



---

# PEI's Equity Securities Issuance and Placement Program

---



PEI's Equity Securities Issuance and Placement Program

Bogotá D.C., June 2019

## TABLE OF CONTENTS

---

	Page
1. Amendment No. 24: to <i>Estrategias Inmobiliarias</i> Trust's Equity Securities Issuance and Placement Program	3
2. Amendment No. 23: to <i>Estrategias Inmobiliarias</i> Trust's Equity Securities Issuance and Placement Program	11
3. <i>Estrategias Inmobiliarias</i> Trust's Equity Securities Issuance and Placement Program	12

---

### 1. ANNEXES

#### ○ AGREEMENTS

Trust Agreement

Real Estate Management Agreement

#### ○ COMMERCIAL APPRAISALS

Real Estate Assets' Commercial Appraisals Certificate

#### ○ OTHERS

*Fiduciaria Corficolombiana S.A.*'s Financial Statements.

Originator's Board of Directors Minutes

Financial Model

Complete Rating Reports

Certifications

## **Amendment No. 24 to the *Estrategias Inmobiliarias* Trust's Equity Securities Issuance and Placement Program**

(I) *PEI ASSET MANAGEMENT S.A.S.*, in its capacity as originator (hereinafter the "Originator") for *ESTRATEGIAS INMOBILIARIAS TRUST* (hereinafter "PEI" or the "Issuer"), the issuing trust under the PEI's Equity Securities Issuance and Placement Program (hereinafter the "Program"), a company represented herein by Jairo Alberto Corrales, domiciled in Bogotá D.C. and identified as it appears below his signature, acting in his capacity as legal representative for the Originator and with full powers therefor; and (II) *FIDUCIARIA CORFICOLOMBIANA S.A.*, acting in its capacity as PEI's Management Agent (hereinafter the "Management Agent"), a financial services company established through Public Deed No. 2803 of September 4, 1991 granted at Notary Office One of *Cali* (Valle), authorized to further its corporate purpose through Resolution No. 3548 of September 30, 1991, a trust company legally represented herein by Edwin Roberto Díaz Chala, domiciled in Bogotá D.C. and identified as it appears below his signature, acting in his capacity as legal representative for the Management Agent; hereby make the following amendments to the EQUITY SECURITIES' ISSUANCE AND PLACEMENT PROSPECTUS UNDER PEI'S ISSUANCE AND PLACEMENT PROGRAM (hereinafter the "Prospectus"):

Capitalized terms not expressly defined in this Amendment will have the meaning assigned thereto in the Prospectus.

### **1 Amendments in Connection with the Prospectus's Sections on the Investors Legal Representative**

1.1. By virtue of and as a result of the appointment made by PEI's Investors General Assembly in its ordinary second call assembly held on September 29, 2020 of *Fiduciaria Colombiana de Comercio Exterior S.A. - Fiducoldex* as PEI's new Investors Legal Representative, any mention or term referring to the Investors Legal Representative under the Prospectus is hereby modified and adjusted so that any such mentions or terms are deemed referred to *Fiduciaria Colombiana de Comercio Exterior S.A. - Fiducoldex*.

1.2. Based on the foregoing, Section 4 of the Prospectus is restated and hereafter shall read as follows

"There will be only one Investors Legal Representative under the Issuance Program, who shall be *Fiduciaria Colombiana de Comercio Exterior S.A. – Fiducoldex* or the entity legally authorized to do so, as selected by the Investors General Assembly to replace it."

1.3. Section 4.2 of the Prospectus is restated and hereafter shall read as follows:

"The Investors Legal Representative was appointed by the Investors General Assembly on September 29, 2020."

1.4. Section 4.5.1 of the Prospectus is modified and hereafter shall read as follows:

"*Fiduciaria Colombiana de Comercio Exterior- Fiducoldex S.A.* is a mixed economy company affiliated to the Ministry of Commerce, Industry and Tourism and a subsidiary of *Banco de Comercio Exterior Bancoldex*. Born in 1922, aims at supporting the business sector with their businesses' growth and

contribute to the country's development through tailor-made trust solutions. *Fitch Ratings Colombia* awarded *Fiducoldex* the highest rating - Excellent(col) for Investments Management Quality - AAA / F1+ Financial Institutions - Counterparty. The rating awarded acknowledges extensive experience with resource management, framed by the highest standards of professionalism, compliance, reliability, and trust. Similarly, *Fiducoldex* has an ISO9001 certification and the highest ratings in terms of the internal control system's assessment, as audited by the Comptroller General of the Republic. Given its specific experience as Manager for securities issues, *Fiducoldex* is familiar with the process, satisfactorily measures any responsibilities, and understands the Investors concerns in businesses such as PEI's."

1.5. Section 4.5.2 of the Prospectus is modified and hereafter shall read as follows:

*"Fiduciaria Colombiana de Comercio Exterior Fiducoldex S.A.'s registered address is Calle 28 No. 13A – 24, piso 6 of Bogotá D.C."*

1.6. Section 4.5.3 of the Prospectus is modified and hereafter shall read as follows:



*Junta Directiva*: Board of Directors; *Presidente*: President; *Gerente de Auditoría Interna*: Internal Audit Manager; *Gerente de Riesgos*: Risks Manager; *Gerente de Informática y Tecnología*: IT and Technology Manager; *Gerente de Talento Humano y Administrativa*: Human Resources and Administrative Manager; *Vicepresidente Financiero*: Finances Vicepresident; *Vicepresidente Legal*: Legal Vicepresident; *Vicepresidente de Negocios Especiales*: Special Businesses Vicepresident; *Vicepresidente Comercial*: Business Vicepresident; *Vicepresidente de Operaciones*: Operations Vicepresident;

