hold or acquire any shares in any other company.

12.9 **Loans or credit**

The Borrower shall not be a creditor in respect of Financial Indebtedness except as permitted pursuant to Section 12.12.3 (Payments (Leistungen) to shareholders).

12.10 **No guarantees or indemnities**

The Borrower shall not incur or assume any guarantee or similar obligation in respect of any obligation of any person except as set out in the Finance Documents, in relation to the Deka Guarantee or unless such obligation constitutes Permitted Liabilities.

12.11 **Pari Passu**

The payment obligations of the Borrower and the Security Providers under the Finance Documents must at least be equal in ranking with all their other present and future unsecured and non- subordinated payment obligations save for such payment obligations which have seniority by operation of law.

12.12 **Payments (Leistungen) to shareholders**

12.12.1 No acquisition of own shares and repayment of reserves: The Borrower undertakes not to acquire its own shares nor to issue or acquire financial investments, which entitles it or contains any obligation upon it to acquire its own shares.

12.12.2 No payments to shareholders or with respect to shareholder loans: The Borrower may not make a payment to a shareholder or a company affiliated with a shareholder or to a person closely connected with a shareholder unless such payment can be made out of amounts standing to the credit of the General Account and no Cash Trap Event has occurred that is continuing. The foregoing sentence does not apply to the distribution or lending of the loan proceeds under Tranche 2 to the New Shareholders in compliance with Section 2.2 (Purpose).

12.12.3 No granting of loans: The Borrower may not grant or obligate itself to grant a loan to any party unless such loan is granted to a Group Company and can be funded by amounts standing to the credit of the General Account and further provided that there is no Cash Trap Event which is continuing.

12.12.4 Other contracts: The Borrower may only enter into contracts with a shareholder, a company affiliated with a shareholder or with a person closely connected with a shareholder on arm's length terms. Section 12.3 (Third Party Liabilities) shall remain unaffected hereby.

12.13 **Business Activities**

The Borrower may not carry out any other business activity except for the holding and managing (Halten und Verwalten) of the Property.

12.14 **Employees**

The Borrower may not employ any employees or grant remuneration or other benefits to its managing directors or employees.

12.15 **Disposals**

The Borrower may not dispose (verfügen) over its assets or any part thereof or obligate itself to dispose over its assets or any part thereof. The creation of a priority notice (Vormerkung) is a disposal within the meaning of this rule. This shall not apply to a disposal

a) of assets (excluding the Property) in the normal course of business and on market terms and conditions; such parts of the Property that are treated for tax purposes as moveable assets (Betriebsvorrichtungen) can be disposed of in the normal course of business and on market terms and conditions provided that such part is transferred to GMS or a person that has leased any part of the Property);

b) of the Property, provided the disposal proceeds after deduction of any taxes and transaction costs are sufficient to satisfy all amounts owed under the Finance Documents fully (including without limitation any amount of the Loan outstanding, any interest accrued, any fees and expenses due or which will be incurred as a result of the disposal and all costs in connection with the cancellation of any interest hedging);

c) of assets (with the exception of the Property) which are replaced by assets of comparable or superior type within 6 months;

d) of assets (with the exception of the Property) which are obsolete or redundant for the operation of business, provided that the relevant disposal is made on market standard terms and conditions;

e) expressly permitted under a Finance Document (as is the case, for example, in relation to Klüberstrasse according to section 3.4 b));

f) to which the Lender has provided its express written consent.

12.16 **Purchase of assets**

The Borrower may not purchase any assets or carry out any investments, unless such purchase is necessary or expedient in the ordinary course of business to hold and manage the Property.

12.17 **Deka Easement**

12.17.1 The Lender is aware of the prior- ranking Deka Easement. Based on the information provided by the Borrower, the Lender considers that the Deka Easement does not impair the cover pool eligibility

(Deckungsstockfähigkeit) of those parts of the Lender set to serve as cover assets for any German Pfandbrief issued or to be issued by the Lender.

12.17.2 If it should turn out that the cover pool eligibility is impaired, the Borrower agrees to enter into negotiations with Deka with the view to amend the Deka Easement, and shall use all reasonable (zumutbare) and commercially sensible (wirtschaftlich sinnvoll) efforts to procure that Deka will agree to such amendment, so that such easement no longer impairs the cover pool eligibility. Any notarial fees and land registry fees to be paid in connection with the amendment of the Deka Easement shall be borne by the Lender. For the avoidance of doubt, nothing in this Section 12.17.2 will require the Borrower to make any payments to Deka in consideration for Deka's willingness to agree to an amendment to the Deka easement.

12.17.3 Without the prior written consent of the Lender, the Borrower shall not

a) agree to change the maximum amount in accordance with Section 882 of the German Civil Code in relation to the Deka Easement;

b) agree to any change or amendment to the Deka Easement, where such change or amendment is reasonably likely to adversely affect the interests of the Finance Parties, in particular the cover pool eligibility;

c) agree to any creditor of a Land Charge or other right in rem in relation to the Property (Grundpfandrechtsgläubiger) obtaining priority over the Deka Easement;

d) agree to any change in the lease rentals or the term of the lease agreement with Deka, where such change is reasonably likely to adversely affect the interests of the Finance Parties, in particular the cover pool eligibility.

12.18 **Other contracts**

12.18.1 The Borrower may not enter into or maintain any contracts except for

a) the Finance Documents, the Property Purchase Agreement, the Property Management Agreement and the Public Law Contract;

b) agreements with tenants provided Section 11.4 (Lease Agreements) is complied with;

c) insurances provided Section 11.5 (Insurance) is complied with;

d) any other contracts, which are necessary or expedient in the ordinary course of business in order to hold and manage the Property or required for operation of its business provided such contracts are entered into on market terms and conditions, including the agreement with Deka Immobilien GmbH as general contractor (Generalübernehmervertrag) dated 24 May 2011 (the "**General Contractor Agreement**"), the agreement with Deka and Deka Immobilien GmbH dated 19 December 2013 regarding certain aspects of the execution of the fire safety measures and the instruction to provide the Deka Guarantee;

e) the Settlement Agreement;

f) other agreements expressly permitted pursuant to this Loan Agreement; and

g) agreements the conclusion of which the Lender has expressly agreed to in writing.

12.18.2 The Borrower or a Security Provider may not amend, cancel or terminate the Finance Documents nor agreements which require the consent of the Lender without the prior written consent of the Lender.

12.19 **Taxes**

The Borrower must submit all tax declarations to be submitted by it on time and to pay its taxes on their due date, unless, the tax assessment (Steuerfestsetzung) is contested on founded prospects of success, the relevant tax authority suspends the payment of such taxes and the Borrower has formed sufficient reserves to fulfil the tax assessment it has contested.

12.20 **Assignment of Rights**

If the Lender assigns or pledges its rights pursuant to Section 22 or grants a sub- participation, then the Borrower shall assist the Lender in this process and upon the request of the Lender take all action which can reasonably be considered necessary or expedient so that the purchaser can acquire a valid participation or sub- participation in the rights under this Loan Agreement. Each party shall bear the costs incurred by it in connection with such assignment, pledge or granting of a sub- participation. All out- of- pocket expenses reasonably incurred by the Borrower or the Security Provider in connection with such assignment, pledge or granting of a sub- participation shall be borne by the Lender.

12.21 **Exercise of rights**

The Borrower undertakes to exercise any of its rights arising out of any Property Management Agreement and any insurance contracts with the care of a prudent businessman and thereby take into account the legitimate interests of the Finance Parties.

12.22 **No Change of Legal Form**

The Borrower must not change its legal form. The Lender hereby agrees to a change of the legal form of the Borrower into a GmbH & Co. KG (a limited partnership established under German law) if all conditions set forth in Schedule 12.22 – Permitted Change of Legal Form have been fulfilled to the Lender's reasonable satisfaction.

13. Information undertakings

The Borrower must provide, in addition to the information required under clause 1.2 of the Terms and Conditions of Loan, the following documents and information to the Lender:

13.1 **Status Report on the Property**

The Borrower shall provide every calendar year, a status report on the Property to be delivered within 45 calendar days after the end of the relevant calendar year (hereinafter the "**Status Report**"). The Status Report must contain information on

a) rental payments;
b) the current development of operational costs (Bewirtschaftungskosten) as described in Section 14.2.3 no. 1;
c) capital expenditure (Erhaltungs- /Investitionskosten) carried out and to be carried out and how this is to be refinanced;
d) outstanding rental payments including the reasons for the payment default;
e) asserted or notified set- offs against rental payments or notified reductions in rental payments, including the reasons;
f) extent of the repair or maintenance costs (Reparatur- oder Instandhaltungsaufwendungen) carried out and to be carried out;
g) insurance coverage, and any changes thereto;
h) the occurrence of any events or circumstances which could have a negative effect on the value of the Property which is material to the risk position of the Lender; and
i) target/actual comparison (Soll/Ist – Vergleich) of the figures in the Business Plan for the calendar year for which the Status Report is submitted to the actual figures of the calendar year for which the Status Report is submitted.

The Status Report shall be delivered in electronic form or in any other form as may be agreed between the Borrower and the Lender.

13.2 **Quarterly Status Report on the Property**

The Borrower shall provide every calendar quarter (within 45 days after the end of the relevant calendar quarter), a status report on

a) the existing lease agreements (including name of the tenant, leased space, amount of rental payments, extraordinary termination rights, lease term and option to extend term, the exercise of termination rights and option rights);
b) the extent of unused or vacant space;
c) marketing activities in connection with the Property (including an overview of the currently existing negotiations and any negotiation success);
d) the implementation of any fire protection measures or any measure to be implemented according to any enforceable order (vollziehbarer Bescheid) of any authority,

which status report shall be accompanied by any report provided by a project manager or supervisor monitoring or supervising the work related to the Capex Costs. The quarterly status report shall be delivered in electronic form or in any other form as may be agreed between the Borrower and

the Lender; the information to be provided according to paragraph a) above shall be provided in the form of an Excel- file.

13.3 **Financial Information concerning the Borrower**

13.3.1 **Individual Accounts**

The Borrower shall make available to the Lender its individual annual accounts (audited, if required by law and signed by the managing directors) consisting of the balance sheet and profit and loss account together with the management report, if there is one, and cash flow statement for each financial year which ends following the date of signing this Loan Agreement within 180 days following the end of a financial year.

13.3.2 **Provision and contents of Compliance Certificate**

For the purposes of evidencing compliance with the ISCR Level pursuant to Section 15 and the LTV pursuant to Section 16, the Borrower shall supply to the Lender a compliance certificate pursuant to Schedule 13.3.2 – Form of Compliance Certificate ("**Compliance Certificate**") as of each Test Date within 45 calendar days after the relevant Test Date. Computations (in reasonable detail) as to compliance with the ISCR Level or LTV, as the case may be, shall be attached thereto. Each Compliance Certificate shall be signed by its statutory representatives (gesetzliche Vertreter) in the number required to represent the Borrower in a binding manner. The Compliance Certificate must amongst others confirm that at the date of the Compliance Certificate, there has been no Change of Control without the Lender's consent, there is no Event of Default which is continuing and the representations and warranties to be repeated under Section 10.2 are correct.

13.3.3 **Disclosure of economic circumstances (wirtschaftliche Verhältnisse)**

Upon request of the Lender, the Borrower shall provide all further documentation and information which, in the reasonable view of the Lender or the other Finance Parties, is required to fulfil their respective legal obligations, in particular pursuant to paragraph 18 German Banking Act (Kreditwesengesetz – KWG).

13.3.4 **Information as to Cover Pool Eligibility**

Upon request of the Lender, the Borrower shall provide all further documentation and information, which, in the reasonable view of the Lender or the other Finance Parties, is required to prove the cover pool eligibility of the Land Charge.

13.3.5 **Continuous Application**

The Borrower must ensure that all the financial information to be provided to the Lender is determined in line with the applicable accounting principles, taking into account the principle of balance- sheet continuity and must provide an overview of the asset, financial and profit position which reflects the actual circumstances.

13.4 **Business and Liquidity Plan**

The Borrower shall provide for each financial year a business and liquidity plan based on the form of Schedule 13.4 – Precedent Business Plan (the business and liquidity plan provided according to item 2.3 of Schedule 8.1 and each following business and liquidity plan, the "**Business Plan**"). Such business and liquidity plan shall be provided at the latest 30 calendar days prior to the beginning of the financial year for which it is provided. Each Business Plan has to include a comparison of projected figures to (i) actual figures (Soll- /Ist- Vergleich) of the current year (to the extent the figures for the current year are available) and (ii) the projected figures in the previous Business Plan submitted.

13.5 **Legal Disputes**

The Borrower shall provide without undue delay information by a written statement addressed to the Lender regarding any legal disputes (including arbitration proceedings or administrative (behördliche) proceedings), which relate to an amount of at least EUR 500,000 and to make a notification when the total sum of all legal disputes exceeds an amount of EUR 3,000,000. The written statement shall set out in sufficient detail the contents, the amount in dispute and the potential risks of such dispute.

13.6 **Further notification requirements**

The Borrower must inform the Lender if one of the following events has occurred

a) a Cash Trap Event,

b) an Event of Default or an event or circumstance listed in Section 17 (Early Termination – Event of Default) which would, but for the expiry of a grace period or the giving of a notice or notification required under this Loan Agreement or a determination to be made pursuant to a Finance Document constitute an entitlement to terminate the Loan (a "**Potential Event of Default**"),

c) the decision has been taken to sell, transfer or dispose of the Property (which the Lender can object to if not in accordance with Section 12.15 b) and any other provision of this Loan Agreement) or shares in the Borrower or GMS,

d) a breach of the Property Management Agreement by the Property Manager or a future property manager in a way that the interests of the Finance Parties are adversely affected,

e) the decision has been taken to change or amend the articles of association of the Borrower or GMS in any material respect.

The information has to be provided promptly (unverzüglich) after the Borrower has become aware of the occurrence of any of the events above, and in relation to the events referred to under paragraph c) above no later than 10 Business Days prior to the entering into of the relevant sale, transfer or disposal document.

13.7 **Information Procurement in the case of Breach of Contract**

If the Lender has reason to suspect that an Event of Default or Potential Event of Default exists, then the Lender is entitled to procure all of the information necessary for determining and protecting the rights of the Lender at the Borrower's cost, in particular obtaining opinions from auditors and legal opinions.

13.8 **Valuations**

The Borrower shall grant the Lender the opportunity to commission an expert opinion regarding the value of the Property (the "**Valuation Report**") in the name of the Lender

a) on every anniversary of the date of the Initial Valuation it being understood that a full valuation will only be carried out on every second anniversary of the date of the Initial Valuation (and the valuations on the other anniversaries will be desktop valuations only) with the first full valuation (following the Initial Valuation) to be submitted on or about 1 December 2016,

b) at any time the Lender, acting reasonably, has reason to assume that an Event of Default has occurred, and

c) at any time when a material adverse change in the German real estate market for office space has occurred in the reasonable view of the Lender.

The costs of preparing the Valuation Reports shall be borne by the Borrower but only once per any calendar year. In relation to any valuation requested pursuant to b) above, the costs of preparing such Valuation Report shall be borne by the Borrower only if an Event of Default has actually occurred; if so, such costs shall be borne by the Borrower even if it has already paid the costs for another Valuation Report in the relevant calendar year.

The Borrower shall cooperate in the preparation and drawing up of the Valuation Report in such a manner that such report can be presented on or shortly prior to 31 December of the respective year. The Lender can request that a complete renewed valuation is carried out and not a mere update of an existing Valuation Report. Each Valuation Report will be prepared by HIB or another reputable valuer (appointed in the sole discretion of the Lender).

The Borrower shall be entitled to request the Lender to commission a Valuation Report at any time at the cost of the Borrower. The Borrower grants the Lender the necessary power of attorney for this purpose.

The Lender shall notify the Borrower of the outcome of the valuation. The Lender shall not bear any liability in connection with the respective valuation.

13.9 **Material Changes**

To notify the Lender without delay of any circumstances or changes within the Group which, following a reasonable assessment, could be of significance for the loan relationship, in particular any event that constitutes a Change of Control.

13.10 **Information Undertakings in connection with the Closing of the SPA and Distribution**

The Borrower must provide to the Lender the following documents:

a) promptly after the document is available: (i) the calculation of the final purchase price payable under the SPA, (ii) the "Preliminary Closing Date Accounts" and the binding "Closing Date Accounts" (each as defined in clause 6.1.2 of the SPA), (iii) evidence that the difference between the final purchase price and the initial purchase price has been paid.

b) new shareholder list and up- to- date commercial register excerpt in relation to the Borrower once the changes to be registered following the closing under the SPA have been registered.

c) promptly after distributing or otherwise up- streaming any amount drawn under Tranche 2: a written confirmation from the Borrower confirming the amount distributed or up- streamed, the recipient of such amount and whether the amount was distributed by means of corporate law or up- streamed by way of an up- stream loan.

14. Undertakings in relation to Accounts

14.1 **Bank Accounts**

14.1.1 The Borrower:

a) must hold a Rent Receipt Account, an Operating Account, a Cash Trap Account, a Deposit Account and a General Account; and

b) may hold the following accounts: one or more Tenant Deposit Accounts (Mietkautionskonto), the Coba Deposit Account and a Capex Account,

(hereinafter the "**Transaction Accounts**"). The Borrower shall only hold the Transaction Accounts. The account details of the Transaction Accounts referred to under paragraph a) above and of any other Transaction Account existing on the date of this Loan Agreement are set out in Schedule 14.1.1 – Transaction Accounts.

14.1.2 Except for any Tenant Deposit Account and the Capex Account (if not existing at the date this Loan Agreement is entered into), the Borrower may not open any new accounts without the express written consent of the Lender (any new accounts opened together with the Transaction Accounts, hereinafter the "**Bank Accounts**"). The Borrower may only close a Bank Account (except for the Capex Account, the Coba Deposit Account and the Tenant Deposit Accounts) with the express written consent of the Lender. The Borrower shall inform the Lender of the opening of the Capex Account and any Tenant Deposit Account within five Business Days after such account has been opened.

14.1.3 The Borrower must hold all Bank Accounts in its own name.

14.1.4 All Bank Accounts (save for the Capex Account, any Tenant Deposit Account(s) and the Coba Deposit Account) must be pledged with a first- ranking pledge in favour of the Lender by way of an additional pledge agreement (in addition to the pledge created by the Lender's General Terms and Conditions (AGB), if such Bank Accounts are held with the Lender). The first ranking requirement is also complied with, if a prior ranking pledge exists over a Bank Account by reason of the general terms and conditions ("AGB Pfandrecht") of the bank maintaining the account, provided such bank agrees to subordinate its AGB Pfandrecht behind the (then first- ranking) pledge of the Lender; fees for operating the accounts can be excluded from the subordination.

14.1.5 All Bank Accounts must be held with Commerzbank AG, Frankfurt am Main, or any branch of any other bank approved by the Lender (such approval to be withheld only for an important reason (aus wichtigem Grund)), provided such branch is located in the Federal Republic of Germany. The Lender shall have online viewing rights with regard to all Bank Accounts not maintained with the Lender. With regard to the Cash Trap Account and the Deposit Account, the Lender shall only have joint signing rights with the Borrower in the sense that any disposal in relation to these accounts requires the consent of the Lender.

14.1.6 All Bank Accounts may only be managed on a credit balance basis (auf Guthabenbasis geführt werden).

14.1.7 If sums, that according to this Loan Agreement have to be transferred onto a specific designated Bank Account, are transferred onto another account, then the Borrower must transfer such sums promptly (unverzüglich) onto the Bank Account, to which such sum should have been transferred.

14.2 **Rent Receipt Account**

14.2.1 The Borrower undertakes to ensure that all rental payments (Miet- /Pachteinnahmen) arising from the Property, including ancillary payments (Nebenkostenzahlungen) and VAT payments, from the tenants and all other amounts to be paid by the tenants under the lease agreement (except the tenant deposit (Mietkaution)), as well as any other income arising out of or in connection with the Property (except for payments which are to be paid onto the Deposit Account in accordance with Section 14.5) and insurance payments made for loss of income shall be paid exclusively onto the Rent Receipt Account.

14.2.2 The Borrower shall apply the credit on the Rent Receipt Account in accordance with the Cash Flow Waterfall without the consent of the Lender, being necessary, until such authorisation is revoked. The Lender shall be entitled to revoke such authorisation, if the conditions under Section 17.1 (Cash Trap) are fulfilled.

14.2.3 The Borrower shall apply the credit on the Rent Receipt Account during an Interest Period in the order set out as follows ("**Cash Flow Waterfall**"):

1. first, in payment of the on- going operating costs (Bewirtschaftungskosten) of the Property (excluding, for the avoidance of doubt, capital expenditures (Investitionskosten) and fees under an asset or the Property Management Agreement), including ground rent, non- recoverable expenses and property- related taxes;
2. secondly, in payment to the Lender of any due and payable fees, costs and expenses under or in connection with the Loan Agreement;
3. thirdly, in payment to the Lender of any interest due and payable under the Loan Agreement;
4. fourthly, in payment to the Lender of any repayments due and payable in respect of the outstanding Loan;
5. fifthly, in payment to a Hedging Counterparty of any payments due and payable under an interest hedging agreement entered into in relation to the Loan including any close- out payments due and payable in connection with the termination of such interest hedging agreement;
6. sixthly, in payment of Capex Costs (to the extent not paid out of the fire protection escrow account established under clause 5.6.1 (b) of the SPA);
7. seventhly, in payment of asset and property management fees payable under asset and Property Management Agreements entered into with entities not affiliated with the Borrower;
8. eighthly, all costs arising in connection with leasing (e.g. tenant improvements, brokers fees) up to the amount foreseen in the Business Plan pre- agreed with the Lender (to the extent not paid out of the "Buba- Fit- Out Escrow" account established under clause 5.6.1 (c) of the SPA);
9. ninthly, expenses for the administration of the Borrower subject to a cap of EUR 200,000 p.a. via payment to the General Account;

and only on any Interest Payment Date and only to the extent that such application does not cause the aggregate amount standing to the credit of the Rent Receipt Account and the Operating Account to fall below the amount of the Capex Costs which are likely to be incurred in the future (unless such Capex Costs will be funded out of the fire protection escrow account established under clause 5.6.1 (b) of the SPA):

10. tenthly, in case of a Cash Trap Event which is continuing in transfer to the Cash Trap Account;

11. eleventhly, in payment of capital expenditures (other than Capex Costs) and other Property related and Borrower expenses;
12. twelvthly, in payment to the General Account as free cash, which can be distributed as long as there is no Event of Default or Potential Event of Default which is continuing.

For the avoidance of doubt, the term ongoing operating costs (Bewirtschaftungskosten) shall encompass the following costs: recurring maintenance costs (Instandhaltungs- und – soweit Teil der Instandhaltung – Instandsetzungskosten) but excluding in any case the Capex Costs. These ongoing operating costs do not constitute, for the purpose of this Section 14.2.3, capital expenditures (Investitionskosten).

14.2.4 The Borrower may not apply the amounts on the Rent Receipt Account for any purpose other than as stated under this Section 14.2, without the express consent of the Lender.

14.3 **Cash Trap Account**

The Borrower may only use the credit on the Cash Trap Account with the consent of the Lender, unless the Borrower uses such credit for payments to the Lender.

14.4 **Operating Account**

For purposes of making payments set out under Section 14.2.3 No. 1, 6, 7, 8 and 11, the Borrower may transfer amounts from the Rent Receipt Account to the Operating Account, provided that – in relation to items covered under Section 14.2.3 No. 11, no Cash Trap Event is continuing.

14.5 **Deposit Account**

The Borrower undertakes to ensure that (i) the income/proceeds arising out of or in connection with insurance payments (except to the extent to be paid into the Rent Receipt Account) and (ii) any amounts arising out of or in connection with the disposal or compulsory confiscation or other kind of transfer of the Property or part thereof are paid onto the Deposit Account. The Borrower may only use insurance payments paid into the Deposit Account with the consent of the Lender, unless the Borrower uses such amounts for payments to the Lender. Without prejudice to Section 3.4 b), the Borrower shall use any amounts arising out of or in connection with the disposal or compulsory confiscation or other kind of transfer of the Property or part thereof to (re)pay all amounts owed under the Finance Documents (including without limitation any amount of the Loan outstanding, any interest accrued and any fees and expenses due on the next Interest Payment Date). The Borrower may not otherwise use the credit on the Deposit Account without the consent of the Lender.

14.6 **General Account**

The Borrower may use the credit on the General Account as free cash, which can be distributed as long as there is no Event of Default or Potential Event of Default continuing and subject to any restrictions on its right of use which arises from Sections 12.12.1 and 12.12.2.

14.7 **Tenant Deposit Account**

The Borrower shall ensure that tenant deposits (Mietkautionen) are paid onto the Tenant Deposit Accounts. The Tenant Deposit Accounts may only be used for the collection of tenant deposits, repayment of such tenant deposits to a tenant and transfers to the Rent Receipt Account (where a tenant deposit is used to discharge unpaid amounts owed by a tenant to the Borrower). Other monies, in particular own funds of the Borrower, may not be paid onto the Tenant Deposit Account.

14.8 **Capex Account**

The Capex Account will only be funded by equity contributions of the New Shareholders. The Borrower can dispose over the Capex Account without the consent of the Lender.

15. Financial Covenant Interest Service Cover Ratio

15.1 **Obligation to comply with the ISCR Level**

The Borrower must comply for the first three years from the Drawdown Date with an ISCR of at least 200% (in words: two hundred per cent) and at any time thereafter with an ISCR of at least 250% (the "**ISCR Level**"). "**ISCR**" means the ratio of

– the Projected Net Rental Income (as defined below) which is due for payment during the Test Period (as defined below), and

– the Projected Interest Service (as defined below) during the Test Period.

15.2 **Test Date**

The ISCR Level will need to be met on the Drawdown Date (the first test date).

Thereafter, the ISCR Level shall be calculated by the Borrower on the last day of each calendar quarter (i.e. 31 March, 30 June, 30 September and 31 December) of each year (each of these dates hereinafter a "**Test Date**"). The "**Test Period**" for a Test Date is the period of 12 months commencing on such Test Date.

The Borrower shall provide the Lender with evidence that the ISCR Level has been complied with in accordance with section 13.3.2.

15.3 **Projected Net Rental Income**

The "**Projected Net Rental Income**" means

– the annual rent (taking into account the principles set out in Section 15.3.2) payable to the Borrower from tenants with respect to lease agreements over the Property (excluding any (pre)payments for ancillary costs (Nebenkosten) and VAT payments by the tenants), insurance payments for loss of rent (but only to the extent the payment obligation is approved and accepted by the relevant insurer) and – provided such amount has been paid into the Deposit Account

and is still standing to the credit of the Deposit Account – any amount paid by a tenant as compensation for lost future rent in consideration for the Borrower's consent to an early termination of the lease agreement with such tenant

less

– the operating costs (Bewirtschaftungskosten), which are not payable by the tenants as well as any other costs not payable by the tenants in relation to the Property as further specified in Section 15.3.3 (Operating Costs)

during the relevant Test Period. Insurance payments and compensation payments from a tenant will only be taken into account to the extent these payments are to be attributed to the relevant Test Period.

The following payments shall not be taken into account when calculating the Projected Net Rental Income:

– payments from tenants, who are at least two months in arrears with rent at the relevant Test Date;

– rent from lease agreements, which are not legally valid, binding and enforceable, subject to a condition precedent which has not yet occurred or grant rent- free periods in the future (but, for the avoidance of doubt, only in relation to the rent-free period);

– payments, which are not rent income, but compensation or similar payment for lost rent (other than insurance payments for lost rent and compensation payments from a tenant for lost future rent, in each case to the extent to be considered as Projected Net Rental Income as specified above), late payment of rent or other contractual or statutory claims against the relevant tenants;

– payments from Group Companies or companies affiliated therewith or pursuant to lease agreements that have been entered into with Group Companies or companies affiliated therewith, unless the lease is in line with market terms and conditions and the area leased is actually used in accordance with the lease agreement.

15.3.1 **Termination of a Lease Agreement**

If during the Test Period

(i) a lease agreement expires, or

(ii) it is possible to terminate the lease agreement legally or such termination has already been threatened

and no follow- up agreement has been entered into, then, for the purposes of calculating the Projected Net Rental Income, it shall be deemed that no rent income shall be paid from the earliest possible date on which the lease agreement can end up to the end of the Test Period.

15.3.2 **Rental Payments**

In determining the annual rent, income from lease agreements shall comprise both the base rent amount, if applicable, as well as rent dependent on turnover and escalation income (Staffelmiete). Rent based on turnover which is payable during a Test Period, shall be calculated on the basis of the turnover generated in the twelve months period ending on the relevant Test Date, and escalation income (Staffelmiete) shall be taken into account for a specific month falling within the Test Period in the amount set forth for such month in the relevant lease agreement.

15.3.3 **Operating Costs**

For the purpose of calculating the operating costs (Bewirtschaftungskosten) or any other costs which are not payable by the tenants in relation to the Property pursuant to Section 15.3 (second hyphen), a lump sum of 15% of the Projected Net Rental Income (the "**Lump Sum**") shall be deemed to constitute operating costs (Bewirtschaftungskosten) and any other costs not payable by the tenants in relation to the Property. If evidence is provided that the actual operating costs (Bewirtschaftungskosten) which are not payable by the tenants plus any other costs not payable by the tenants in relation to the Property is lower than the Lump Sum, then the costs actually incurred based on the twelve months period prior to the relevant Test Date shall be used in place of the Lump Sum, but in any case a minimum of 12% of the Projected Net Rental Income.

15.4 **Interest**

"**Projected Interest Service**" means the aggregate amount of the (i) Margin due and payable during the Test Period for the outstanding Loan and (ii) the amount that would fall due and payable during the Test Period in respect of the outstanding Loan if the outstanding loan did bear interest at the Baserate.

"**Baserate**" means

a) the lower of (i) the Cost of Funds and (ii) the cap strike rate (to the extent the Loan is hedged with a cap),

b) the swap rate (to the extent the Loan is hedged with a swap), or

c) the higher of (i) the Cost of Funds and (ii) the Hedging Trigger Rate (to the extent the Loan is unhedged).

16. Financial Covenant Loan to Value ("LTV")

16.1 **Obligation to comply with the LTV**

From the first Test Date (as defined below) and then onwards for the Term of the Loan on each Test Date, the Borrower must comply with a LTV of no more than

- 77.5% in the first five years after the Drawdown Date and
- 75% in any period thereafter.

"**LTV**" means, with regard to a Test Date, the ratio of

(i) the outstanding Loan Amount as at the day of such Test Date and

(ii) the "latest available market value" of the Property. The "latest available market value" means the market value determined by HIB by the most recent evaluation obtained according to Section 16.2 (Calculations) or Section 13.8 (Valuations).

16.2 **Calculation**

The LTV shall be calculated by the Lender for the first time on the Drawdown Date, and thereafter as at (i) 31 December of each year (beginning with 2015), (ii) the last day of the calendar quarter in which a Valuation Report was submitted and (iii) if a Cash Trap Event has occurred which is continuing, the last day of each calendar quarter (each such date a "**Test Date**"). The market value shall be based on the Initial Valuation and thereafter on the most recent Valuation Report.

17. Non- Compliance with Financial Covenants

17.1 **Cash Trap**

The Lender shall be entitled to revoke the right of the Borrower to use the Rent Receipt Account and the Operating Account, if a Cash Trap Event has occurred and is continuing. The Rent Receipt Account and the Operating Account may then only be used by the Borrower from such time onwards with the express consent of the Lender. The Lender shall grant its consent to the Borrower using the Rent Receipt Account and the Operating Account, if the Borrower proves by way of appropriate documentation, that such use is necessary to settle due costs, fees and expenses or other liabilities pursuant to Section 14.2.3 nos. 1- 9 (Rent Receipt Account).

"**Cash Trap Event**" means in relation to any Interest Payment Date each of the following events: (i) the ISCR Level or LTV has not been complied with on the Test Date immediately preceding such Interest Payment Date or (ii) an Event of Default or a Potential Event of Default has occurred and is continuing on such Interest Payment Date. A Cash Trap Event is continuing as long as the requirements for re- transfer of the amounts standing to the credit of the Cash Trap Account to the Rent Receipt Account according to Section 17.3 (Cash Sweep) have not been met.

17.2 **Cure Payment by the Borrower**

In the event that the ISCR Level or LTV is not complied with on the relevant Test Date, the Borrower shall be entitled to cure such non- compliance by prepaying the Loan as described below (each such payment a "**Cure Payment**"). The Borrower may make only two Cure Payments if such Cure Payments relate to two consecutive Test Dates and only five Cure Payments in aggregate during the Term.

The Cure Payment must be made within 20 Business Days (and within 15 Business Days, if the failure to comply with the ISCR Level or the LTV constitutes a Potential Event of Default) after the relevant Test Date pursuant to Section 15.2 (Test Date) or 16.2 (Calculation), respectively (such period hereinafter the „**Cure Period**"). The Borrower can instruct the Lender to use the amounts

standing to the credit of the Cash Trap Account for the Cure Payment; the Cure Payment will be applied in prepayment of Tranche 2, unless the Borrower has instructed the Lender to apply the Cure Payment in proportional prepayment of Tranche 1 and Tranche 2 in which case the Cure Payment will be applied as instructed by the Borrower.

The ISCR Level can only be remedied by prepaying the outstanding Loan to such an extent that the ISCR Level is being complied with (as a consequence of lower payable interest following such prepayment). Cure payments to compensate for a shortfall in rent or other income are not permissible. The Lender shall inform the Borrower of the amount of the Cure Payment to be made and how it was calculated.

The LTV can only be remedied by prepaying the outstanding Loan Amount so that, following such prepayment, the LTV to be complied with pursuant to Section 16.1 (Obligation to comply with the LTV) is met.

17.3 **Cash Sweep**

The Borrower may use any amount standing to the credit of the Cash Trap Account to fund lease up and lease renewal expenses (for example, tenants improvements, leasing commissions) to the extent such expenses are – as to scope, contents and timing – either (i) in line with the Business Plan agreed with the Lender or (ii) if not foreseen in the Business Plan, pre- agreed with the Lender, or (iii) if not pre- agreed with the Lender, in line with market standards (which shall mean, inter alios, with respect to tenant improvements expenses up to an amount of EUR 500 per sqm in relation to the space to be re- let, and with respect to leasing commissions any reasonable broker commissions (Maklergebühren) which are incurred at arm's length).