1.7. Section 4.6 of the Prospectus is modified and hereafter shall read as follows:

*"Fiduciaria Colombiana de Comercio Exterior Fiducoldex S.A.' equity as of December 31, 2019 is COP 56.926.36 million.*

*At the end of 2019, the income and expenses amounted to COP 33.895.86 million and COP 30.057.82 million respectively, for a profit before taxes of COP 3.838.04 million."*

1.8. Section 4.7 of the Prospectus is modified and hereafter shall read as follows:

*"Fiduciaria Colombiana de Comercio Exterior Fiducoldex S.A., has a 27-years track record with the comprehensive management of large trust businesses, with crucial programs for the country such as Procolombia, Fontur, Innpulsa Colombia, and Colombia Productiva, among others, stand out. Fiducoldex has also participated in the main portfolio and pension resources management businesses in the country, such as Fonpet, Fopep, and Colombia Mayor, and has served as manager for a number of securities issuances and, in general, in all types of authorized trust businesses authorized by the Financial Superintendency of Colombia. Fiducoldex's correct portfolio management has generated significant income for clients and, investors mainly, which are part of the Collective Investment Funds managed by Fiducoldex. The Trust Company currently has over 750 direct clients and manages resources for COP 9.3 billion, among structured trust funds, collective investment funds, and private equity funds."*

2 Amendment of Section 2.5.2., on the members of PEI's Advisory Committee, of the Prospectus

- 2.1 Section 2.5.2 of the Prospectus is restated and adjusted to include the Ms. María Victoria Riaño's resume. Ms. Riaño was appointed as an independent member of PEI's Advisory Committee on July 6, 2020, in furtherance of Section 11.2 of the Trust Agreement, Section 2.5.2 of the Prospectus, and the Advisory Committee's Internal Rules. Therefore, paragraph six of Section 2.5.2 is restated to include Ms. María Victoria Riaño's resume as follows:

"Maria Victoria Riaño

María Victoria Riaño is a business manager graduate from *Pontificia Universidad Javeriana* and has an MBA from *Universidad de los Andes*. She started her career in the financial sector, specifically in the trust sector for about 15 years, working as a Trust Manager. Additionally, she has worked at *Ecopetrol*, leading the Financial Strategy and Planning area for the State oil company's investment portfolio and participating in its capitalization process, where she led *Ecopetrol's* organic growth. She is currently a member of the Boards of Directors of *Grupo Bolívar* and *Fundación Juanfe y Club 30%*, an initiative aimed at increasing gender diversity in Boards of Directors. She is a former member of the *Invercolsa*, *Asociación Colombiana de Petróleos*, *Colgas*, and *Terpel Antioquia's* Boards of Directors. "

3 Amendment of Section 5, on PEI's Trustor and Originator, of the Prospectus

- 3.1. Section 5 of the Prospectus is amended in order to include *PEI ASSET MANAGEMENT S.A.S.* as PEI's Trustor and Originator.
- 3.2. The foregoing, given *Estrategias Corporativas S.A.'s* assignment of its contractual position as Originator and Trustor under the Trust Agreement, dated November 5, 2019, on behalf of *PEI ASSET MANAGEMENT S.A.S.*

4 Amendment of Section 1.7.13, on the Distributable Cash Flow's Periodicity and Payment.

- 4.1 Section 1.7.13 of the Prospectus is restated to indicate that the Distributable Cash Flow's payment periodicity shall be quarterly, on the tenth business day of the months of February, May, August, and November, in accordance with PEI's Investors General Assembly decision at meeting No. 16 of June 21, 2018; and remove the reference to the transition period for the Distributable Cash Flow's payment, which was exhausted on December 31, 2020. A comprehensive amendment to Section 1.7.13 of the Prospectus was initially incorporated therein through Amendment No. 21. Section 1.7.13 of the Prospectus is modified and hereafter shall read as follows:

"The Trust Company, through *DECEVAL*, shall pay the Distributable Cash Flow to the Investors, pro rata to their interest in the Trust, as follows:

1. On the tenth business day (10th) of February, the Distributable Cash Flow corresponding to the period between October 1 and December 31 of the previous year.
2. On the tenth business day (10th) of the month of May, the Distributable Cash Flow corresponding to the period between January 1 and March 31 of the current year.
3. On the tenth (10th) business day of August, the Distributable Cash Flow corresponding to the period between April 1 and June 30 of the current year.
4. On the tenth (10th) business day of November, the Distributable Cash Flow corresponding to the period between July 1 and September 30 of the current year."

5 Amendment of the Prospectus's Placement Term under the Issuance Program

- 5.1. The Section "Issuance Program's Placement Term" under the Offering's General Information chapter of the Prospectus is modified and hereafter shall read as follows:

"The Placement Term of the global amount under the Issuance Program is five (5) years, counted as of Resolution No. 0338 of April 12, 2021 issued by the Financial Superintendency of Colombia. This term may be renewed for equal periods before its expiration.

The term for the global amount's placement under the Issuance Program was initially authorized by the Financial Superintendency of Colombia through Official Letter No. 2006013931 of March 30, 2006 and was renewed three times for the same three (3) years-period through: (i) Official Letter No. 2009022491 of March 24, 2009, which was reiterated by the Financial Superintendency of Colombia through Resolution No. 1415 of September 18, 2009; (ii) Resolution No. 0256 of February 23, 2012; (iii) Resolution No. 0279 of March 11, 2015; and (iv) Resolution No. 0433 of April 9, 2018.

The five (5) years placement term of the global amount under the Issuance Program was authorized by the Financial Superintendency of Colombia through Resolution No. 0338 of April 12, 2021".

- 5.2. Section 1.8.2 of the Prospectus is modified and hereafter shall read as follows:

"1.8.2 Issuance Program' Placement Term

"The Placement Term of the global amount under the Issuance Program is five (5) years, counted as of Resolution No. 0338 of April 12, 2021 issued by the Financial Superintendency of Colombia. This term may be renewed for equal periods before its expiration.

Notwithstanding the above, the Trust may request the renewal of the term in writing, before the expiration thereof, as applied for on March 24, 2009 and approved by the Financial Superintendency of Colombia; the global amount's Placement Term under the Issuance Program was renewed until March 30, 2012 and ratified by the Financial Superintendency of Colombia through Resolution No. 1415 of September 18, 2009 (through which said Superintendency authorized the transfer of the Issuance Program's securities from the Secondary Market to the Primary Market).

On January 5, 2012, the renewal of the term for three (3) more years was applied for, again, and approved by the Financial Superintendency of Colombia through Resolution No. 0256 of February 23, 2012 until March 2, 2015. Through Resolution No. 0279 of March 11, 2015 issued by the Financial Superintendency of Colombia, the term was renewed for three (3) additional years until March 12, 2018. Finally, on February 19, 2018 the term's renewal for three (3) more years was applied for, again, and approved by the Financial Superintendency of Colombia through Resolution No. 0433 of April 9, 2018 until April 26, 2021. On April 12, the term's renewal for five (5) additional years was applied for and approved by the Financial Superintendency of Colombia through Resolution No. 0338 of April 12, 2021.

The renewal of the authorization's validity period may include the same securities or others, or an increase of the global amount."

The other provisions under PEI's Equity Securities Issuance and Placement Program Prospectus and its amendments not the subject matter hereof, remain fully in force.



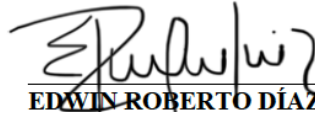
**JAIRO ALBERTO CORRALES CASTRO**

PEI ASSET MANAGEMENT

C.C. No. 80.412.170

Legal Representative

PEI ASSET MANAGEMENT S.A.S., acting in its capacity as  
originator for the **ESTRATEGIAS INMOBILIARIAS TRUST - PEI**.



**EDWIN ROBERTO DÍAZ CHALA**

FIDUCIARIA CORFICOLOMBIANA S.A.

C.C. No. 79.686.493

Legal Representative

FIDUCIARIA CORFICOLOMBIANA S.A., solely acting  
in its capacity as Management Agent and  
spokesperson for the **ESTRATEGIAS INMOBILIARIAS  
TRUST - PEI**

**PEI ASSET MANAGEMENT S.A.S.**  
**ACTING IN ITS CAPACITY AS ORIGINATOR AND REAL ESTATE MANAGER FOR THE *ESTRATEGIAS***  
***INMOBILIARIAS* TRUST ("PEI")**

**CERTIFIES**

That, in the terms of Article 46 of Act 964 of 2005, within its competence and acting as real estate manager for PEI, and under the current legal regulations:

Has been duly diligent in verifying the contents of Amendment No. 24 to the Information Prospectus of PEI's Equity Securities Issuance and Placement Program, such that it certifies its truthfulness and that it shows no information omissions that are material or may affect the decisions of the current or future holders of the Equity Securities (TEIS) issued by PEI.

This certification is issued in Bogotá D.C., on April 21, 2021.



**JAIRO ALBERTO CORRALES**

CC No. 80.412.170

LEGAL REPRESENTATIVE

**PEI ASSET MANAGEMENT S.A.S., acting in its capacity as real estate manager for the *ESTRATEGIAS***  
***INMOBILIARIAS* TRUST- PEI**



Acting as Management Agent for the

**ESTRATEGIAS INMOBILIARIAS TRUST**

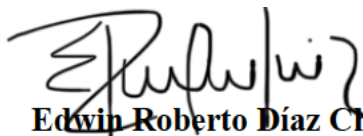
Declares

That under Article 46 of Act 964 of 2005, within its competence and pursuant to the legal regulations in force, the Financial Statements and other relevant information for the public included in Amendment No. 24 to the Information Prospectus of PEI's Equity Securities Issuance and Placement Program, do not contain flaws, inaccuracies, or errors that may prevent knowing the Issuer Trust's true financial situation.

We also declare that were duly diligent in verifying the contents of Amendment No. 24 to the Information Prospectus of PEI's Equity Securities Issuance and Placement Program, its truthfulness and that the same shows no information omissions that are material or may affect the decisions of the current or future holders of PEI's Equity Securities.

Issued in Bogotá D.C., on the 28th day of the month of April of 2021

Sincerely,



**Edwin Roberto Díaz Chala**

CC. No. 79.686.493

Legal Representative

*Fiduciaria Corficolombiana S.A.*

Management Agent and spokesperson for the **ESTRATEGIAS INMOBILIARIAS TRUST - PEI.**

*FIDUCIARIA COLOMBIANA DE COMERCIO EXTERIOR S.A. FIDUCOLDEX*

Acting in its capacity as Legal Representative for PEI's Investors

Certifies

That, within its competence and acting in its capacity as the Investors Legal Representative, was duly diligent in verifying the contents of Amendment No. 24 to the Information Prospectus of PEI's Equity Securities Issuance and Placement Program, which includes truthful information and shows no information omissions that may affect the decisions of the current or future holders of the Equity Securities (TEIS) issued by PEI.

This certification is issued in Bogotá D.C. on the twenty-third [23rd] day of April 2021.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ricardo Herrera Castillo', with a stylized flourish at the end.

RICARDO HERRERA CASTILLO

CC. No. 79.505.704

LEGAL REPRESENTATIVE

FIDUCIARIA COLOMBIANA DE COMERCIO EXTERIOR S.A. - *FIDUCOLDEX* acting  
Its capacity as Legal Representative for PEI's Investors.