The Lender shall be authorised at any time to use the money on the Cash Trap Account to repay the Loan, should a Cash Trap Event exist on two successive Test Dates. Any non- compliance with the ISCR Level or LTV on a Test Date shall be disregarded, if the ISCR Level or LTV has been cured by making the Cure Payment in relation to such financial covenant within the Cure Period.

If on two successive Test Dates, a Cash Trap Event no longer exists (i.e. the ISCR Level and LTV are being complied with (for the avoidance of doubt, if the LTV or ISCR has been cured on a Test Date, this Test Date shall not be taken into account in calculating the two successive Test Dates) and there is no Event of Default or Potential Event of Default which is continuing), amounts standing to the credit of the Cash Trap Account shall be, within five Business Days from the day the absence of a Cash Trap Event has been evidenced to the satisfaction of the Lender, transferred to the Rent Receipt Account. Any authorization to dispose of a Bank Account, which has been revoked by the Lender on the ground of the occurrence of a Cash Trap Event, shall be deemed re- instated upon the transfer of amounts to the Rent Receipt Account as provided for in the previous sentence.

18. Early Termination – Event of Default

18.1 Events of Default

The Lender is entitled to terminate the Loan in the following events and circumstances (each such event and circumstance an "**Event of Default**"):

18.1.1 Default in payment: the Borrower does not make the payments due to be made pursuant to the Finance Documents, unless the non- payment is due to administrative or technical reasons outside of the Borrower's control and payment is made, despite such a mistake, no later than three (3) Business Days after the due date.

18.1.2 Misrepresentation: one of the representations and warranties pursuant to Section 10 (Representations and Warranties) or Section 3.1 (Shareholder Structure) or a representation or warranty of the Borrower or a Security Provider in one of the Finance Documents is at the time such is issued or repeated, incorrect, incomplete or misleading in any material respect and this breach, to the extent remedying is possible, is not remedied within 20 Business Days upon request by the Lender or after the Borrower becoming aware of it.

18.1.3 Interest Service Cover Ratio: the ISCR determined on a Test Date is less than 175%, unless such non- compliance can be cured and is cured in accordance with Section 17.2 (Cure Payment by the Borrower).

18.1.4 Loan to Value: the LTV determined on a Test Date amounts to more than (i) 82.5% in the first five years after the Drawdown Date or (ii) 80.0% in any period thereafter, unless such non- compliance can be cured and is cured in accordance with Section 17.2 (Cure Payment by the Borrower).

18.1.5 Breach of Undertakings: The Borrower or a Security Provider does not comply with one of the provisions under Section 11 (Property- Related Undertakings), Section 12 (General Duties), Section 13 (Information Undertakings), Section 14 (Undertakings in relation to Accounts) or any other provision under the Finance Documents (except for a breach of the ISCR Level or LTV and 18.1.1 (Default in Payment)) compliance of which is, in the reasonable view of the Lender, material, provided that – if such a breach of contract is capable of being remedied – such breach is not remedied within 20 Business Days from the respective notification of the Lender towards the Security Provider or the Borrower or after the Security Provider or Borrower becoming aware of such breach.

18.1.6 Cessation of Business/Liquidation:

The Borrower

a) suspends its business or announces it intends to suspend its business other than by a sale of the Property in compliance with Section 12.15 (Disposal) c) or

b) enters into the status of liquidation.

18.1.7 Insolvency:

The Borrower:

a) is insolvent or over- indebted (within the meaning of the German Insolvency Code) (or fulfils comparable prerequisites for the opening of insolvency proceedings in a relevant foreign jurisdiction) or generally stops its payments;

b) due to general financial difficulties, starts negotiations with creditors regarding a general deferment of payment; or

c) applies for the opening of insolvency proceedings (or comparable proceedings in a relevant foreign jurisdiction) in respect of its assets, or its assets become subject to the control of a preliminary insolvency administrator, an administrative insolvency administrator (or another comparable administrator pursuant to a relevant foreign law jurisdiction).

18.1.8 Insolvency proceedings: a Group Company or a third party files an application for insolvency proceedings (or similar proceeding in a foreign jurisdiction) to be opened over the assets of the Borrower, and such an application is not withdrawn or rejected by the court within 15 Business Days.

18.1.9 Cross Default:

a) Financial Indebtedness in the amount of more than EUR 1,000,000 is terminated against the Borrower on the ground of an event of default (howsoever defined in relation to such Financial Indebtedness);

b) a third party is entitled to realise a security provided by the Borrower or to instigate enforcement proceedings in relation to Financial Indebtedness exceeding the amount of EUR 1,000,000.

18.1.10 Enforcement action: Any enforcement action is issued or levied against all or any material part of the assets of the Borrower having an aggregate value of more than EUR 100,000 and such enforcement measures are not withdrawn within ten Business Days.

18.1.11 Repudiation of Finance Document: The Borrower or a Security Provider repudiates or purports to repudiate a Finance Document.

18.1.12 Unlawfulness: It is or becomes unlawful for the Borrower or a Security Provider to perform any of its obligations under the Finance Documents.

18.1.13 Litigation: Proceedings before a court or administrative proceedings are opened against the Borrower or a Security Provider, which are reasonably likely to have a Material Adverse Effect.

18.1.14 Material Adverse Effect: An event occurs which has a Material Adverse Effect.

18.1.15 Invalidity of Security Documents: Any provision of a Security Document at any time after its execution ceases to be in full force and effect or the agreed ranking has not been obtained as provided for in the respective Security Document and such defect is not cured within 20 Business

Days or a Security Provider contests the validity or enforceability of a Security Document or denies it has any further liability or obligation under a Security Document.

18.1.16 Disposals over the Property:

a) The Borrower disposes over the Property or parts of it in non- compliance with this Loan Agreement;

b) The Borrower encumbers the Property or part thereof, and the Encumbrance is only permitted because it cannot be prohibited pursuant to § 1136 of the German Civil Code (BGB).

18.1.17 Material damage: The building erected on the Property is destroyed or materially damaged and it is apparent that a restoration of the building will take more than two years.

18.2 **Measures in the case of an Event of Default**

If an Event of Default has occurred which is continuing, the Lender is entitled to:

a) terminate this Loan Agreement as a whole or in part by giving notice without any notice period to be complied with, and/or

b) claim damages, including loss of profit, in accordance with statutory provisions,

c) realise the Security (to the extent permissible under the respective Security Document).

18.3 **Claim for breach of contract**

As an alternative to a declaration under Section 18.2 (Measures in the case of an Event of Default), the Lender can give notice to the Borrower of the existence of an Event of Default pursuant to this Section 18 (Early Termination – Event of Default) and declare vis- à- vis the Borrower that the Loan, inclusive interest, charges and any other amounts to be paid under the Finance Documents will become due at any time upon notice (whereby the Lender can select the duration of any Interest Period starting from the delivery of the notice); the further availability of the Loan is then at the discretion of the Lender. In this case all outstanding amounts under the Loan have also become due.

18.4 **Further Rights**

Should there be an Event of Default, any further rights of the Lender under this Loan Agreement, the other Finance Documents, the Terms and Conditions of Loan, the General Terms and Conditions (AGB), and according to law remain unaffected. For the avoidance of doubt, the list of events and circumstances that constitute an Event of Default and that trigger a right to early terminate the Loan is considered by the Parties to be exhaustive. The termination rights under the General Terms and Conditions (AGB) or pursuant to Section 490 (1) of the German Civil Code do not apply. The foregoing is without prejudice to any right of the Lender to demand a mandatory prepayment or other prepayment according to Sections 3.2 (Change of Control), 3.3 (Compulsory Purchase), 14.5 (Deposit Account) or 17.3 (Cash Sweep).

19. Information regarding the Money Laundering Act/"Know your Customer" checks and other information

19.1 The Borrower declares that it is acting on its own account in relation to all matters concerning the Loan.

19.2 The Borrower must at any time upon the request of the Lender immediately provide any information, documentation and evidence which is required for the fulfilment of the Finance Parties' statutory obligations and internal regulations, in particular in relation to the German Money Laundering Act (Geldwäschegesetz), tax identification obligations and regulatory law.

19.3 The Borrower, promptly upon the request of the Lender, shall supply, or procure the supply of, such documentation and evidence as is requested by the Lender in order for the Finance Parties to carry out and be satisfied with the results of any "know your customer" or other similar checks required under all applicable laws and regulations or internal rules of the any Finance Party.

20. Notices

20.1 All notices, communications or declarations, which are made under or in accordance with this Loan Agreement shall be made in writing, in the English language and shall be delivered in person, by mail, e- mail or fax to the attention of the persons named in Section 20.2. With the receipt of such notice, communication, declaration or document to be delivered to such person, the relevant document against the Lender or the Borrower is deemed to have been served.

20.2 Addresses: deliveries, notices and the surrender of documents may – subject to Section 20.3 – only be made at the following addresses:

(A) If to the Lender:

Ms. Carmen Hensler
Credit Risk Management Real Estate
Helaba Landesbank Hessen- Thüringen Girozentrale
MAIN TOWER
Neue Mainzer Straße 52 - 58
60311 Frankfurt am Main
Tel.: 069 / 9132 2819
Fax: 069 / 9132 82819
E- Mail: Carmen.Hensler@helaba.de

(B) If to the Borrower:
Geschäftshaus am Gendarmenmarkt GmbH
c/o Hauck Schuchardt
Niedenau 61- 63
60325 Frankfurt am Main

With a copy to:
NorthStar Asset Management Group, Ltd
c/o NSAM Luxembourg S.à r.l.
6A Route De Trèves,
L- 2633, Senningerberg
Luxembourg
Email: legal@nsamgroup.com

20.3 The Lender shall be informed of any change of address of the Borrower by prior written notice. The Borrower shall be informed of any change of address of the Lender by prior written notice. After such notice has been given deliveries, notices and handing over of documents may only be made at the changed address.

20.4 Security documents which have to be filed with a German authority (in particular the land charge creation deed) shall be made in the German language.

21. Miscellaneous

21.1 **Applicable Law**

This Loan Agreement shall be governed by German law. Any security documents entered into in relation to foreign collateral shall be governed by the relevant local law unless stated to the contrary in the security document.

21.2 **Place of Venue**

Non- exclusive place of venue (nicht- ausschließlicher Gerichtsstand) for all disputes arising under or in connection with this Loan Agreement shall be Frankfurt am Main, Germany, except for any security documents entered into which are governed by foreign law for which the place of jurisdiction as set out in the relevant security document shall be relevant.

21.3 **Written Form**

Any amendments of or supplements to this Loan Agreement must be in writing unless a stricter form is required by any statutory provisions. This written form requirement shall also apply to amendments, cancellations or a waiver of compliance with this Section 20.3.

21.4 **Enforceability**

If any provision of this Loan Agreement is invalid or unenforceable, the validity of the remaining provisions shall not be affected hereby. The parties shall agree to replace the invalid or unenforceable provision by a provision which reflects as closely as possible the commercial arrangement strived for by the parties. The same shall apply where this Loan Agreement contains an omission.

21.5 **Terms and Conditions of Loan/General Terms and Conditions (AGB)**

By way of supplement to the provisions of this Loan Agreement, the attached general terms and conditions of loan (Schedule A – Terms and Conditions of Loan) (the "**Terms and Conditions of Loan**") of the Lender as well as the general terms and conditions of business (Schedule B – General Terms and Conditions – the "**General Terms and Conditions (AGB)**") of the Lender shall apply and form an integral part hereof. Clauses No. 22 (Supplemental Collateral and Release) and No. 26 (Right of Termination) of the General Terms and Conditions do not apply and do not form an integral part of this Loan Agreement. If there should be a conflict between the Terms and Conditions of Loan/the General Terms and Conditions (AGB) and the terms of the Finance Documents, the terms of the Finance Documents shall prevail.

21.6 **Relationship between the Finance Documents**

Unless stated to the contrary in this Agreement, the terms and conditions of this Loan Agreement shall be supplemented by the terms and conditions of the Security Documents and any other agreement entered into between the Lender and the Borrower or a Security Provider in connection with the Loan.

21.7 **Publications**

The Lender is entitled, following review by and with the consent of the Borrower (such consent not be unreasonably withheld), to publish the financing of the transaction in any customary form (press/internet/marking material/fairs) once the transaction has been closed. The Borrower shall provide, if available, high definition images of the Property for the purposes of sentence 1.

21.8 **Waiver**

No failure to exercise, nor any delay in exercising, any right or claim under the Finance Documents on the part of the Lender shall operate as a waiver, nor shall any single or partial exercise of any right or claim prevent any further exercise of such right or the exercise of any other right or claim.

21.9 **Conclusion of this Loan Agreement**

The Parties may enter into this Loan Agreement also by exchanging signed copies of this agreement via facsimile or in form of electronic copies.

22. Assignment, Syndication

22.1 **No Transfer by Borrower and Security Provider**

The Borrower and any Security Provider may neither assign nor transfer their right /or obligations under the Finance Documents.

22.2 **Transfer/Syndication by the Lender**

The Lender is entitled, but only after utilisation of the Loan, to transfer, assign or pledge its rights under the Finance Documents in whole or part to a third party (such party an "**Assignee**" which term also includes any transferee, assignee and pledgee of an Assignee) without observing any formal requirement other than the requirements expressly set out in this Section 22 (Assignment, Syndication). The Assignee can be a member of the European system of central banks, a bank, a credit institution, a financial services institution (Finanzdienstleistungsinstitut), an insurance company (Versicherungsunternehmen), a pension fund (Versorgungswerk/Pensionskasse), or a special purpose vehicle engaged in the acquisition of loan receivables or the lending of money and funded by one of the foregoing entities, provided that at the time of the transfer the lending office of the Assignee is in Germany, France, Austria or the United Kingdom (each Assignee meeting these requirements a "**Suitable Assignee**").

22.3 **[intentionally left blank]**

22.4 **Further Assignments**

For the avoidance of doubt, the Lender and each Assignee are entitled to further assign or pledge the rights assigned to it provided that prior to the occurrence of an Event of Default the proposed Assignee qualifies as a Suitable Assignee and the amount of the Loan assigned is equal to at least EUR 45,000,000. This minimum amount does not apply to any sub-participation granted by the Lender to any savings bank (Sparkasse) in Germany.

22.5 **Beneficial Lenders and Syndication Structure**

The Lender hereby informs the Borrower that it will syndicate the Loan by assigning its rights under or in connection with the Finance Documents (the "**Financing Rights**") partially to a number of Suitable Assignees which in turn will re- assign the Financing Rights assigned to them to the Lender. The Lender will hold such re- assigned Financing Rights under a consortium agreement (Konsortialvertrag – the "**Consortium Agreement**") in trust for the Assignees party to the Consortium Agreement (such Assignees which are party to the Consortium Agreement, the "**Beneficial Lenders**"). As a consequence of this syndication structure, the Lender will continue to be the sole legal (but not beneficial) owner of the Financing Rights assigned to the Beneficial Lenders. For the avoidance of doubt, the foregoing is only a description as to how the Lender will

syndicate the Loan in compliance with Sections 22.2 and 22.4; the foregoing does not provide for a separate or individual form of syndication.

The Lender hereby further informs the Borrower that, as a consequence of the trust arrangements under the Consortium Agreement, it might be bound to the decisions of the Beneficial Lenders in relation to exercising any discretion that is vested in the Lender under the Finance Documents and, when exercising such discretion, it has to consider the interests of the Beneficial Lenders. The Lender hereby declares that the terms and conditions of this Loan Agreement have been disclosed to the Beneficial Lenders and other Assignees and that, according to the Consortium Agreement, the Beneficial Lenders may only assign any right they may have in relation to the Loan in compliance with the terms and conditions of this Loan Agreement.

22.6 **No Restrictions**

After the occurrence of an Event of Default, the Lender and any Assignee may transfer its Financing Rights without any restriction.

22.7 **Disclosure of Information**

The Finance Parties may transmit to any Suitable Assignee and, following the occurrence of an Event of Default, to any proposed Assignee, all information relating to the Loan or the Borrower, a Group Company or the Sponsors by electronic means. The Borrower releases the Finance Parties to this extent from their respective obligation to maintain confidentiality pursuant to their bank relationship (banking secrecy) and will ensure that any consents required from the Sponsors or a Group Company to disclose information is obtained. The Finance Parties shall obtain confirmation from the recipient of such data that it will treat the data received confidentially, provided that such recipient is not already obliged pursuant to statutory or professional rules to keep such information confidential. The Finance Parties assume no liability for any damage which may result from the transmission of information by electronic means unless such damage was caused by the gross negligent (grob fahrlässig) or wilful misconduct (Vorsatz) of a Finance Party (it being understood that each a Finance Party is only liable for its own gross negligence and own wilful misconduct). This shall also apply in the event of unauthorized access or a breach of a duty of confidentiality.

22.8 **Taxes and Syndication**

If a Finance Party assigns any of its rights under this Agreement to a third party and as a result the Borrower would be obliged to make a payment to the such third party under clause 6 (Tax) of the Terms and Conditions of Loan, then such third party is only entitled to receive payment under these provisions to the same extent as the Lender would have been entitled if the transfer(s) had not occurred.