Brigard  
Urrutia

**AMENDMENT No. 24  
TO THE ISSUANCE AND PLACEMENT PROSPECTUS OF THE  
ESTRATEGIAS INMOBILIARIAS TRUST'S EQUITY SECURITIES  
ISSUANCE AND PLACEMENT PROGRAM**

*Inversiones y Estrategias Corporativas S.A.S.* (under liquidation), originator of the *Estrategias Inmobiliarias Trust's* Equity Securities Issuance And Placement Program (hereinafter, "PEI"), represented by Federico Márquez Aguel and Carlos Angulo Ladish, identified as it appears below our signatures; and *Fiduciaria Corficolombiana S.A.*, a financial services company incorporated through public deed No. 2803 of September 4, 1991, granted before the Notary Office One of Cali (Valle), with operation authorization certificate issued by the Financial Superintendency of Colombia through Resolution No. 3548 of September 30, 1991, legally represented herein by Juan Carlos Pertuz Buitrago, acting in its capacity as management agent for the *Estrategias Inmobiliarias Trust's* Equity Securities Issuance And Placement Program (hereinafter, the "Management Agent"); pursuant to that provided for by Resolution No. 0433 of April 9, 2018 and the Financial Superintendency of Colombia's authorization granted through Resolution No. 0725 of June 10, 2019, hereby make the relevant restatements and amendments to *Estrategias Inmobiliarias Trust's* Equity Securities Issuance And Placement Program for the issuance of the Eleventh Tranche of PEI's Equity Securities.

Federico Márquez Aguel and Carlos Angulo Ladis, acting in our capacity as legal representatives for *Inversiones y Estrategias Corporativas S.A.S.* and Juan Carlos Pertuz Buitrago, acting in my capacity as legal representative of PEI's Management Agent, hereby certify that were duly diligent in verifying this amendment and thus certify its truthfulness and that the same shows no information omissions that are material or may affect the Investor's decisions.

In witness whereof, we sign this certification in the city of Bogotá D.C., on two identical counterparts, on the 11<sup>th</sup> day of June 2019.



Federico Márquez Aguel  
C.C. 80.179.265

Legal Representative



Carlos Angulo Ladish  
C.C. 80.409.241

Legal Representative

## **PLACEMENT PROSPECTUS**

***ESTRATEGIAS INMOBILIARIAS***  
**TRUST'S EQUITY SECURITIES**  
**ISSUANCE AND PLACEMENT PROGRAM**

**INITIAL AMOUNT FOR UP TO COP 5,000,000,000,000**

**RATING i-AAA BRC Standard & Poor's**

**Listing with the stock exchange neither guarantees the security's quality, nor the Issuer's solvency**

**Bogotá D.C., JUNE 2019**

**ESTRATEGIAS INMOBILIARIAS TRUST'S EQUITY SECURITIES ISSUANCE AND  
PLACEMENT PROGRAM PROSPECTUS**

*Estrategias Inmobiliarias Trust's Issuance and Placement Program* (the "Issuance Program"), its registration with the *Registro Nacional de Valores y Emisores* [Securities and Issuers National Registry], and its corresponding public offering in the Primary Market, were authorized by the Financial Superintendency, as the originator fulfilled the procedures provided for in articles 5.2.1.1.3 to 5.2.1.1.5 of Decree 2555 of 2010 ("Decree 2555").

**GENERAL INFORMATION ON THE OFFERING**

<b>Issuer:</b>	<i>Estrategias Inmobiliarias Trust</i>
<b>Amount:</b>	The Issuance Program will have a global amount of up to five billion pesos (COP 5,000,000,000,000) Colombian legal tender, which may be extended prior the relevant authorizations.
<b>Type of Security:</b>	The Trust shall issue <i>Estrategias Inmobiliarias</i> Equity Securities ("TEIS")
<b>Rights of the Securities:</b>	The Securities under the different Tranches of the Issuance Program are fungible and thus, all of them have the exact same rights, regardless of the Tranche under which they are issued. Therefore, Investors acquire a pro rata right or aliquot in the Trust, equivalent to the result of dividing the number of Securities owned by the Investor by the total number of outstanding Securities under the Issuance Program. The Investor does not acquire a fixed yield certificate but shares the resulting profits or losses.
<b>Circulation Rules:</b>	Registered.
<b>Par value and Minimum Investment:</b>	The Securities will be denominated in Colombian legal tender. They shall be issued in multiples of one million five hundred seventy-one thousand seven hundred sixty-five pesos (COP 1.571.765) and the minimum investment in the primary market and the minimum trade in the secondary market will be one (1) Security.
<b>Subscription Price:</b>	The subscription price of the Securities under new Tranches will be published in the relevant public offering notice.
<b>Number of Securities to Issue:</b>	It will be the result of dividing the authorized amount of the Tranche by the subscription price of the Securities under the Eleventh Tranche.
<b>Placement through Tranches:</b>	The Tranches will have the same rights and financial conditions. Offerings of a Tranche shall not be made while the offering under the immediately preceding Tranche is valid.
<b>Term of the Securities:</b>	The Securities will be in force as of the Issuance Date of each Tranche and until the Trust's liquidation date. Therefore, the Securities' maximum redemption term cannot exceed the Trust Agreement's term under which the Trust is created, that is, ninety-nine (99) years, counted from the execution of such agreement, extendable with the parties' consent.
<b>Profitability:</b>	<p>The Securities' profitability will result from any: (i) Appreciation of the Real Estate Assets making up the Trust; (ii) Appreciation of the other Permitted Investments of the Trust; (iii) Proceeds from the Real Estate Assets' Lease Fees, Monthly Concession Amounts agreed to in the Trust Real Estate Assets' concession contracts, Parking Spaces' Lease Fees, Parking Services, Entry Premiums, and Sponsorships; (iv) Compensations received from insurances; (v) Amounts that the tenants may be required to pay for the early termination of the Real Estate Assets' Lease Agreements; (vi) Amounts that the tenants pay as sanctions under the Lease Agreements' provisions; (vii) Returns from these resources; and (viii) Amounts of money received by the Trust any capacity, once the relevant discounts are made in accordance with the Trust Agreement.</p> <p>The Distributable Cash Flow described in this Prospectus will be distributed quarterly a year, pro rata among the Investors.</p>
<b>Preemption Right:</b>	Is the right that those Investors appearing in <i>DECEVAL's</i> records as owners of the Trust Securities on the publication date of the relevant Tranche's offering notice shall have to preemptively subscribe the Securities under the new Tranche, pro rata to the number of Securities they own on such date with respect to the

**Placement Prospectus**  
**Estrategias Inmobiliarias Trust**

---

total number of Securities outstanding on such date. This right must be exercised in the terms established in the relevant offering notice. The Investors General Assembly may decide on the Securities' placement without being subject to the Preemption Right, in accordance with the terms provided herein.