Schedules:
Schedule A – Terms and Conditions of Loan
Schedule B – General Terms and Conditions (AGB)
Schedule 1.1 – Property
Schedule 3.1 – Shareholder Structure
Schedule 7.1– Security
Schedule 8.1 – Conditions Precedent
Schedule 8.2 –Form of Utilisation Request
Schedule 10.1.12 (B) – Existing Charges
Schedule 10.1.12 (C) – Defects
Schedule 11.1 – Planned Changes to the Property
Schedule 11.2.3 – Duty of Care Agreement
Schedule 12.22 – Permitted Change of Legal Form
Schedule 13.3.2 – Form of Compliance Certificate
Schedule 13.4 – Precedent Business Plan
Schedule 14.1.1 – Transaction Accounts

Signature Page

Geschäftshaus am Gendarmenmarkt GmbH (Borrower):

Date:	20.07.2015	Date:	_____
	/s/ Jonathan Farkas		_____
Name:	Jonathan Farkas	Name:	
Position:	Managing Director (Geschäftsfüh- rer)	Position:	Managing Director (Geschäftsfüh- rer)

Landesbank Hessen- Thüringen Girozentrale (Lender):

Date:	20.07.2015	Date:	20.07.2015
	/s/ Hederer		/s/ Hengler
Name:	Hederer	Name:	Hengler
Position:		Position:	

Exhibit 10.13

NORTHSTAR REALTY EUROPE CORP.
2015 OMNIBUS STOCK INCENTIVE PLAN

Section 1.General Purpose of Plan.

The name of this plan is the NorthStar Realty Europe Corp. 2015 Omnibus Stock Incentive Plan (the "Plan"). The purpose of the Plan is to enable the Company to attract and retain highly qualified personnel who will contribute to the Company's success and to provide incentives to Participants (hereinafter defined) that are linked directly to increases in stockholder value and will therefore inure to the benefit of all stockholders of the Company. To accomplish the foregoing, the Plan provides that the Company may grant awards of Stock, Incentive Stock Options, Non- Qualified Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Dividend Equivalent Rights, Cash- Based Awards and Other Awards (each as hereinafter defined).

Section 2. Definitions.

For purposes of the Plan, the following terms shall be defined as set forth below:

(a) "Administrator" means, except as provided in Section 3(a), the Board, or the compensation committee of the Board or a similar committee performing the functions of the compensation committee and which is comprised of not less than two NonEmployee Directors who are independent.

(b) "Award" means an award of Stock, Incentive Stock Options, Non- Qualified Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Dividend Equivalent Rights, Cash- Based Award or Other Awards under the Plan.

(c) "Beneficial Owner" shall have the meaning set forth in Rule 13d- 3 under the Exchange Act.

(d) "Board" means the Board of Directors of the Company.

(e) "Cash- Based Award" means an Award entitling the recipient to receive a cash- denominated payment.

(f) "Change of Control" means " prior to the Spin- Off, an NRF Change of Control or an NSAM Change of Control or, from and after the Spin- Off, an NRE Change of Control or an NSAM Change of Control.

(g) "Code" means the Internal Revenue Code of 1986, as amended from time- to- time, or any successor thereto.

(h) "Company" means NorthStar Realty Europe Corp., a Maryland corporation (or any successor corporation).

(i) "Covered Employee" means an employee who is a "Covered Employee" within the meaning of Section 162(m) of the Code.
(j) "Dividend Equivalent Right" means an Award entitling the Participant to receive credits based on cash dividends that would have been paid on the shares of Stock specified in the Dividend Equivalent Right (or other award to which it relates) if such shares had been issued to and held by the Participant.
(k) "Effective Date" means the date on which the Plan is approved by stockholders as set forth in Section 18.
(l) "Eligible Recipient" means an officer, director (including a Non- Employee Director), employee, co- employee, consultant or advisor of the Company, NSAM, or of any Parent or Subsidiary who provides services to the Company; provided such services are not in connection with the offer or sale of securities in a capital- raising transaction and do not directly or indirectly promote or maintain a market for the Company's securities.
(m) "Exchange Act" means the Securities Exchange Act of 1934, as amended from time- to- time.
(n) "Fair Market Value" means, as of any given date, the fair market value of a share of Stock as determined by the Administrator using any reasonable method and in good faith; provided that if shares of Stock are admitted to trading on a national securities exchange, the fair market value of a share of Stock on any date shall be the closing sale price reported for such share on the exchange on such date on which a sale was reported.
(o) "Free Standing Rights" has the meaning set forth in Section 8 hereof.
(p) "Free Standing Stock Appreciation Rights" has the meaning set forth in Section 8 hereof.
(q) "Immediate Family" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in- law, father- in- law, son- in- law, daughter- in- law, brother- in- law or sister- in- law, and shall include adoptive relationships of the Participant.
(r) "Incentive Stock Option" means any Stock Option intended to be designated as an "incentive stock option" within the meaning of Section 422 of the Code.
(s) "Non- Employee Director" means a director of the Company who is not an employee of the Company who qualifies as a "non- employee director" as defined in Rule 16b- 3 under the Exchange Act and as an "outside director" as defined in Section 162(m) of the Code.

(t) "Non- Qualified Stock Option" means any Stock Option that is not an Incentive Stock Option, including any Stock Option that provides (as of the time such Stock Option is granted) that it will not be treated as an Incentive Stock Option.
(u) "NRE Change of Control" means and includes any of the following events:
(i) any Person is or becomes Beneficial Owner, directly or indirectly, of securities of the Company representing thirty-five percent (35%) or more of the combined voting power of the then outstanding securities of the Company, excluding (A) any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (x) of paragraph (ii) below, and (B) any Person who becomes such a Beneficial Owner through the issuance of such securities with respect to purchases made directly from the Company; or
(ii) the consummation of a merger or consolidation of the Company with any other Person or the issuance of voting securities of the Company in connection with a merger or consolidation of the Company (or any direct or indirect subsidiary of the Company), other than (x) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) fifty percent (50%) or more of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (y) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing thirty- five percent (35%) or more of the combined voting power of the then outstanding securities of the Company; or
(iii) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company; or
(iv) the consummation of the sale or disposition by the Company of all or substantially all of the assets of the Company; or
(v) individuals who, immediately following the Spin- Off, constitute the Board (the "Incumbent Directors") cease for any reason to constitute at least a majority of the Board, provided that

any person becoming a director subsequent to such date, whose election or nomination for election was approved by a vote of at least two- thirds of the Incumbent Directors then on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without written objection to such nomination) shall be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to directors or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board shall be deemed to be an Incumbent Director.

provided that, for avoidance of doubt, the Spin- Off shall not constitute an NRE Change of Control.

(v) "NRF" means NorthStar Realty Finance Corp., the ultimate parent of the Company prior to the Spin- Off, or its successor.

(w) "NRF Change of Control" means and includes any of the following events:

(i) any Person is or becomes Beneficial Owner, directly or indirectly, of securities of NRF representing thirty- five percent (35%) or more of the combined voting power of the then outstanding securities of NRF, excluding (A) any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (x) of paragraph (ii) below, and (B) any Person who becomes such a Beneficial Owner through the issuance of such securities with respect to purchases made directly from NRF; or

(ii) the consummation of a merger or consolidation of NRF with any other Person or the issuance of voting securities of NRF in connection with a merger or consolidation of NRF (or any direct or indirect subsidiary of NRF), other than (x) a merger or consolidation which would result in the voting securities of NRF outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) fifty percent (50%) or more of the combined voting power of the securities of NRF or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (y) a merger or consolidation effected to implement a recapitalization of NRF (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or

indirectly, of securities of NRF representing thirty- five percent (35%) or more of the combined voting power of the then outstanding securities of NRF; or

(iii) the stockholders of NRF approve a plan of complete liquidation or dissolution of NRF; or

(iv) the consummation of the sale or disposition by NRF of all or substantially all of the assets of NRF; or

(v) individuals who, on the Effective Date, constitute the Board of Directors of NRF (the "NRF Incumbent Directors") cease for any reason to constitute at least a majority of the Board of Directors of NRF, provided that any person becoming a director subsequent to the Effective Date, whose election or nomination for election was approved by a vote of at least two- thirds of the NRF Incumbent Directors then on the Board of Directors of NRF (either by a specific vote or by approval of the proxy statement of NRF in which such person is named as a nominee for director, without written objection to such nomination) shall be an NRF Incumbent Director; provided, however, that no individual initially elected or nominated as a director of NRF as a result of an actual or threatened election contest with respect to directors or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board of Directors of NRF shall be deemed to be an Incumbent Director.

provided that, for avoidance of doubt, the Spin- Off shall not constitute an NRF Change of Control.

(x) "NSAM" means NorthStar Asset Management Group Inc., or its successor, an affiliate of which will be the Company's external manager and adviser following the Spin- Off.

(y) "NSAM Change of Control" means and includes any of the following events:

(i) any Person is or becomes Beneficial Owner, directly or indirectly, of securities of NSAM representing thirty- five percent (35%) or more of the combined voting power of the then outstanding securities of NSAM, excluding (A) any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (x) of paragraph (ii) below, and (B) any Person who becomes such a Beneficial Owner through the issuance of such securities with respect to purchases made directly from NSAM; or

(ii) the consummation of a merger or consolidation of NSAM with any other Person or the issuance of voting securities of NSAM in connection with a merger or consolidation of NSAM (or any direct or indirect subsidiary of NSAM), other than (x) a merger or consolidation which would result in the voting securities of NSAM outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) fifty percent (50%) or more of the combined voting power of the securities of NSAM or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (y) a merger or consolidation effected to implement a recapitalization of NSAM (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of NSAM representing thirty-five percent (35%) or more of the combined voting power of the then outstanding securities of NSAM; or

(iii) the stockholders of NSAM approve a plan of complete liquidation or dissolution of NSAM; or

(iv) the consummation of the sale or disposition by NSAM of all or substantially all of the assets of NSAM; or

(v) individuals who, on the Effective Date, constitute the Board of Directors of NSAM (the "NSAM Incumbent Directors") cease for any reason to constitute at least a majority of the Board of Directors of NSAM, provided that any person becoming a director subsequent to the Effective Date, whose election or nomination for election was approved by a vote of at least two- thirds of the NSAM Incumbent Directors then on the Board of Directors of NSAM (either by a specific vote or by approval of the proxy statement of NSAM in which such person is named as a nominee for director, without written objection to such nomination) shall be an NSAM Incumbent Director; provided, however, that no individual initially elected or nominated as a director of NSAM as a result of an actual or threatened election contest with respect to directors or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board of Directors of NSAM shall be deemed to be an Incumbent Director.

(z) "Other Awards" means an award granted pursuant to Section 12 hereof.

(aa) "Parent" means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company, if each of the corporations in

the chain (other than the Company) owns stock possessing 50% or more of the combined voting power of all classes of stock in one of the other corporations in the chain.

(bb) "Participant" means any Eligible Recipient selected by the Administrator, pursuant to the Administrator's authority in Section 3 below, to receive an Award.

(cc) "Performance- Based Award" means any Award of Restricted Stock, Restricted Stock Units, Cash- Based Award or Other Award granted to a Covered Employee that is intended to qualify as "performance- based compensation" under Section 162(m) of the Code and the regulations promulgated thereunder.

(dd) "Performance Criteria" means the criteria that the Administrator selects for purposes of establishing the Performance Goal or Performance Goals for an individual for a Performance Cycle. The Performance Criteria (which shall be applicable to the organizational level or entity specified by the Administrator, including, but not limited to, the Company's Parent, the Company or a unit, division, group, or Subsidiary of the Company or any entity managed by the Company or its Subsidiary and/or any combination of the foregoing) that will be used to establish Performance Goals are limited to the following: total shareholder return; cash available for distribution; earnings before interest, taxes, depreciation and amortization; net income (loss) (either before or after interest, taxes, depreciation and/or amortization or any other adjustment); changes in the market price of the Stock or stock of our external manager; economic value- added; funds from operations or similar measure, including adjusted funds from operations and equity adjusted funds from operations; sales or revenue; acquisitions or strategic transactions; operating income (loss); cash flow (including, but not limited to, operating cash flow and free cash flow); return on capital, assets, equity, or investment; return on sales; liquidity; balance sheet liquidity; discounted payoff; gross or net profit levels; productivity; expense; margins; operating efficiency; working capital; earnings (loss) per share of Stock or stock of our external manager; sales or market shares and assets under management; any of which may be measured either in absolute terms or as compared to any incremental increase or as compared to results of a peer group or index. The Administrator may appropriately adjust any evaluation performance under a Performance Goal to exclude any of the following events that occurs during the applicable performance period: (i) asset write- downs or impairments, (ii) litigation or claim judgments or settlements, (iii) the effect of changes in tax law, accounting principles or other such laws or provisions affecting reporting results, (iv) accruals for reorganizations and restructuring programs, (v) any non- recurring items, including those described in the Financial Accounting Standards Board's authoritative guidance and/or in management's discussion and analysis of financial condition of operations appearing the Company's (or other applicable entity's) annual report to stockholders for the applicable year, and (vi) any other extraordinary items adjusted from the Company U.S. GAAP results.

(ee) "Performance Cycle" means one or more periods of time, which may be of varying and overlapping durations, as the Administrator may select, over

which the attainment of one or more Performance Criteria will be measured for the purpose of determining a grantee's right to and the payment of an Award of Restricted Stock, Restricted Stock Units, Cash- Based Award or Other Award, the vesting and/or payment of which is subject to the attainment of one or more Performance Goals.

(ff) "Performance Goals" means, for a Performance Cycle, the specific goals established in writing by the Administrator for a Performance Cycle based upon the Performance Criteria.

(gg) "Person" means an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization, other entity or "group" (as defined in the Exchange Act).

(hh) "Plan" has the meaning set forth to it in Section 1 hereof.

(ii) "Related Rights" has the meaning set forth in Section 8 hereof.

(jj) "Related Stock Appreciation Rights" has the meaning set forth in Section 8 hereof.

(kk) "Restricted Period" has the meaning set forth in Section 9 hereof.

(ll) "Restricted Stock" means shares of Stock subject to certain restrictions granted pursuant to Section 9 below.

(mm) "Restricted Stock Unit" means an Award of phantom stock units subject to certain restrictions granted pursuant to Section 10 below, which may be settled in Stock.

(nn) "Sale Price" means the value as determined by the Administrator of the consideration payable, or otherwise to be received by stockholders, per share of Stock pursuant to a transaction described in Section 5(b) below.

(oo) "Securities Act" means the Securities Act of 1933, as amended.

(pp) "Spin- Off" means the contemplated spin- off of the Company from NorthStar Realty Finance Corp.

(qq) "Stock" means the common stock, par value $0.01 per share, of the Company.

(rr) "Stock Appreciation Right" means the right pursuant to an award granted under Section 8 below to receive an amount equal to the excess, if any, of (A) the Fair Market Value, as of the date such Stock Appreciation Right or portion thereof is surrendered, of the shares of Stock covered by such right or such portion thereof, over (B) the aggregate exercise price of such right or such portion thereof.

(ss) "Stock Option" means an option to purchase shares of Stock granted pursuant to Section 7 below.
(tt) "Subsidiary" means any corporation or other entity (other than the Company) in which the Company has a controlling interest, either directly or indirectly.
(uu) "Unit" or "Units" means a unit or units of limited partnership interest in NorthStar Realty Europe Limited Partnership, a Delaware limited partnership, and the entity through which the Company conducts a significant portion of its business.

Section 3. Administration.

(a) The Plan shall be administered in accordance with the requirements of Section 162(m) of the Code (but only to the extent necessary and desirable to maintain qualification of Awards under the Plan under Section 162(m) of the Code) and, to the extent applicable, Rule 16b- 3 under the Exchange Act by the Administrator. Notwithstanding anything herein to the contrary, prior to the Spin- off, the Compensation Committee of NRF's Board of Directors (or other committee of NRF's Board of Directors which is comprised of not less than two Non- Employee Directors who are independent) shall be the Administrator hereunder and shall make and approve all determinations under the Plan.
(b) The Administrator shall have the power and authority to grant Stock, Incentive Stock Options, Non- Qualified Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Dividend Equivalent Rights, Cash- Based Awards, Other Awards or any combination of the foregoing hereunder to Eligible Recipients pursuant to the terms of the Plan. In particular, but without limitation, the Administrator shall have the authority:
(i) to select those Eligible Recipients who shall be Participants;
(ii) to determine whether and to what extent Awards are to be granted hereunder to Participants;
(iii) to determine the number of shares of Stock to be covered by each Award granted hereunder;
(iv) to determine the terms and conditions, not inconsistent with the terms of the Plan, of each Award granted hereunder, including the waiver or modification of any such terms or conditions;
(v) to determine the terms and conditions, not inconsistent with the terms of the Plan, which shall govern all written instruments evidencing Awards granted hereunder, including the waiver or modification of any such terms or conditions;

(vi) to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it shall from time-to- time deem advisable; and

(vii) to interpret the terms and provisions of the Plan and any Award issued under the Plan (and any award certificates relating thereto) and to otherwise supervise the administration of the Plan.