**Securities re-acquisition:** Investors will have the option to sell to the Trust up to ten percent (10%) of the Securities they have acquired and maintained for any period exceeding ten (10) consecutive and uninterrupted years from their Acquisition Date, in accordance with the terms provided for in this Prospectus.

**Real Estate Management** *PEI ASSET MANAGEMENT S.A.S.* will be responsible for the Trust's real estate management.

**Issuance Program Manager** Depósito Centralizado de Valores de Colombia – *DECEVAL S.A.* [Centralized Securities Depository of Colombia].

**Stock Exchange:** The Securities shall be listed with the Colombian Stock Exchange [*Bolsa de Valores de Colombia S.A.*]. The listing with the Colombian Stock Exchange neither guarantee the Securities' quality, nor the Issuer's solvency.

**Issuance Program's Placement Term** Currently, the Placement Term of the global amount under the Issuance Program is three (3) years as of Resolution No. 0433 of April 9, 2018, issued by the Financial Superintendency of Colombia, and until April twenty-six (26), 2021. This term may be renewed for equal periods before its expiration.

The Placement Term of the global amount under the Issuance Program was initially authorized by the Financial Superintendency of Colombia through Official Letter No. 2006013931 of March 30, 2006 and has been renewed three times for the same three (3) years-period, through: (i) Official Letter No. 2009022491 of March 24, 2009, reiterated by the Financial Superintendency of Colombia through Resolution No. 1415 of September 18, 2009; (ii) Resolution No. 0256 of February 23, 2012; (iii) Resolution No. 0279 of March 11, 2015; and Resolution No. 0433 of April 9, 2018, issued by the Financial Superintendency of Colombia.

**Placement Term of Each Tranche:** Shall be established in the first offering notice of the relevant Tranche.

**Eleventh Tranche's Subscription Term:** Shall be established in the offering notice for the First Round Without Payment in Kind and the Second Round Without Payment in Kind.

First Round Without Payment in Kind: Shall be established in the offering notice of the Eleventh Tranche to assign and exercise the Preemption Right and will be counted from the business day immediately following the offering notice's publication date.

Second Round Without Payment in Kind: Shall be established in the offering notice of the Eleventh Tranche for the Free Placement of those Securities not subscribed in the First Round Without Payment in Kind, and will be counted from the business day immediately following the date when the term of validity of the First Round Without Payment in Kind expires.

**Issuance Program's Rating:** *BRC Investor Services S.A.*'s awarded an "i-AAA" (Triple A) rating to the Issuance Program. The rating awarded considers PEI and its Manager's positive aspects.

**Recipients:** Investors and the general public, including pension and "cesantías" funds, as established in the relevant offering notice.



Calle 80 No 11-42  
Torre Sur, Piso 10  
Bogotá D.C., Colombia



Calle 70 No 4-41  
Bogotá D.C., Colombia



Av. El Dorado No 69c-03 Torre  
A, Piso 7 Bogotá D.C., Colombia



Cra. 13 No 26-45 Piso 1  
Edificio Internacional  
Bogotá D.C., Colombia

**Placement Prospectus**  
Estrategias Inmobiliarias Trust

REAL ESTATE ASSET MANAGER	LEGAL ADVISOR	INVESTORS LEGAL REPRESENTATIVE	MANAGEMENT AGENT	
<div></div> <div>Cra. 7 No. 71 – 52 / Torre B Piso 16 Bogotá D.C., Colombia</div> <div>ELEVENTH TRANCHE'S PLACEMENT AGENT</div>	<div></div> <div>Av. 15 No 100-43, Piso 6 Bogotá D.C., Colombia</div> <div>ELEVENTH TRANCHE'S PLACEMENT AGENT</div>	<div></div> <div>Carrera 7 No 33-42, Piso 9 Bogotá D.C., Colombia</div> <div>ELEVENTH TRANCHE'S PLACEMENT AGENT</div>	<div></div> <div>Carrera 7 No. 73-55 Bogotá D.C., Colombia</div> <div>ELEVENTH TRANCHE'S PLACEMENT AGENT</div>	<div></div> <div>Cra. 48 No. 26-85 Torre Sur, Piso 6C Medellín, Colombia</div> <div>ELEVENTH TRANCHE'S PLACEMENT AGENT</div>

The Prospectus is available to potential Investors at the Financial Superintendency of Colombia's website ([www.superfinanciera.gov.co](http://www.superfinanciera.gov.co)); at the Colombian Stock Exchange's website ([www.bvc.com.co](http://www.bvc.com.co)); in the Placement Agents' offices (*Valores Bancolombia S.A.'s*, *Corredores Davivienda S.A.'s*, *Alianza Valores S.A.'s*, *Ultraserfincio S.A.'s*, and *Casa de Bolsa S.A.'s* offices located in the addresses referred to in the above "OFFERING'S GENERAL INFORMATION" section; at the Management Agent's offices (*Fiduciaria Corficolombiana S.A.*) at Carrera 13 No. 26 - 45, Piso 1, and at the Manager's offices (*PEI. Asset Management S.A.S.*) at Calle 80 No. 11-42.

It is essential for potential Investors to read the Prospectus so that they may properly assess the investment's convenience.

Registration of the public offering with the Securities and Issuers National Registry and authorization thereof, neither implies any rating or liability by the Financial Superintendency as to the registered individuals or entities, nor the securities or relevant Issuance's price, worthiness, or tradability, or the Issuer's solvency.

The Prospectus is not an offer or an invitation by or on behalf of the Issuer or the Placement Agents, to subscribe or purchase any of the securities it refers to.

The Securities' listing with Bolsa de Valores de Colombia S.A., does not imply any certification whatsoever of the securities value, worthiness, or tradability by such entity.

June 2019

## **TABLE OF CONTENTS**

DEFINITIONS	11
OVERVIEW OF THE REITS	19
EXECUTIVE SUMMARY OF THE REAL ESTATE SECTOR'S PERFORMANCE IN COLOMBIA	26
<i>PEI ASSET MANAGEMENT S.A.S.'s calculations based on information directly collected by the operator of the CityU's university residences.</i>	42
TRANSFER OF SECURITIES FROM THE SECONDARY MARKET TO THE PRIMARY MARKET	42
1 THE SECURITIES	43
1.1 DESCRIPTION OF THE ISSUANCE AND PLACEMENT PROGRAM	43
1.1.1 General Characteristics	43
1.1.2 Real Estate Assets Securitization	44
1.2 ECONOMIC AND FINANCIAL GOALS OF THE ISSUANCE PROGRAM	44
1.3 STOCK EXCHANGE WHERE THE SECURITIES WILL BE LISTED	45
1.4 DEMATERIALIZATION OF SECURITIES	45
1.5 SECURITIES' CIRCULATION RULES AND SECONDARY TRADING	45
1.6 RATING OF THE ISSUANCE PROGRAM'S SECURITIES	45
1.7 FINANCIAL CONDITIONS OF THE ISSUANCE PROGRAM	45
1.7.1. Amount	45
1.7.2. Type of Security	46
1.7.3. Par Value and Minimum Investment	46
1.7.4. Subscription Price	46
1.7.5. Number of Securities to Issue	46
1.7.6. Issuance of New Tranches	46
1.7.7. Disposals and Transfers	48
1.7.8. Term	48
1.7.9. Proportion and Form of the Offering	49
1.7.10. Proportion, Form of the Offering, and Award Mechanism if there is Payment in Kind	50
1.7.11. Reacquisition of Securities	53
1.7.12. Securities' Yield	54
1.7.13. Distributable Cash Flow's Periodicity and Payment	56
1.8. PLACEMENT AND TRADING RULES	56
1.8.1. Award Mechanism	57
1.8.2. Issuance Program's Placement Term	58
1.8.3. Placement Term for Each Tranche	59
1.8.4. Offer and Subscription's Validity	59
1.8.5. Recipients of the Issuance Program	59
1.8.6. Means to Make the Offer	60
1.9. OTHER CHARACTERISTICS OF THE SECURITIES	60
1.10. MANAGEMENT OF THE ISSUANCE PROGRAM	61
1.11. INVESTORS' RIGHTS AND OBLIGATIONS	63
1.11.1. Investors' Rights	63
1.11.2. Investors' Obligations	64
1.12. DISCLAIMER	64
2. TRUST	65



2.1. INTERVENING PARTIES	65
2.1.1. Originator or Trustor	65
2.1.2. Trust Company or Management Agent	66
2.1.3. Manager	66
2.1.4. Investors	66
2.1.5. Beneficiaries	66
2.1.6. Placement Agents	66
2.1.7. Investors Legal Representative	67
2.1.8. Issuance Program's Manager	67
2.2. TRUST'S CONFORMATION	67
2.2.1. Securitized Assets	67
2.2.2. Assets Making Up the Trust	67
2.2.3. Value of the Securitized Assets Under the Eleventh Tranche	68
2.2.4. Transfer of the Trust Assets	68
2.3. INVESTMENT POLICY	68
2.3.1. Permitted Investments	69
2.3.2. Investment Criteria	70
2.3.3. Exposure Levels	72
2.3.4. Financial Indebtedness	74
2.3.5. Insurance	75
2.3.6. Payment in Kind	76
2.3.6.1. Risks Associated with Payments in Kind	76
2.3.6.1.1. Transfer of Ownership Rights	76
2.3.6.1.2. Breach of Promises of Purchase and Sale	77
2.3.6.1.3. Unblocking of Securities	77
2.4. REAL ESTATE ASSETS UNDER THE ELEVENTH TRANCHE	77
2.4.1. Description	78
2.4.1.1. <i>Ideo Cali</i>	79
2.4.1.2. <i>Plaza Central</i>	80
2.4.1.3. <i>Nutresa Palermo</i>	81
2.4.1.4. <i>Nuestro Montería</i>	82
2.4.1.5. <i>Hada International</i>	83
2.4.1.6. <i>QBE Floor 8</i>	84
2.4.1.7. <i>Santafé Shopping Center's Commercial Premises</i>	85
2.4.1.8. <i>CEDI LG Palmira</i>	86
2.4.1.9. <i>Davivienda – Avenida El Libertador [El Libertador Avenue]</i>	87
2.4.1.10. <i>Davivienda – Calle 29 Palmira</i>	88
2.4.1.11. <i>Davivienda – Calle 35</i>	89
2.4.1.12. <i>Davivienda – Calle 38</i>	90
2.4.1.13. <i>Davivienda – Calle 49 Cabellano</i>	91
2.4.1.14. <i>Davivienda – Carrera 2 Bocagrande</i>	92
2.4.1.15. <i>Davivienda – Carrera 23 Provenza</i>	93
2.4.1.16. <i>Davivienda – Cedritos</i>	94
2.4.1.17. <i>Davivienda – Chicó Shopping Center</i>	95
2.4.1.18. <i>Davivienda – Milenio Plaza Shopping Center</i>	96