(c) The Administrator may, in its absolute discretion, without amendment to the Plan: (i) accelerate the date on which any Stock Option or Stock Appreciation Right granted under the Plan becomes exercisable, waive or amend the operation of Plan provisions respecting exercise after termination of employment or otherwise adjust any of the terms of such Stock Option or Stock Appreciation Right; and (ii) accelerate the lapse of restrictions or waive any condition imposed hereunder, with respect to any share of Restricted Stock, Restricted Stock Unit or Other Award or otherwise adjust any of the terms applicable to any such Award; provided, however, that no action under this Section 3(c) shall adversely affect any outstanding Award without the consent of the holder thereof.

(d) All decisions made by the Administrator pursuant to the provisions of the Plan shall be final, conclusive and binding on all persons, including the Company and the Participants. No member of the Administrator, nor any officer or employee of the Company acting on behalf of the Administrator, shall be personally liable for any action, determination or interpretation taken or made in good faith with respect to the Plan and all members of the Administrator and each and any officer or employee of the Company acting on their behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect of any such action, determination or interpretation.

Section 4. Shares Reserved for Issuance Under the Plan.

The total number of shares of Stock reserved and available for issuance under the Plan shall be 10,000,000 shares of Stock (the "Initial Limit"), subject to adjustment as provided in Section 5(a), plus on January 1, 2017 and each January 1 thereafter, the number of shares of Stock reserved and available for issuance under the Plan shall be cumulatively increased by two percent of the number of shares of Stock issued and outstanding on the immediately preceding December 31 (the "Annual Increase"). For purposes of this limitation, the shares of Stock underlying any Awards that are forfeited, canceled, held back upon exercise of a Stock Option or settlement of an Award to cover the exercise price or tax withholding, reacquired by the Company prior to vesting, satisfied without the issuance of Stock or otherwise terminated (other than by exercise) shall be added back to the shares of Stock available for issuance under the Plan. Subject to such overall limitations, shares of Stock may be issued up to the Initial Limit pursuant to Incentive Stock Options, and Stock Options or Stock Appreciation Rights with respect to no more than the Initial Limit may be granted to any one individual Eligible Recipient during any one calendar year period. The shares available for issuance

under the Plan may be authorized but unissued shares of Stock or shares of Stock reacquired by the Company.

Section 5. Equitable Adjustments; Sale Events

(a) Upon the occurrence of any merger, reorganization, consolidation, recapitalization, stock dividend or other change in corporate structure affecting the Stock or other interests that are valued in whole or in part by reference to, or are otherwise calculated by reference to or based on, shares of Stock, the Administrator shall make appropriate equitable adjustments, which may include, without limitation, adjustments to: (i) the aggregate number of shares of Stock reserved for issuance under the Plan; (ii) the kind, number and exercise price of outstanding Stock Options and Stock Appreciation Rights granted under the Plan; and (iii) the kind, number and purchase price of shares of Stock subject to outstanding awards of Restricted Stock, Restricted Stock Units, Dividend Equivalent Rights and Other Awards granted under the Plan, in each case as may be determined by the Administrator, in its sole discretion. The Administrator shall also make appropriate equitable adjustments as necessitated by a merger, reorganization, consolidation, recapitalization, stock dividend or other change in corporate structure affecting NSAM, NRF or any other entity that separates from any of the Company or NRF via spin- off or other transaction as well as each entity that separates from an entity previously separated from NRF or the Company via spin- off or other transaction, which may include, without limitation, adjustments to the performance goals for any Awards as they relate to the combined performance of the Company, NSAM, NRF or any other entity that separates from any of the Company or NRF via spin- off or other transaction as well as each entity that separates from an entity previously separated from NRF or the Company via spin- off or other transaction. In addition, the Administrator shall also (i) make appropriate equitable adjustments in the number of shares subject to outstanding Awards and the exercise price and the terms of outstanding Awards to take into consideration cash dividends paid other than in the ordinary course or any other extraordinary corporate event and (ii) upon the occurrence of any merger, reorganization, consolidation, recapitalization, stock dividend or other change in corporate structure affecting the Stock, make appropriate adjustments to eliminate fractional shares resulting from such event. Such other substitutions or adjustments shall be made as may be determined by the Administrator, in its sole discretion. The adjustment by the Administrator shall be final, binding and conclusive.

(b) Except as the Administrator may otherwise specify with respect to particular Awards in the relevant award certificate, in the case of and subject to the consummation of (i) a merger, share exchange, reorganization or consolidation or (ii) the sale of all or substantially all of the assets of the Company on a consolidated basis to an unrelated Person, all Stock Options and Stock Appreciation Rights that are not exercisable immediately prior to the effective time of such transaction shall become fully exercisable as of the effective time of such transaction, all other Awards with time- based vesting, conditions or restrictions shall become fully vested and nonforfeitable as of the effective time of such transaction and all Awards with conditions and restrictions relating

to the attainment of performance goals may become vested and nonforfeitable in connection with such transaction in the Administrator's discretion, unless, in any case, the parties to such transaction agree that Awards will be assumed or continued by the successor entity or new Awards of the successor entity or parent thereof will be substituted for such Awards with appropriate adjustment as to the number and kind of shares and, if appropriate, the per share exercise prices, as such parties shall agree. Upon the effective time of any such transaction, the Plan and all outstanding Awards granted hereunder shall terminate, unless provision is made in connection with such transaction in the sole discretion of the parties thereto for the assumption or continuation of such Awards by the successor entity, or the substitution of such Awards with new Awards of the successor entity or parent thereof, with appropriate adjustment as to the number and kind of shares and, if appropriate, the per share exercise prices, as such parties shall agree. In the event of such termination: (i) the Company shall have the option (in its sole discretion) to make or provide for a cash payment to the holders of Stock Options and Stock Appreciation Rights, in exchange for the cancellation thereof, in an amount equal to the difference between (A) the Sale Price multiplied by the number of shares of Stock subject to outstanding Options and Stock Appreciation Rights (to the extent then exercisable (after taking into account any acceleration hereunder) at prices not in excess of the Sale Price) and (B) the aggregate exercise price of all such outstanding Options and Stock Appreciation Rights; or (ii) each Participant shall be permitted, within a specified period of time prior to the consummation of such transaction as determined by the Administrator, to exercise all outstanding Options and Stock Appreciation Rights held by such Participant. In connection with any such transaction in which the shares of Stock are exchanged for or converted into the right to receive cash, the parties to any such transaction may also provide that some or all outstanding Awards that would otherwise not be fully vested and exercisable in full after giving effect to the transaction will be converted (a "Converted Award") into the right to receive the Sale Price multiplied by the number of shares subject to such Awards (net of the applicable exercise price), subject to any remaining vesting provisions relating to such Awards and the other terms and conditions of such transaction (such as indemnification obligations and purchase price adjustments) to the extent provided by the parties to such transaction.

Section 6. Eligibility.

Eligible Recipients shall be eligible to be granted Stock, Incentive Stock Options, Non- Qualified Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Dividend Equivalent Rights, Cash- Based Awards, Other Awards or any combination of the foregoing hereunder. The Participants under the Plan shall be selected from time- to-time by the Administrator, in its sole discretion, from among the Eligible Recipients, and the Administrator shall determine, in its sole discretion, the number of shares of Stock covered by each such Award.

Section 7. Stock Options.

Stock Options may be granted alone or in addition to other Awards granted under the Plan. Any Stock Option granted under the Plan shall be in such form as the Administrator may from time- to- time approve, and the provisions of Stock Option awards need not be the same with respect to each Participant. Each participant who is granted a Stock Option shall receive an award certificate of the Stock Option, in such form as the Administrator shall determine, which shall set forth, among other things, the option price of the Stock Option, the term of the Stock Option and provisions regarding exercisability of the Stock Option granted thereunder.

The Stock Options granted under the Plan may be of two types: (i) Incentive Stock Options and (ii) Non- Qualified Stock Options.

The Administrator shall have the authority to grant to any officer or employee of the Company or of any Parent or Subsidiary (including directors who are also officers of the Company) Incentive Stock Options, Non- Qualified Stock Options or both types of Stock Options (in each case with or without Stock Appreciation Rights). Directors who are not also employees or officers of the Company or of any Parent or Subsidiary, consultants or advisors to the Company or to any Parent or Subsidiary may only be granted Non- Qualified Stock Options (with or without Stock Appreciation Rights). To the extent that any Stock Option does not qualify as an Incentive Stock Option, it shall constitute a separate Non-Qualified Stock Option. More than one Stock Option may be granted to the same Participant and be outstanding concurrently hereunder.

Stock Options granted under the Plan shall be subject to the following terms and conditions and to the award certificate evidencing each Award which shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Administrator shall deem desirable:

(a) Option Price. The option exercise price per share of Stock underlying each Stock Option shall be determined by the Administrator in its sole discretion at the time of grant but shall not be less than 100% of the Fair Market Value of the Stock on such date (or with respect to Incentive Stock Options, 110% of the Fair Market Value per share on such date if, on such date, the Eligible Recipient owns, or is deemed to own under the Code, stock possessing more than ten percent (a "Ten Percent Owner") of the total combined voting power of all classes of Stock).

(b) Option Term. The term of each Stock Option shall be fixed by the Administrator, but no Stock Option shall be exercisable more than ten years after the date such Stock Option is granted; provided, however, that if the Eligible Recipient is a Ten Percent Owner, an Incentive Stock Option may not be exercisable after the expiration of five years from the date such Incentive Stock Option is granted.

(c) Exercisability. Stock Options shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Administrator at or after the time of grant; provided, however, that no action following the time of grant shall adversely affect any outstanding Stock Option without the consent of the holder thereof. The Administrator may provide at the time of grant, in its sole discretion, that any Stock Option shall be exercisable only in installments, and the Administrator may waive such installment exercise provisions at any time, in whole or in part, based on such factors as the Administrator may determine, in its sole discretion, including but not limited to in connection with any Change in Control of the Company.

(d) Method of Exercise. Subject to Section 7(c), Stock Options may be exercised in whole or in part at any time during the option period, by giving written notice of exercise to the Company specifying the number of shares of Stock to be purchased, accompanied by payment in full of the purchase price in cash or its equivalent, as determined by the Administrator. As determined by the Administrator, in its sole discretion, payment in whole or in part may also be made: (i) by certified or bank check or other instrument acceptable to the Administrator; (ii) in the form of unrestricted Stock already owned by the Participant which has a Fair Market Value on the date of surrender equal to the aggregate option price of the Stock as to which such Stock Option shall be exercised and subject to such other terms and conditions as the Administrator may provide, provided, however, that in the case of an Incentive Stock Option, the right to make payment in the form of already owned shares of Stock may be authorized only at the time of grant; (iii) by the Participant delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company for the purchase price; provided that in the event the Participant chooses to pay the purchase price as so provided, the Participant and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Administrator shall prescribe as a condition of such payment procedure; (iv) with respect to Stock Options that are not Incentive Stock Options, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; (v) any other form of consideration approved by the Administrator and permitted by applicable law; or (vi) any combination of the foregoing.

(e) Rights as Stockholder. A Participant shall generally have the rights to dividends and any other rights of a stockholder with respect to the Stock subject to the Stock Option only after the Participant has given written notice of exercise, has paid in full for such shares, and, if requested, has given the representation described in paragraph (b) of Section 17 below.

(f) Termination of Employment or Service. In the event that a Participant ceases to be employed by or to provide services to any of the Company, any Parent or any Subsidiary, any outstanding Stock Options previously granted to such Participant shall be exercisable at such time or times and subject to such terms and

conditions as set forth in the award certificate governing such Awards. Unless otherwise provided in the award certificate, Stock Options granted to such Participant, to the extent they were not vested and exercisable at the time of such termination, shall expire on the date of such termination.

(g) Annual Limit on Incentive Stock Options. In addition to the limitation applicable to Stock Options in Section 4 above, to the extent that the aggregate Fair Market Value (determined as of the date the Incentive Stock Option is granted) of shares of Stock with respect to which Incentive Stock Options granted to a Participant under this Plan and all other option plans of the Company or of any Parent or Subsidiary become exercisable for the first time by the Participant during any calendar year exceeds $100,000 (as determined in accordance with Section 422(d) of the Code), the portion of such Incentive Stock Options in excess of $100,000 shall be treated as Non- Qualified Stock Options.

Section 8. Stock Appreciation Rights.

Stock Appreciation Rights may be granted either alone ("Free Standing Rights") or in conjunction with all or part of any Stock Option granted under the Plan ("Related Rights"). In the case of a Non- Qualified Stock Option, Related Rights may be granted either at or after the time of the grant of such Stock Option. In the case of an Incentive Stock Option, Related Rights may be granted only at the time of the grant of the Incentive Stock Option. The Administrator shall determine the Eligible Recipients to whom, and the time or times at which, grants of Stock Appreciation Rights shall be made; the number of shares of Stock to be awarded, the exercise price and all other conditions of Stock Appreciation Rights. The provisions of Stock Appreciation Rights need not be the same with respect to each Participant.

Stock Appreciation Rights granted under the Plan shall be subject to the following terms and conditions and to the award certificate evidencing such Award which shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Administrator shall deem desirable:

(a) Awards. Participants who are granted Stock Appreciation Rights shall have no rights as stockholders of the Company with respect to the grant or exercise of such rights.

(b) Exercisability.

(i) Stock Appreciation Rights that are Free Standing Rights ("Free Standing Stock Appreciation Rights") shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Administrator at or after grant.

(ii) Stock Appreciation Rights that are Related Rights ("Related Stock Appreciation Rights") shall be exercisable only at such time or

times and to the extent that the Stock Options to which they relate shall be exercisable in accordance with the provisions of Section 7 above and this Section 8 of the Plan; provided, however, that a Related Stock Appreciation Right granted in connection with an Incentive Stock Option shall be exercisable only if and when the Fair Market Value of the Stock subject to the Incentive Stock Option exceeds the option price of such Stock Option.

(c) Payment Upon Exercise.

(i) Upon the exercise of a Free Standing Stock Appreciation Right, the Participant shall be entitled to receive up to, but not more than, an amount in cash or that number of shares of Stock (or any combination of cash and shares of Stock) equal in value to the excess of the Fair Market Value of one share of Stock as of the date of exercise over the price per share specified in the Free Standing Stock Appreciation Right (which price shall be no less than 100% of the Fair Market Value of the Stock on the date of grant) multiplied by the number of shares of Stock in respect of which the Free Standing Stock Appreciation Right is being exercised, with the Administrator having the right to determine the form of payment.

(ii) A Related Right may be exercised by a Participant by surrendering the applicable portion of the related Stock Option. Upon such exercise and surrender, the Participant shall be entitled to receive up to, but not more than, an amount in cash or that number of shares of Stock (or any combination of cash and shares of Stock) equal in value to the excess of the Fair Market Value of one share of Stock as of the date of exercise over the option price per share specified in the related Stock Option multiplied by the number of shares of Stock in respect of which the Related Stock Appreciation Right is being exercised, with the Administrator having the right to determine the form of payment. Stock Options which have been so surrendered, in whole or in part, shall no longer be exercisable to the extent the Related Rights have been so exercised.

(d) Termination of Employment or Service.

(i) In the event that a Participant ceases to be employed by or to provide services to any of the Company, any Parent or any Subsidiary, any outstanding Stock Appreciation Rights previously granted to such Participant shall be exercisable at such time or times and subject to such terms and conditions as set forth in the award certificate governing such Awards. Unless otherwise provided in the award certificate, Stock Appreciation Rights granted to such Participant, to the extent they were not vested and exercisable at the time of such termination, shall expire on the date of such termination.

(ii) In the event of the termination of employment or service of a Participant who has been granted one or more Related Stock

Appreciation Rights, such rights shall be exercisable at such time or times and subject to such terms and conditions as applicable to the related Stock Options.

(e) Term.

(i) The term of each Free Standing Stock Appreciation Right shall be fixed by the Administrator, but no Free Standing Stock Appreciation Right shall be exercisable more than ten years after the date such right is granted.

(ii) The term of each Related Stock Appreciation Right shall be the term of the Stock Option to which it relates, but no Related Stock Appreciation Right shall be exercisable more than ten years after the date such right is granted.

Section 9. Restricted Stock.

Awards of Restricted Stock may be issued either alone or in addition to other Awards granted under the Plan and shall be evidenced by an award certificate. The Administrator shall determine the Eligible Recipients to whom, and the time or times at which, Restricted Stock awards shall be made; the number of shares to be awarded; the price, if any, to be paid by the Participant for the acquisition of Restricted Stock; the Restricted Period (as defined in Section 9 (c)) applicable to Restricted Stock awards; and all other conditions applicable to Restricted Stock awards. The provisions of the awards of Restricted Stock need not be the same with respect to each Participant.

(a) Purchase Price. The price per share, if any, that a Participant must pay for shares purchasable under an award of Restricted Stock shall be determined by the Administrator in its sole discretion at the time of grant.

(b) Awards and Certificates. If such Restricted Stock is certificated, each Participant who is granted an award of Restricted Stock shall be issued a stock certificate in respect of such shares of Restricted Stock, which certificate shall be registered in the name of the Participant and shall bear an appropriate legend referring to the terms, conditions and restrictions applicable to any such Award; provided that the Company may require that the stock certificates evidencing Restricted Stock granted hereunder be held in the custody of the Company until the restrictions thereon shall have lapsed, and that, as a condition of any Restricted Stock award, the Participant shall have delivered a stock power, endorsed in blank, relating to the shares covered by such Award. Uncertificated Restricted Stock shall be accompanied by a notation on the records of the Company or the transfer agent to the effect that they are subject to forfeiture until such shares of Restricted Stock are vested.