2.4.1.20.	<i>Davivienda – Salitre Plaza Shopping Center</i>	97
2.4.1.21.	<i>Davivienda – Salitre Plaza 2 Shopping Center</i>	98
2.1.1.22.	<i>Davivienda – Contador</i>	99
2.4.1.23.	<i>Davivienda – Calle 72 Carrera 11 Building</i>	100
2.4.1.24.	<i>Davivienda – Edificio del Café (Cali)</i>	101
2.4.1.25.	<i>Davivienda – Manuela Sáenz Building</i>	102
2.4.1.26.	<i>Davivienda – Pasaje El Liceo Building</i>	103
2.4.1.27.	<i>Davivienda – Seguros Bolívar Building</i>	104
2.4.1.28.	<i>Davivienda – Estrada</i>	105
2.4.1.29.	<i>Davivienda – La Soledad</i>	106
2.4.1.30.	<i>Davivienda – Multicentro Nueva Autopista</i>	107
2.4.1.31.	<i>Davivienda – Main Office Ibagué</i>	108
2.4.1.32.	<i>Davivienda – Santa Isabel</i>	109
2.4.1.33.	<i>Davivienda – Soluzona</i>	110
2.4.1.34.	<i>Davivienda – Toberín.</i>	111
2.4.1.35.	<i>Davivienda – Torre Bolívar</i>	112
2.4.1.36.	<i>Davivienda – Torre CCI</i>	113
2.4.1.37.	<i>Davivienda – Trinidad Galán</i>	114
2.4.1.38.	<i>Davivienda – Unicentro Girardot</i>	115
2.4.2.	Commercial Appraisals	116
2.4.3.	Acquisition Price	118
2.4.4.	Terms of the Lease Agreements	120
2.4.5.	Diversification	121
2.4.5.1	Diversification per type of asset according to the Trust's revenues from the invoices of December 2018:	122
2.4.5.2.	Diversification per economic sector according to the Trust's revenues from the invoices of December 2018	122
2.4.5.3.	Diversification per tenants according to the Trust's revenues from the invoices of December 2018:	123
2.4.5.4.	Diversification per city according to the Trust's revenues from the invoices of December 2018:	123
2.4.5.5.	Agreements' expiration over time	124
2.5.	BODIES OF THE TRUST	124
2.5.1.	Manager	124
2.5.2.	Advisory Committee	126
2.6.	TRUST'S INCOME AND EXPENSES	132
2.6.1.	Income of the Trust	132
2.6.2.	The Trust's Expenses	132
2.6.3.	Issuance Costs	134
2.6.4.	Payment Priority and Provisions	135
2.6.5.	Bank Accounts	136
2.7.	TRUST'S APPRAISAL	136
2.8.	LIQUIDATION OF THE TRUST	137
2.8.1.	Early Termination	137
2.8.2.	The Trust's Liquidation	138

2.9. FINANCIAL FORECASTS	140
2.9.1. Initial Financial Statements	140
2.9.2. Parameters	141
2.9.3. Projected Cash Flow	142
2.9.4. Expected Profitability	144
2.9.5. Sensitivities	144
3. MANAGEMENT AGENT	147
3.1. OBLIGATIONS OF THE MANAGEMENT AGENT	147
3.2. REMOVAL	150
3.2.1. Removal Events	150
3.2.2. Removal Procedure	150
3.3. MANAGEMENT AGENT'S RIGHTS	151
3.4. TRUST COMPANY'S GENERAL INFORMATION	152
3.4.1. General Description	152
3.4.2. Domicile	152
3.4.3. General Organizational Chart	153
3.4.4. Board of Directors	153
3.4.5. Shareholding Composition	154
3.5. COMPANY'S RATING	154
3.5.1. Rating of the Portfolios' Management Strength	154
3.5.2. Collective Portfolio Valor Plus's Rating	154
3.6. FIDUCIARIA CORFICOLOMBIANA'S CURRENT NUMBERS	155
3.6.1. Fiduciaria Corficolombiana S.A.'s Financial Structure	155
3.6.2. Distribution of the Trust's Activity	155
3.7. GENERAL EXPERIENCE IN TRUSTS MANAGEMENT	156
3.7.1. Trusts Management	156
3.7.2. Securitizations	156
3.8. ICONTEC Certification	157
4. INVESTORS LEGAL REPRESENTATIVE	157
4.1. OBLIGATIONS OF THE INVESTORS LEGAL REPRESENTATIVE	157
4.2. APPOINTMENT AND RESIGNATION	158
4.3. TERMINATION	159
4.4. INVESTORS' LEGAL REPRESENTATIVE RIGHTS	159
4.5. INVESTORS' LEGAL REPRESENTATIVE GENERAL INFORMATION	159
4.5.1. General Description	159
4.5.2. Domicile	160
4.5.3. General Organizational Chart	160
4.6. FIDUCIARIA COLMENA'S CURRENT NUMBERS	160
4.7. GENERAL EXPERIENCE	161
4.8. INVESTORS GENERAL ASSEMBLY	161
4.8.1. Ordinary Meetings	161
4.8.2. Purpose of Ordinary Assemblies	161
4.8.3. Extraordinary Assemblies	162
4.8.4. Calls	162
4.8.5. Place of the Meetings	163
4.8.6. Capacity as Investor	163

4.8.7. Quorum	163
4.8.8. Special Quorum	163
4.8.9. Minutes	164
5. TRUSTOR	164
5.1. Trustor's Obligations	164
5.2. General Information	165
6. PEI ASSET MANAGEMENT S.A.S.	166
6.1. Team	166
6.2. Brigard & Urrutia Abogados	167
6.2.1. Legal Advice	169
6.2.2. Team	170
7. FORMAL REQUIREMENTS OF THE ISSUE	170
7.1 Approvals and Authorizations	170
7.2. Disclaimer	171
7.3. Originator's Certification	171
7.4. Management Agent's Certification	171
7.5. Investors Legal Representative's Certification	174

## DEFINITIONS

For purposes of the interpretation of the terms defined herein, it shall be understood that the singular includes the plural and the plural includes the singular.