(c) Nontransferability; Restrictions. The Restricted Stock awards granted pursuant to this Section 9 shall be subject to the restrictions on transferability set forth in this Section 9(c) and Section 17(c) during such period as may be set by the

Administrator in the award certificate (the "Restricted Period"); provided that the Administrator may, in its sole discretion, provide for the lapse of such restrictions in installments and may accelerate or waive such restrictions in whole or in part based on such factors and such circumstances as the Administrator may determine in its sole discretion. The Administrator may also impose such other restrictions and conditions, including the achievement of pre- established corporate performance goals on awarded Restricted Stock as it deems appropriate. Any attempt to dispose of any Restricted Shares in contravention of any such restrictions shall be null and void and without effect.

(d) Rights as a Stockholder. Except as provided in Section 9(b) or as otherwise provided in an award certificate, the Participant shall possess all incidents of ownership with respect to shares of Restricted Stock during the Restricted Period, including the right to receive dividends with respect to such shares and to vote such shares. If certificated, certificates for unrestricted shares of Stock shall be delivered to the Participant promptly after, and only after, the Restricted Period shall expire without forfeiture in respect of such awards of Restricted Stock except as the Administrator, in its sole discretion, shall otherwise determine.

(e) Termination of Employment. In the event that a Participant ceases to be employed by or to provide services to any of the Company, any Parent or any Subsidiary during the Restricted Period, any rights pursuant to any Award of Restricted Stock previously granted to such Participant shall be subject to such terms and conditions as set forth in the award certificate governing such Awards. Unless otherwise provided in the award certificate, the Restricted Stock awards granted to such Participant, to the extent that restrictions have not lapsed or applicable conditions have not been met at the time of such cessation of employment or provision of services, shall expire on the date of such termination.

Section 10. Restricted Stock Units.

(a) Nature of Restricted Stock Units. The Administrator shall determine the restrictions and conditions applicable to each Restricted Stock Unit at the time of grant. Conditions may be based on continuing employment (or other service relationship) and/or achievement of pre- established performance goals and objectives. Each grant of Restricted Stock Units shall be evidenced by an award certificate. The terms and conditions of each such grant of Restricted Stock Units shall be determined by the Administrator and such terms and conditions may differ among individual Awards and Participants. At the time and upon the terms and conditions set forth in the award certificate with respect to Restricted Stock Units, the Restricted Stock Units shall be settled in the form of shares of Stock; provided that, to the extent permitted in the award certificate, the Restricted Stock Units may be settled in cash or such other consideration as may be specified in such award certificate. To the extent that an award of Restricted Stock Units is subject to Section 409A of the Code, it may contain such additional terms and conditions as the Administrator shall determine in its sole discretion in order for such Award to comply with the requirements of Section 409A of the Code.

(b) Election to Receive Restricted Stock Units in Lieu of Compensation. The Administrator may, in its sole discretion, permit a Participant to elect to receive a portion of future cash compensation otherwise due to such Participant in the form of an award of Restricted Stock Units. Any such election shall be made in writing and shall be delivered to the Company no later than the date specified by the Administrator and in accordance with Section 409A of the Code and such other rules and procedures established by the Administrator. Any such future cash compensation that the Participant elects to defer shall be converted to a fixed number of Restricted Stock Units based on the Fair Market Value of Stock on the date the compensation would otherwise have been paid to the Participant if such payment had not been deferred as provided herein. The Administrator shall have the sole right to determine whether and under what circumstances to permit such elections and to impose such limitations and other terms and conditions thereon as the Administrator deems appropriate. Any Restricted Stock Units that are elected to be received in lieu of cash compensation shall be fully vested, unless otherwise provided in the applicable award certificate.

(c) Rights as a Stockholder. A Participant shall have the rights as a stockholder only as to shares of Stock acquired by the Participant upon settlement of Restricted Stock Units; provided, however, that the Participant may be credited with Dividend Equivalent Rights with respect to the stock units underlying his Restricted Stock Units, subject to such terms and conditions as the Administrator may determine.

Section 11. Dividend Equivalent Rights

(a) Dividend Equivalent Rights. A Dividend Equivalent Right may be granted hereunder to any Eligible Recipient as a component of an Award or as a freestanding award. The terms and conditions of Dividend Equivalent Rights shall be specified in an award certificate with respect to the Award. Dividend equivalents credited to the holder of a Dividend Equivalent Right may be paid currently or may be deemed to be reinvested in additional shares of Stock, which may thereafter accrue additional equivalents. Any such reinvestment shall be at Fair Market Value on the date of reinvestment or such other price as may then apply under a dividend reinvestment plan sponsored by the Company, if any, as specified in the applicable Award. The Administrator may provide that Dividend Equivalent Rights may be settled in cash or shares of Stock or a combination thereof, in a single installment or installments. A Dividend Equivalent Right granted as a component of an Award may provide that such Dividend Equivalent Right shall be settled upon settlement or payment of, or lapse of restrictions on, such other Award, and that such Dividend Equivalent Right shall expire or be forfeited or annulled under the same conditions as such other Award. A Dividend Equivalent Right granted as a component of an Award may also contain terms and conditions different from such other Award.

(b) Termination. Except as may otherwise be provided by the Administrator either in the applicable award certificate or, subject to Section 15 below, in writing after the Award is issued, a Participant's rights in all Dividend Equivalent Rights

granted as a component of an Award that has not vested shall automatically terminate upon the Participant's termination of employment (or cessation of service relationship) with the Company and its Subsidiaries for any reason.

Section 12. Other Awards.

(a) Nature of Other Awards. Other forms of Awards ("Other Awards") that may be granted under the Plan include Awards that are valued in whole or in part by reference to, or are otherwise calculated by reference to or based on, shares of Stock, including without limitation: (i) Units; (ii) convertible preferred stock, convertible debentures and other convertible, exchangeable or redeemable securities or equity interests (including Units); (iii) membership interests in a Subsidiary or operating partnership; and (iv) Awards valued by reference to book value, fair value or performance parameters relative to the Company or any Subsidiary or group of Subsidiaries. For purposes of calculating the number of shares of Stock underlying an Other Award relative to the total number of shares of Stock reserved and available for issuance under Section 4, the Administrator shall establish in good faith the maximum number of shares of Stock to which a grantee of such Other Award may be entitled upon fulfillment of all applicable conditions set forth in the relevant Award documentation, including vesting, accretion factors, conversion ratios, exchange ratios and the like. If and when any such conditions are no longer capable of being met, in whole or in part, the number of shares of Stock underlying such Other Award shall be reduced accordingly by the Administrator and the related shares of Stock shall be added back to the shares of Stock available for issuance under the Plan. Other Awards may be issued either alone or in addition to other Awards granted under the Plan and shall be evidenced by an Award certificate. The Administrator shall determine the Eligible Recipients to whom, and the time or times at which, Other Awards shall be made; the number of shares of Stock or Units to be awarded; the price, if any, to be paid by the Participant for the acquisition of Other Awards; and the restrictions and conditions applicable to Other Awards. Conditions may be based on continuing employment (or other service relationship), computation of financial metrics and/or achievement of pre- established performance goals and objectives. The Administrator may require that Other Awards be held through a limited partnership or a similar "look- through" entity and the Administrator may require such limited partnership or similar entity to impose restrictions on its partners or other beneficial owners that are not inconsistent with the provisions of this Section 12. The provisions of the grant of Other Awards need not be the same with respect to each Participant.

(b) Rights as Stockholder. Until such time as an Other Award is actually converted into, exchanged for, or paid out in shares of Stock, a Participant shall have no rights as a holder of stock.

(c) Termination of Employment or Service. In the event that a Participant ceases to be employed by or to provide services to the Company, any Parent, or any Subsidiary, any outstanding Other Awards previously granted to such Participant shall be subject to such terms and conditions as set forth in the Award certificate

governing such Other Awards. Except as may otherwise be provided by the Administrator either in the Award certificate, or subject to Section 15 below, in writing after the Award certificate is issued, a Participant's rights in all Other Awards that have not vested shall automatically terminate upon the Participant's termination of employment (or cessation of service relationship) with the Company, its Parents and its Subsidiaries for any reason.

Section 13. Cash- Based Awards.

The Administrator may grant Cash- Based Awards under the Plan. A Cash- Based Award is an Award that entitles the Participant to a payment in cash upon the attainment of specified Performance Goals. The Administrator shall determine the maximum duration of the Cash- Based Award, the amount of cash to which the Cash- Based Award pertains, the conditions upon which the Cash- Based Award shall become vested or payable, and such other provisions as the Administrator shall determine. Each Cash- Based Award shall specify a cash- denominated payment amount, formula or payment ranges as determined by the Administrator. Payment, if any, with respect to a Cash- Based Award shall be made in accordance with the terms of the Award and may be made in cash.

Section 14. Performance Based Awards to Covered Employees

(a) Performance- Based Awards. The Administrator may grant one or more Performance- Based Awards in the form of Restricted Stock, Restricted Stock Units, Other Awards or Cash- Based Award payable upon the attainment of Performance Goals that are established by the Administrator and relate to one or more of the Performance Criteria, in each case on a specified date or dates or over any period or periods determined by the Administrator. The Administrator shall define in an objective fashion the manner of calculating the Performance Criteria it selects to use for any Performance Cycle. Depending on the Performance Criteria used to establish such Performance Goals. Each Performance- Based Award shall comply with the provisions set forth below.

(b) Grant of Performance- Based Awards. With respect to each Performance- Based Award granted to a Covered Employee, the Administrator shall select, within the first ninety (90) days of a Performance Cycle (or if the Performance Cycle is other than one year, within the maximum period allowed under Section 162(m) of the Code) the Performance Criteria for such grant, and the Performance Goals with respect to each Performance Criterion (including a threshold level of performance below which no amount will become payable with respect to such Award). Each Performance- Based Award will specify the amount payable, or the formula for determining the amount payable, upon achievement of the various applicable performance targets. The Performance Criteria established by the Administrator may be (but need not be) different for each Performance Cycle and different Performance Goals may be applicable to Performance- Based Awards to different Covered Employees.

(c) Payment of Performance- Based Awards. Following the completion of a Performance Cycle, the Administrator shall meet to review and certify in writing whether, and to what extent, the Performance Goals for the Performance Cycle have been achieved and, if so, to also calculate and certify in writing the amount of the Performance- Based Awards earned for the Performance Cycle. The Administrator shall then determine the actual size of each Covered Employee's Performance-Based Award.

(d) Maximum Award Payable. The maximum Performance- Based Award payable to any one Covered Employee under the Plan for a Performance Cycle is the Initial Limit (subject to adjustment as provided in Section 5(a) hereof) or $100,000,000 in the case of a Performance- Based Award that is payable in cash.

Section 15. Amendment and Termination.

The Board may, at any time, amend or discontinue the Plan and the Administrator may, at any time, amend or cancel any outstanding Award for the purpose of satisfying changes in law or for any other lawful purpose, but no such action shall adversely affect rights under any outstanding Award without the Participant's consent. Except as provided in Section 5, in no event may the Administrator exercise its discretion to reduce the exercise price of outstanding Stock Options or Stock Appreciation Rights or cancel, exchange, substitute, buyout or surrender outstanding Stock Options or Stock Appreciation Rights in exchange for cash, other awards or Stock Options or Stock Appreciation Rights with an exercise price that is less than the exercise price of the original Stock Options or Stock Appreciation Rights without shareholder approval. The Board, in its discretion, may determine to make any Plan amendments subject to approval by the Company's stockholders for purposes of complying with applicable stock exchange requirements, ensuring that compensation earned under Awards qualifies as performance- based compensation under Section 162(m) of the Code or ensuring that Incentive Stock Options granted under the Plan are qualified under Section 422 of the Code. Nothing in this Section 15 shall limit the Administrator's authority to take any action permitted pursuant to Section 5.

Section 16. Unfunded Status of Plan.

The Plan is intended to constitute an "unfunded" plan for incentive compensation. With respect to any payments not yet made to a Participant by the Company, nothing contained herein shall give any such Participant any rights that are greater than those of a general creditor of the Company.

Section 17. General Provisions.

(a) Securities Laws Compliance. Shares of Stock shall not be issued pursuant to the exercise or settlement of any Award granted hereunder unless the exercise or settlement of such Award and the issuance and delivery of such shares of Stock pursuant thereto shall comply with all relevant provisions of law, including, without limitation, the Securities Act, the Exchange Act and the requirements of any stock

exchange upon which the Stock may then be listed and shall be further subject to the approval of counsel for the Company with respect to such compliance. Stock Option exercises and other Awards under the Plan shall be subject to the Company's insider trading policy and procedures, as in effect from time- to- time.

(b) Delivery of Stock. Certificated Stock granted under this Plan shall be deemed delivered for all purposes when the Company or a stock transfer agent of the Company shall have mailed certificates evidencing such Stock in the United States mail, addressed to the Participant, at the Participant's last known address on file with the Company. Uncertificated Stock shall be deemed delivered for all purposes when the Company or a transfer agent of the Company shall have given to the Participant by electronic mail (with proof of receipt) or by United States mail, addressed to the Participant, at the Participant's last known address on file with the Company, notice of issuance and recorded the issuance in its records (which may include electronic "book entry" records). Notwithstanding anything herein to the contrary, the Company shall not be required to issue or deliver any Stock pursuant to the exercise of any Award, unless and until the Administrator has determined, with advice of counsel (to the extent the Administrator deems such advice necessary or advisable), that the issuance and delivery of such Stock is in compliance with all applicable laws, regulations of governmental authorities and, if applicable, the requirements of any exchange on which the shares of Stock are listed, quoted or traded. All Stock delivered pursuant to the Plan shall be subject to any stop- transfer orders and other restrictions as the Administrator deems necessary or advisable to comply with federal, state or foreign jurisdiction, securities or other laws, rules and quotation system on which the Stock is listed, quoted or traded. The Administrator may place legends on any Stock certificate to reference restrictions applicable to the Stock. In addition to the terms and conditions provided herein, the Administrator may require that an individual make such reasonable covenants, agreements and representations as the Administrator, in its discretion, deems necessary or advisable in order to comply with any such laws, regulations or requirements. The Administrator shall have the right to require any individual to comply with any timing or other restrictions with respect to the settlement or exercise of any Award, including a window- period limitation, as may be imposed in the discretion of the Administrator.

(c) Transferability of Awards.

(i) Transferability. Except as provided in Section 17(c)(ii) below, during a Participant's lifetime, his or her Awards shall be exercisable only by the Participant or by the Participant's legal representative or guardian in the event of the Participant's incapacity. No Awards shall be sold, assigned, transferred or otherwise encumbered or disposed of by a Participant other than by will or by the laws of descent and distribution or pursuant to a domestic relations order. No Awards shall be subject, in whole or in part, to attachment, execution or levy of any kind and any purported transfer in violation hereof shall be null and void.

(ii) Administrator Action. Notwithstanding Section 17(c)(i), the Administrator, in its discretion, may provide either in the award certificate regarding a given Award or by subsequent written approval that the Participant (who is an employee or director) may transfer his or her Awards (other than any Incentive Stock Options or Restricted Stock Units) to his or her immediate family members, to trusts for the benefit of such family members, or to partnerships in which such family members are the only partners, provided that the transferee agrees in writing with the Company to be bound by all of the terms and conditions of this Plan and the applicable Award. In no event may an Award be transferred by a Participant for value.

(iii) Family Member. For purposes of Section 17(c)(ii), "immediate family member" shall mean a Participant's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother- in- law, father- in- law, son- in- law, daughter- in- law, brother- in- law or sister- in- law, including adoptive relationships, any person sharing the Participant's household (other than a tenant of the Participant), a trust in which these persons (or the Participant) have more than 50 percent of the beneficial interest, a foundation in which these persons (or the Participant) control the management of assets and any other entity in which these persons (or the Participant) own more than fifty (50) percent of the voting interests.

(iv) Designation of Beneficiary. Each Participant to whom an Award has been made under the Plan may designate a beneficiary or beneficiaries to exercise any Award or receive any payment under any Award payable on or after the Participant's death. Any such designation shall be on a form provided for that purpose by the Administrator and shall not be effective until received by the Administrator. If no beneficiary has been designated by a deceased Participant or if the designated beneficiaries have predeceased the Participant, the beneficiary shall be the Participant's estate.

(d) Company Actions; No Right to Employment. Nothing contained in the Plan shall prevent the Board from adopting other or additional compensation arrangements, subject to stockholder approval, if such approval is necessary and desirable; and such arrangements may be either generally applicable or applicable only in specific cases. The adoption of the Plan shall not confer upon any Eligible Recipient any right to continued employment or service with the Company or any Parent or Subsidiary, as the case may be, nor shall it interfere in any way with the right of the Company or any Parent or Subsidiary to terminate the employment or service of any of its Eligible Recipients at any time.

(e) Payment of Taxes. Each Participant shall, no later than the date as of which the value of an Award first becomes includible in the gross income of the Participant for Federal income tax purposes, pay to the Company or make arrangements satisfactory to the Administrator regarding payment of any federal, state or local taxes of

any kind required by law to be withheld with respect to such Award. The obligations of the Company under the Plan shall be conditional on the making of such payments or arrangements, and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Participant. Subject to approval by the Administrator, a Participant may elect to have the minimum tax withholding obligation satisfied, in whole or in part, by authorizing the Company to withhold from shares of Stock to be issued pursuant to any Award a number of shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the minimum withholding amount due. The Administrator may also require Awards to be subject to mandatory share withholding up to the required withholding amount. For purposes of share withholding, the Fair Market Value of withheld shares shall be determined in the same manner as the value of Stock includible in income of the Participants.

Section 18. Effective Date of Plan.

This amended and restated Plan shall become effective upon stockholder approval in accordance with applicable state law, the Company's bylaws and articles of incorporation and applicable stock exchange rules. No grants of Stock Options and other Awards may be made hereunder after the tenth anniversary of the Effective Date and no grants of Incentive Stock Options may be made hereunder after the tenth anniversary of the date the amended and restated Plan is approved by the Board.

Section 19. Term of Plan.

No Award shall be granted pursuant to the Plan on or after the tenth anniversary of the Effective Date but Awards theretofore granted may extend beyond that date.

Section 20. Governing Law.

The Plan and all determinations made and actions taken pursuant hereto shall be governed by the laws of the State of New York, without giving effect to the conflict of laws principles thereof.

DATE PLAN APPROVED BY BOARD OF DIRECTORS: [_____], 2015

DATE PLAN APPROVED BY STOCKHOLDERS: [_____], 2015

Exhibit 10.14

FORM OF
INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT ("Agreement") is made and entered into as of the _____ day of _____, 20____, by and between NorthStar Realty Europe Corp., a Maryland corporation (the "Company"), and _____ ("Indemnitee").

WHEREAS, at the request of the Company, Indemnitee currently serves as a director and/or an officer of the Company and may, therefore, be subjected to claims, suits or proceedings arising as a result of his or her service; and

WHEREAS, the Company derives substantial benefit from its board of directors (the "Board of Directors") and management of the Company; and

WHEREAS, as an inducement to Indemnitee to serve or continue to serve as a director and/or an officer of the Company, the Company has agreed to indemnify and to advance expenses and costs incurred by Indemnitee in connection with any such claims, suits or proceedings, to the maximum extent permitted by law; and

WHEREAS, the parties by this Agreement desire to set forth their agreement regarding indemnification and advance of expenses;

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1.Definitions. For purposes of this Agreement:

(a) "Change in Control" means a change in control of the Company occurring after the Effective Date of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), whether or not the Company is then subject to such reporting requirement; provided, however, that, without limitation, such a Change in Control shall be deemed to have occurred if, after the Effective Date (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the "beneficial owner" (as defined in Rule 13d- 3 under the Exchange Act), directly or indirectly, of securities of the Company representing 15% or more of the combined voting power of all of the Company's then- outstanding securities entitled to vote generally in the election of directors without the prior approval of at least two- thirds of the members of the Board of Directors in office immediately prior to such person's attaining such percentage interest; (ii) the Company is a party to a merger, consolidation, sale of assets, plan of liquidation or other reorganization not approved by at least two- thirds of the members of the Board of Directors then in office, as a consequence of which members of the Board of Directors in office immediately prior to such transaction or event constitute less than a majority of the Board of Directors thereafter; or (iii) at any time, a majority of the members of the Board of Directors are not individuals (A) who were directors as of the Effective Date or (B) whose election by the Board of Directors or nomination for election by the Company's stockholders was approved by the affirmative vote of at least two-

thirds of the directors then in office who were directors as of the Effective Date or whose election for nomination for election was previously so approved**.**

(b) "Corporate Status" means the status of a person as a present or former director, officer, employee or agent of the Company or as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company or the Manager. As a clarification and without limiting the circumstances in which Indemnitee may be serving at the request of the Company or the Manager service by Indemnitee shall be deemed to be at the request of the Company; (i) if Indemnitee serves or served as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any corporation, partnership, limited liability company, joint venture, trust, or other enterprise (1) of which a majority of the voting power or equity interest is owned directly or indirectly by the Company or (2) of which the Company, directly or indirectly, has the power to direct, manage, oversee or restrict the management, business or assets or (ii) if, as a result of Indemnitee's service to the Company or any of its affiliated entities, Indemnitee is subject to duties by, or required to perform services for, an employee benefit plan or its participants or beneficiaries, including as a deemed fiduciary thereof.

(c) "Disinterested Director" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification and/or advance of Expenses is sought by Indemnitee.

(d) "Effective Date" means the date set forth in the first paragraph of this Agreement.

(e) "Expenses" means any and all reasonable and out- of- pocket attorneys' fees and costs, retainers, court costs, arbitration and mediation costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, the Bylaws of the Company or D&O insurance policy, ERISA excise taxes and penalties and any other disbursements or expenses incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in or otherwise participating in a Proceeding. Expenses shall also include Expenses incurred in connection with any appeal resulting from any Proceeding including, without limitation, the premium, security for and other costs relating to any cost bond, supersedeas bond or other appeal bond or its equivalent.

(f) "Independent Counsel" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement or of other indemnitees under similar indemnification agreements), or (ii) any other party to or participant or witness in the Proceeding giving rise to a claim for indemnification or advance of Expenses hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of

interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

(g) "Manager" means NSAM J- NRE LTD, a Jersey limited company.

(h) "Proceeding" means any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing, claim, demand, discovery request or any other actual, threatened or completed proceeding, whether brought by or in the right of the Company or otherwise and whether of a civil (including intentional or unintentional tort claims), criminal, administrative or investigative (formal or informal) nature, including any appeal therefrom, except one pending or completed on or before the Effective Date, unless otherwise specifically agreed in writing by the Company and Indemnitee. If Indemnitee reasonably believes that a given situation may lead to or culminate in the institution of a Proceeding, such situation shall also be considered a Proceeding.

Section 2. Services by Indemnitee. Indemnitee serves or will serve as a director and/or an officer of the Company. However, this Agreement shall not impose any independent obligation on Indemnitee or the Company to continue Indemnitee's service to the Company. This Agreement shall not be deemed an employment contract between the Company (or any other entity) and Indemnitee.

Section 3. General. The Company shall indemnify, and advance Expenses to, Indemnitee (a) as provided in this Agreement and (b) otherwise to the maximum extent permitted by Maryland law in effect on the Effective Date and as amended from time to time; provided, however, that no change in Maryland law shall have the effect of reducing the benefits available to Indemnitee hereunder based on Maryland law as in effect on the Effective Date. The rights of Indemnitee provided in this Section 3 shall include, without limitation, the rights set forth in the other sections of this Agreement, including any additional indemnification permitted by the Maryland General Corporation Law (the "MGCL"), including, without limitation, Section 2- 418 of the MGCL.

Section 4. Standard for Indemnification. If, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be, made a party to any Proceeding, the Company shall indemnify Indemnitee against all judgments, penalties, fines and amounts paid in settlement and all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with any such Proceeding unless it is established that (a) the act or omission of Indemnitee was material to the matter giving rise to the Proceeding and (i) was committed in bad faith or (ii) was the result of active and deliberate dishonesty, (b) Indemnitee actually received an improper personal benefit in money, property or services or (c) in the case of any criminal Proceeding, Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

Section 5. Certain Limits on Indemnification. Notwithstanding any other provision of this Agreement (other than Section 6), Indemnitee shall not be entitled to:

(a) indemnification hereunder if the Proceeding was one by or in the right of the Company and Indemnitee is adjudged to be liable to the Company;

(b) indemnification hereunder if Indemnitee is adjudged to be liable on the basis that personal benefit was improperly received in any Proceeding charging improper personal benefit to Indemnitee, whether or not involving action in the Indemnitee's Corporate Status; or

(c) indemnification or advance of Expenses hereunder if the Proceeding was brought by Indemnitee, unless: (i) the Proceeding was brought to enforce indemnification under this Agreement, and then only to the extent in accordance with and as authorized by Section 12 of this Agreement, or (ii) the Company's charter or Bylaws, a resolution of the stockholders entitled to vote generally in the election of directors or of the Board of Directors or an agreement approved by the Board of Directors to which the Company is a party expressly provide otherwise.

Section 6. Court- Ordered Indemnification. Notwithstanding any other provision of this Agreement, a court of appropriate jurisdiction, upon application of Indemnitee and such notice as the court shall require, may order indemnification of Indemnitee by the Company in the following circumstances:

(a) if such court determines that Indemnitee is entitled to reimbursement under Section 2- 418(d)(1) of the MGCL, the court shall order indemnification, in which case Indemnitee shall be entitled to recover the Expenses of securing such reimbursement; or

(b) if such court determines that Indemnitee is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not Indemnitee (i) has met the standards of conduct set forth in Section 2- 418(b) of the MGCL or (ii) has been adjudged liable for receipt of an improper personal benefit under Section 2- 418(c) of the MGCL, the court may order such indemnification as the court shall deem proper without regard to any limitation on such court- ordered indemnification contemplated by Section 2- 418(d)(2)(ii) of the MGCL.

Section 7. Indemnification for Expenses of an Indemnitee Who is Wholly or Partially Successful. Notwithstanding any other provision of this Agreement, and without limiting any such provision, to the extent that Indemnitee was or is, by reason of his or her Corporate Status, made a party to (or otherwise becomes a participant in) any Proceeding and is successful, on the merits or otherwise, in the defense of such Proceeding, the Company shall indemnify Indemnitee for all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee under this Section 7 for all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with each such claim, issue or matter, allocated on a reasonable and proportionate basis. For purposes of this Section 7 and, without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 8. Advance of Expenses for Indemnitee. If, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be, made a party to any Proceeding, the Company shall, without requiring a preliminary determination of Indemnitee's ultimate entitlement to indemnification hereunder, advance all reasonable Expenses incurred by or on behalf of Indemnitee in connection with such Proceeding. The Company shall make such advance within ten days after

the receipt by the Company of a statement or statements requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding and may be in the form of, in the reasonable discretion of the Indemnitee (but without duplication) (a) payment of such Expenses directly to third parties on behalf of Indemnitee, (b) advance of funds to Indemnitee in an amount sufficient to pay such Expenses or (c) reimbursement to Indemnitee for Indemnitee's payment of such Expenses. Such statement or statements shall reasonably evidence the Expenses incurred or expected to be incurred by Indemnitee and shall include or be preceded or accompanied by a written affirmation by Indemnitee of Indemnitee's good faith belief that the standard of conduct necessary for indemnification by the Company as authorized by law and by this Agreement has been met and a written undertaking by or on behalf of Indemnitee, in substantially the form attached hereto as Exhibit A or in such form as may be required under applicable law as in effect at the time of the execution thereof, to reimburse the portion of any Expenses advanced to Indemnitee relating to claims, issues or matters in the Proceeding as to which it shall ultimately be established that the standard of conduct has not been met by Indemnitee and which have not been successfully resolved as described in Section 7 of this Agreement. To the extent that Expenses advanced to Indemnitee do not relate to a specific claim, issue or matter in the Proceeding, such Expenses shall be allocated on a reasonable and proportionate basis. The undertaking required by this Section 8 shall be an unlimited general obligation by or on behalf of Indemnitee and shall be accepted without reference to Indemnitee's financial ability to repay such advanced Expenses and without any requirement to post security therefor.

Section 9. Indemnification and Advance of Expenses as a Witness or Other Participant. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is or may be, by reason of Indemnitee's Corporate Status, made a witness or otherwise asked to participate in any Proceeding, whether instituted by the Company or any other person, and to which Indemnitee is not a party, Indemnitee shall be advanced all reasonable Expenses incurred or expected to be incurred and indemnified against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith within ten days after the receipt by the Company of a statement or statements requesting any such advance or indemnification from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee. In connection with any such advance of Expenses, the Company may require Indemnitee to provide an undertaking and affirmation substantially in the form attached hereto as Exhibit A.

Section 10. Procedure for Determination of Entitlement to Indemnification.

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary or appropriate to determine whether and to what extent Indemnitee is entitled to indemnification. Indemnitee may submit one or more such requests from time to time and at such time(s) as Indemnitee deems appropriate in Indemnitee's sole discretion. The officer of the Company receiving any such request from Indemnitee shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that Indemnitee has requested indemnification.

(b) Upon written request by Indemnitee for indemnification pursuant to Section 10(a) above, a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall promptly be made in the specific case: (i) if a Change in Control has occurred, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee, which Independent Counsel shall be selected by the Indemnitee and approved by the Board of Directors in accordance with Section 2- 418(e)(2)(ii) of the MGCL, which approval shall not be unreasonably withheld; or (ii) if a Change in Control has not occurred, (A) by a majority vote of the Disinterested Directors or, by the majority vote of a group of Disinterested Directors designated by the Disinterested Directors to make the determination, (B) if Independent Counsel has been selected by the Board of Directors in accordance with Section 2- 418(e)(2)(ii) of the MGCL and approved by the Indemnitee, which approval shall not be unreasonably withheld or delayed, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee or (C) if so directed by the Board of Directors, by the stockholders of the Company, other than directors or officers who are parties to the Proceeding. If it is so determined that Indemnitee is entitled to indemnification, the Company shall make payment to Indemnitee within ten days after such determination. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary or appropriate to such determination in the discretion of the Board of Directors or Independent Counsel if retained pursuant to clause (ii)(B) of this Section 10(b). Any Expenses incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company shall indemnify and hold Indemnitee harmless therefrom.

(c) The Company shall pay the reasonable fees and expenses of Independent Counsel, if one is appointed.

Section 11. Presumptions and Effect of Certain Proceedings.

(a) In making any determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 10(a) of this Agreement, and the Company shall have the burden of overcoming that presumption in connection with the making of any determination contrary to that presumption.

(b) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, upon a plea of nolo contendere or its equivalent, or entry of an order of probation prior to judgment, does not create a presumption that Indemnitee did not meet the requisite standard of conduct described herein for indemnification.

(c) The knowledge and/or actions, or failure to act, of any other director, officer, employee or agent of the Company or any other director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership,

limited liability company, joint venture, trust, employee benefit plan or other enterprise shall not be imputed to Indemnitee for purposes of determining any other right to indemnification under this Agreement.

Section 12. Remedies of Indemnitee.

(a) If (i) a determination is made pursuant to Section 10(b) of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advance of Expenses is not timely made pursuant to Sections 8 or 9 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 10(b) of this Agreement within 60 days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Sections 7 or 9 of this Agreement within ten days after receipt by the Company of a written request therefor, or (v) payment of indemnification pursuant to any other section of this Agreement or the charter or Bylaws of the Company is not made within ten days after a determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall be entitled to an adjudication in an appropriate court located in the State of Maryland, or in any other court of competent jurisdiction, or in an arbitration conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association, of Indemnitee's entitlement to indemnification or advance of Expenses. Indemnitee shall commence a proceeding seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 12(a); provided, however, that the foregoing clause shall not apply to a proceeding brought by Indemnitee to enforce his or her rights under Section 7 of this Agreement. Except as set forth herein, the provisions of Maryland law (without regard to its conflicts of laws rules) shall apply to any such arbitration. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In any judicial proceeding or arbitration commenced pursuant to this Section 12, Indemnitee shall be presumed to be entitled to indemnification or advance of Expenses, as the case may be, under this Agreement and the Company shall have the burden of proving that Indemnitee is not entitled to indemnification or advance of Expenses, as the case may be. If Indemnitee commences a judicial proceeding or arbitration pursuant to this Section 12, Indemnitee shall not be required to reimburse the Company for any advances pursuant to Section 8 of this Agreement until a final determination is made with respect to Indemnitee's entitlement to indemnification (as to which all rights of appeal have been exhausted or lapsed). The Company shall, to the maximum extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 12 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all of the provisions of this Agreement.

(c) If a determination shall have been made pursuant to Section 10(b) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 12, absent a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification.

(d) In the event that Indemnitee is successful in seeking, pursuant to this Section 12, a judicial adjudication of or an award in arbitration to enforce Indemnitee's rights under, or to recover damages for breach of, this Agreement, Indemnitee shall be entitled to recover from the Company, and shall be indemnified by the Company for, any and all Expenses actually and reasonably incurred by him in such judicial adjudication or arbitration. If it shall be determined in such judicial adjudication or arbitration that Indemnitee is entitled to receive part but not all of the indemnification or advance of Expenses sought, the Expenses incurred by Indemnitee in connection with such judicial adjudication or arbitration shall be appropriately prorated.

(e) Interest shall be paid by the Company to Indemnitee at the maximum rate allowed to be charged for judgments under the Courts and Judicial Proceedings Article of the Annotated Code of Maryland for amounts which the Company pays or is obligated to pay for the period (i) commencing with either the tenth day after the date on which the Company was requested to advance Expenses in accordance with Sections 8 or 9 of this Agreement or the 60th day after the date on which the Company was requested to make the determination of entitlement to indemnification under Section 10(b) of this Agreement, as applicable, and (ii) ending on the date such payment is made to Indemnitee by the Company.

Section 13. Defense of the Underlying Proceeding.

(a) Indemnitee shall notify the Company promptly in writing upon being served with any summons, citation, subpoena, complaint, indictment, request or other document relating to any Proceeding which may result in the right to indemnification or the advance of Expenses hereunder and shall include with such notice a description of the nature of the Proceeding and a summary of the facts underlying the Proceeding. The failure to give any such notice shall not disqualify Indemnitee from the right, or otherwise affect in any manner any right of Indemnitee, to indemnification or the advance of Expenses under this Agreement unless the Company's ability to defend in such Proceeding or to obtain proceeds under any insurance policy is materially and adversely prejudiced thereby, and then only to the extent the Company is thereby actually so prejudiced.

(b) Subject to the provisions of the last sentence of this Section 13(b) and of Section 13(c) below, the Company shall have the right to defend Indemnitee in any Proceeding to which Indemnitee is a party by reason of Indemnitee's Corporate Status, which may give rise to indemnification hereunder; provided, however, that the Company shall notify Indemnitee of any such decision to defend within 15 calendar days following receipt of notice of any such Proceeding under Section 13(a) above. The Company shall not, without the prior written consent of Indemnitee, which shall not be unreasonably withheld or delayed, consent to the entry of any judgment against Indemnitee or enter into any settlement or compromise which (i) includes an admission of fault of Indemnitee, (ii) does not include, as an unconditional term thereof, the full release of Indemnitee from all liability in respect of such Proceeding, which release shall be in form and substance reasonably satisfactory to Indemnitee or (iii) would impose any Expense, judgment, fine, penalty or limitation on Indemnitee. This Section 13(b) shall not apply to a Proceeding brought by Indemnitee under Section 12 of this Agreement.

(c) Notwithstanding the provisions of Section 13(b) above, if in a Proceeding to which Indemnitee is a party by reason of Indemnitee's Corporate Status, (i) Indemnitee reasonably concludes, based upon an opinion of counsel approved by the Company, which approval shall not be unreasonably withheld or delayed, that Indemnitee may have separate defenses or counterclaims to assert with respect to any issue which may not be consistent with other defendants in such Proceeding, (ii) Indemnitee reasonably concludes, based upon an opinion of counsel approved by the Company, which approval shall not be unreasonably withheld or delayed, that an actual or apparent conflict of interest or potential conflict of interest exists between Indemnitee and the Company, or (iii) if the Company fails to assume the defense of such Proceeding in a timely manner, Indemnitee shall be entitled to be represented by separate legal counsel of Indemnitee's choice, subject to the prior approval of the Company, which approval shall not be unreasonably withheld or delayed, at the expense of the Company. In addition, if the Company fails to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes any action to declare this Agreement void or unenforceable, or institutes any Proceeding to deny or to recover from Indemnitee the benefits intended to be provided to Indemnitee hereunder, Indemnitee shall have the right to retain counsel of Indemnitee's choice, subject to the prior approval of the Company, which approval shall not be unreasonably withheld or delayed, at the expense of the Company (subject to Section 12(d) of this Agreement), to represent Indemnitee in connection with any such matter.

Section 14. Non- Exclusivity; Survival of Rights; Subrogation.

(a) The rights of indemnification and advance of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the charter or Bylaws of the Company, any agreement or a resolution of the stockholders entitled to vote generally in the election of directors or of the Board of Directors, or otherwise. Unless consented to in writing by Indemnitee, no amendment, alteration or repeal of the charter of Bylaws of the Company, this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her Corporate Status prior to such amendment, alteration or repeal, regardless of whether a claim with respect to such action or inaction is raised prior or subsequent to such amendment, alteration or repeal. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right or remedy shall be cumulative and in addition to every other right or remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion of any right or remedy hereunder, or otherwise, shall not prohibit the concurrent assertion or employment of any other right or remedy.

(b) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

Section 15. Insurance.

(a) The Company will use its reasonable best efforts to acquire directors and officers liability insurance, on terms and conditions deemed appropriate by the Board of Directors, with the

advice of counsel, covering Indemnitee or any claim made against Indemnitee by reason of his or her Corporate Status and covering the Company for any indemnification or advance of Expenses made by the Company to Indemnitee for any claims made against Indemnitee by reason of his or her Corporate Status. In the event of a Change in Control, the Company shall maintain in force any and all directors and officers liability insurance policies that were maintained by the Company immediately prior to the Change in Control for a period of six years with the insurance carrier or carriers and through the insurance broker in place at the time of the Change in Control; provided, however, (i) if the carriers will not offer the same policy and an expiring policy needs to be replaced, a policy substantially comparable in scope and amount shall be obtained and (ii) if any replacement insurance carrier is necessary to obtain a policy substantially comparable in scope and amount, such insurance carrier shall have an AM Best rating that is the same or better than the AM Best rating of the existing insurance carrier; provided, further, however, in no event shall the Company be required to expend in the aggregate in excess of 250% of the annual premium or premiums paid by the Company for directors and officers liability insurance in effect on the date of the Change in Control. In the event that 250% of the annual premium paid by the Company for such existing directors and officers liability insurance is insufficient for such coverage, the Company shall spend up to that amount to purchase such lesser coverage as may be obtained with such amount.

(b) Without in any way limiting any other obligation under this Agreement, the Company shall indemnify Indemnitee for any payment by Indemnitee which would otherwise be indemnifiable hereunder arising out of the amount of any deductible or retention and the amount of any excess of the aggregate of all judgments, penalties, fines, settlements and Expenses incurred by Indemnitee in connection with a Proceeding over the coverage of any insurance referred to in Section 15(a). The purchase, establishment and maintenance of any such insurance shall not in any way limit or affect the rights or obligations of the Company or Indemnitee under this Agreement except as expressly provided herein, and the execution and delivery of this Agreement by the Company and the Indemnitee shall not in any way limit or affect the rights or obligations of the Company under any such insurance policies. If, at the time the Company receives notice from any source of a Proceeding to which Indemnitee is a party or a participant (as a witness or otherwise) the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies.

(c) The Indemnitee shall cooperate with the Company or any insurance carrier of the Company with respect to any Proceeding.

Section 16. Coordination of Payments. The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable or payable or reimbursable as Expenses hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

Section 17. Contribution. If the indemnification provided in this Agreement is unavailable in whole or in part and may not be paid to Indemnitee for any reason, other than for failure to satisfy the standard of conduct set forth in Section 4 or due to the provisions of Section 5, then, in respect to any Proceeding to which Indemnitee is a party by reason of Indemnitee's Corporate Status, in which the Company is jointly liable with Indemnitee (or would be if joined in

such Proceeding), to the maximum extent permissible under applicable law, the Company, in lieu of indemnifying and holding harmless Indemnitee, shall pay, in the first instance, the entire amount incurred by Indemnitee, whether for Expenses, judgments, penalties, and/or amounts paid or to be paid in settlement, in connection with any Proceeding without requiring Indemnitee to contribute to such payment, and the Company hereby waives and relinquishes any right of contribution it may have at any time against Indemnitee.

Section 18. Reports to Stockholders. To the extent required by the MGCL, the Company shall report in writing to its stockholders the payment of any amounts for indemnification of, or advance of Expenses to, Indemnitee under this Agreement arising out of a Proceeding by or in the right of the Company with the notice of the meeting of stockholders of the Company next following the date of the payment of any such indemnification or advance of Expenses or prior to such meeting.

Section 19. Duration of Agreement; Binding Effect.

(a) This Agreement shall continue until and terminate on the later of (i) the date that Indemnitee shall have ceased to serve as a director, officer, employee or agent of the Company or as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, real estate investment trust, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company and (ii) the date that Indemnitee is no longer subject to any actual or possible Proceeding, to which Indemnitee is a party by reason of Indemnitee's Corporate Status (including any rights of appeal thereto and any Proceeding commenced by Indemnitee pursuant to Section 12 of this Agreement).

(b) The indemnification and advance of Expenses provided by, or granted pursuant to, this Agreement shall be binding upon and be enforceable by the parties hereto and their respective successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), shall continue as to an Indemnitee who has ceased to be a director, officer, employee or agent of the Company or a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company, and shall inure to the benefit of Indemnitee and Indemnitee's spouse, assigns, heirs, devisees, executors and administrators and other legal representatives.

(c) The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(d) The Company and Indemnitee agree that a monetary remedy for breach of this Agreement, at some later date, may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnitee irreparable harm. Accordingly, the parties hereto

agree that Indemnitee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm and that by seeking injunctive relief and/or specific performance, Indemnitee shall not be precluded from seeking or obtaining any other relief to which Indemnitee may be entitled. Indemnitee shall further be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertakings in connection therewith. The Company acknowledges that, in the absence of a waiver, a bond or undertaking may be required of Indemnitee by a court, and the Company hereby waives any such requirement of such a bond or undertaking.

Section 20. Severability. If any provision or provisions of this Agreement shall be held to be invalid, void, illegal or otherwise unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the maximum extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the maximum extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 21. Identical Counterparts. This Agreement may be executed in one or more counterparts, (delivery of which may be by facsimile, or via e- mail as a portable document format (.pdf) or other electronic format), each of which will be deemed to be an original and it will not be necessary in making proof of this agreement or the terms of this Agreement to produce or account for more than one such counterpart. One such counterpart signed by the party against whom enforceability is sought shall be sufficient to evidence the existence of this Agreement.

Section 22. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 23. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor, unless otherwise expressly stated shall such waiver constitute a continuing waiver.

Section 24. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, on the day of such delivery, or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

(a) If to Indemnitee, to the address set forth on the signature page hereto.
(b) If to the Company, to:
NorthStar Realty Europe Corp.
399 Park Ave., 18th Floor
New York, New York 10022
Attn: General Counsel

or to such other address as may have been furnished in writing to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

Section 25. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Maryland, without regard to its conflicts of laws rules.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

NORTHSTAR REALTY EUROPE CORP.:

By: _____

Name:

Title:

INDEMNITEE

_____

Name:

Address:

EXHIBIT A

AFFIRMATION AND UNDERTAKING TO REPAY EXPENSES ADVANCED

To: The Board of Directors of NorthStar Realty Europe Corp.

Re: Affirmation and Undertaking

Ladies and Gentlemen:

This Affirmation and Undertaking is being provided pursuant to that certain Indemnification Agreement dated the _____ day of _____, 20____, by and between NorthStar Realty Europe Corp., a Maryland corporation (the "Company"), and the undersigned Indemnitee (the "Indemnification Agreement"), pursuant to which I am entitled to advance of Expenses in connection with **[Description of Proceeding]** (the "Proceeding").

Terms used herein and not otherwise defined shall have the meanings specified in the Indemnification Agreement.

I am subject to the Proceeding by reason of my Corporate Status or by reason of alleged actions or omissions by me in such capacity. I hereby affirm my good faith belief that at all times, insofar as I was involved as **[a director][and][an officer]** of the Company in any of the facts or events giving rise to the Proceeding, I (1) did not act with bad faith or active or deliberate dishonesty, (2) did not receive any improper personal benefit in money, property or services and (3) in the case of any criminal proceeding, had no reasonable cause to believe that any act or omission by me was unlawful.

In consideration of the advance of Expenses by the Company for reasonable attorneys' fees and related Expenses incurred by me in connection with the Proceeding (the "Advanced Expenses"), I hereby agree that if, in connection with the Proceeding, it is established that (1) an act or omission by me was material to the matter giving rise to the Proceeding and (a) was committed in bad faith or (b) was the result of active and deliberate dishonesty or (2) I actually received an improper personal benefit in money, property or services or (3) in the case of any criminal proceeding, I had reasonable cause to believe that the act or omission was unlawful, then I shall promptly reimburse the portion of the Advanced Expenses relating to the claims, issues or matters in the Proceeding as to which the foregoing findings have been established.

IN WITNESS WHEREOF, I have executed this Affirmation and Undertaking on this ___ day of _____, 20____.

Name: _____

Exhibit 21.1

NorthStar Realty Europe Corp.
List of Significant Subsidiaries

Entity Name	Formation Jurisdiction
NorthStar Realty Europe Limited Partnership	Delaware
Prime Holdco A–T S.à. r.l	Luxembourg
Prime Holdings- T (US), LLC	Delaware
Trias Holdco A–T S.à. r.l	Luxembourg
Trias Holdings- T (US), LLC	Delaware
Symbol Holdco A- T S.à. r.l	Luxembourg
Symbol Holdings - T (US), LLC	Delaware

Exhibit 23.3

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT

We consent to the inclusion in this Amendment No. 3 to Registration Statement of NorthStar Realty Europe Corp. on Form S- 11 (File No. 333- 205440) of our report dated July 2, 2015, with respect to our audits of the combined balance sheets of NorthStar Europe Predecessor as of December 31, 2014 and 2013, and the related combined statements of operations, comprehensive income (loss) and cash flows for the periods from January 1, 2014 through September 15, 2014 and September 16, 2014 through December 31, 2014, and the year ended December 31, 2013, which report appears in the Prospectus, which is part of this Registration Statement. We also consent to the reference to our Firm under the heading "Experts" in such Prospectus.

/s/ Marcum LLP

Marcum LLP
Bala Cynwyd, PA
October 9, 2015

Exhibit 23.4

Consent of Independent Accountants

NorthStar Realty Europe Corp.
We hereby consent to the use in this Registration Statement on Form S- 11 of NorthStar Realty Europe Corp. of our report dated June 30, 2015 relating to the combined statement of revenues and certain expenses of SEB Portfolio, which appears in such Registration Statement. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ PricewaterhouseCoopers, Société coopérative
Luxembourg
October 8, 2015

Exhibit 23.5

Consent of Independent Auditors

We consent to the reference to our firm under the caption "Experts" and to the use of our report dated June 30, 2015 with respect to the combined statement of revenues and certain expenses (Historical Summary) of the Trianon Tower, in the Registration Statement (Form S- 11) and related Prospectus of NorthStar Realty Europe Corp. for the registration of shares of its common stock.

Eschborn/Frankfurt am Main, Germany
9 October 2015

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft

/s/ Enzenhofer /s/ Hentschel
Wirtschaftsprüfer Wirtschaftsprüfer
(German Public Auditor) (German Public Auditor)

Exhibit 23.6

Consent of Independent Accountants

NorthStar Realty Europe Corp.

We hereby consent to the use in this Registration Statement on Form S- 11 of NorthStar Realty Europe Corp. of our report dated 28 September 2015 relating to the combined statement of revenues and certain expenses of IVG Portfolio, which appears in such Registration Statement. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ PricewaterhouseCoopers, Société coopérative
Luxembourg
8 October 2015

Exhibit 23.7

Consent of Independent Accountants

NorthStar Realty Europe Corp.

We hereby consent to the use in this Registration Statement on Form S- 11 of NorthStar Realty Europe Corp. of our report dated 28 September 2015 relating to the combined statement of revenues and certain expenses of Internos Portfolio, which appears in such Registration Statement. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ PricewaterhouseCoopers, Société coopérative
Luxembourg
8 October 2015

Exhibit 99.1

CONSENT OF DIRECTOR NOMINEE

As required by Rule 438 under the Securities Act of 1933, as amended, the undersigned hereby consents to being named in the Registration Statement on Form S- 11 (together with any amendments or supplements thereto, the "Registration Statement") of NorthStar Realty Europe Corp., a Maryland corporation, as a director nominee.

/s/ Albert Tylis

Name: Albert Tylis
Date: October 9, 2015

Exhibit 99.2

CONSENT OF DIRECTOR NOMINEE

As required by Rule 438 under the Securities Act of 1933, as amended, the undersigned hereby consents to being named in the Registration Statement on Form S- 11 (together with any amendments or supplements thereto, the "Registration Statement") of NorthStar Realty Europe Corp., a Maryland corporation, as a director nominee.

/s/ Mario Chisholm
Name: Mario Chisholm
Date: October 4, 2015

Exhibit 99.3

CONSENT OF DIRECTOR NOMINEE

As required by Rule 438 under the Securities Act of 1933, as amended, the undersigned hereby consents to being named in the Registration Statement on Form S- 11 (together with any amendments or supplements thereto, the "Registration Statement") of NorthStar Realty Europe Corp., a Maryland corporation, as a director nominee.

/s/ Judith A. Hannaway
Name: Judith A. Hannaway
Date: October 9, 2015

Exhibit 99.4

CONSENT OF DIRECTOR NOMINEE

As required by Rule 438 under the Securities Act of 1933, as amended, the undersigned hereby consents to being named in the Registration Statement on Form S- 11 (together with any amendments or supplements thereto, the "Registration Statement") of NorthStar Realty Europe Corp., a Maryland corporation, as a director nominee.

/s/ Oscar Junquera
Name: Oscar Junquera
Date: October 9, 2015

Exhibit 99.5

CONSENT OF DIRECTOR NOMINEE

As required by Rule 438 under the Securities Act of 1933, as amended, the undersigned hereby consents to being named in the Registration Statement on Form S- 11 (together with any amendments or supplements thereto, the "Registration Statement") of NorthStar Realty Europe Corp., a Maryland corporation, as a director nominee.

/s/ Wesley D. Minami

Name: Wesley D. Minami
Date: October 9, 2015

Exhibit 99.6

CONSENT OF DIRECTOR NOMINEE

As required by Rule 438 under the Securities Act of 1933, as amended, the undersigned hereby consents to being named in the Registration Statement on Form S- 11 (together with any amendments or supplements thereto, the "Registration Statement") of NorthStar Realty Europe Corp., a Maryland corporation, as a director nominee.

/s/ Charles W. Schoenherr

Name: Charles W. Schoenherr
Date: October 9, 2015