**"Assets Under Development"** means the Real Estate Assets under construction or to be built and/or the Trust Rights whose underlying assets are Real Estate Assets under construction or to be built.

**"Financial Assets"** means high security and liquidity assets where the Liquidity Surpluses and resources from the Operation Fund and the Reacquisition Fund may be invested.

**"Real Estate Assets"** has the meaning provided for in subparagraph 2.3.1 of this Prospectus.

**"Manager"** means PEI Asset Management S.A.S, who shall be responsible for the conservation, custody, and management of the Real Estate Assets, in accordance with the Real Estate Management Agreement.

**"Placement Agents"** means the stockbrokerage companies appointed by the Advisory Committee. For the Eleventh Tranche, they are *Valores Bancolombia S.A.*, *Corredores Davivienda S.A.*, *Alianza Valores S.A.*, and *Casa de Bolsa S.A.* For the subsequent Tranches, the Placement Agents shall be the stockbrokerage companies designated by the Advisory Committee.

**"Management Agent"** means *Fiduciaria Corficolombiana S.A.*

**"Investors General Assembly"** means the assembly made up by the Investors, with the quorum and conditions provided for in this Prospectus.

**"Commercial Appraisal"** means the appraisal of the Real Estate Assets owned by the Trust, according to the appreciation techniques accepted under the IFRS or the regulations modifying, substituting, or supplementing them, prepared by a Real Estate Guild. Commercial Appraisals may be done by a member of a Real Estate Guild, certified by said guild, or carried out by an appraiser registered with the Appraisers National Registry with the Advisory Committee's prior authorization.

**"Foundation's Benefit"** has the meaning provided for in subparagraph 2.1.5 of this Prospectus.

**"Trust Assets"** means the amount of one million pesos (COP 1.000.000) Colombian legal tender and the Purchase Agreements used to create the *Estrategias Inmobiliarias Trust*.

**"Securitized Assets"** means the Real Estate Assets under which the Trust Company, acting as spokesperson for the Trust, will carry out the Securities Issuance.

**"Bolsa de Valores de Colombia or BVC"**, means Bolsa de Valores de Colombia S.A., the Colombian Stock Exchange, a private institution established to manage the equity securities, derivatives, and fixed income securities in the Colombian securities market. This shall be the entity in charge of the assignment and fulfillment of the transactions carried out through the Placement Agents and/or MEC's affiliates, as established in each Tranche's public offering notice.

**"Lease Fee"** means the price paid by the tenant as consideration for holding a Real Estate Asset.

**"Parking Spaces Lease Fee"** means the Lease Fee of the parking spaces linked to a Real Estate Asset.

**"Free Placement"** means the placement process of those Securities not subscribed in the First Round Without Payment in Kind or the Second Round with Payment in Kind, which may be freely subscribed by the Investors in general, from the business day immediately following that in which the term of the First Round Without Payment in Kind or the Second Round with Payment in Kind expires.

**"Advisory Committee"** means the direction body of the Trust, in accordance with subparagraph 2.5.2 of this Prospectus.

**"Real Estate Management Agreement"** means the Real Estate Management Agreement entered into between the Manager and the Trust Company, acting as spokesperson for the Trust.

**"Lease Agreements"** means the lease agreements entered into between the Trust in its capacity as lessor, through the Trust Company, and individuals or entities acquiring, in their capacity as tenants, the use and enjoyment of one or more Real Estate Assets owned by the Trust.

**"Purchase and Sale Agreements"** means the Real Estate Assets purchase and sale contracts entered into and executed by the Trust Company, acting as spokesperson for the Trust.

**"Deposit and Management Agreement"** means the contract entered into between the Trust and DECEVAL for the management and custody of the Issuance Program.

**"Trust Agreement"** means the irrevocable business trust agreement dated February 2, 2006 and its amendments, executed between *Inversiones y Estrategias Corporativas S.A.S.* (under liquidation) (formerly, *Estrategias Corporativas S.A.S.*) in its capacity as Trustor and originator of the Trust, and *Fiduciaria Corficolombiana S.A.* (formerly *Fiduciaria del Valle S.A.*) in its capacity as Management Agent for the Trust.

**"Promise of Purchase and Sale Agreements"** means the Real Estate Assets promise of purchase and sale agreements executed by the Trust Company, as spokesperson for the Trust, with promising sellers and/or buyers of such Real Estate Assets, whereby the promising seller and the promising buyer are required to

enter into Purchase and Sale Agreements of the Real Estate Assets, under the terms and conditions set forth therein.

**"Investors' Legal Representation Contract"** means the contract executed between the Investors Legal Representative and the Trust for the benefit of the Investors, to govern the relationships of the Investors and the Trust under the Securities' subscription.

**"Issuance Costs"** means the costs provided for in subparagraph 2.6.3 of this Prospectus.

**"DECEVAL"** means *Depósito Centralizado de Valores de Colombia – DECEVAL S.A.* [Centralized Securities Depository of Colombia] or the entity acting as such, who shall be the Issuance Program Manager.

**"Decree 2555"** means Decree 2555 of 2010, issued by the President of the Republic of Colombia, and any other provisions modifying, substituting, or supplementing it.

**"Acceptable Depositary"** means (a) Any entity legally authorized to carry out massive and habitual capital raising activities in the Republic of Colombia, whose risk rating is at least AA+ by *BRC Investor Services S.A.*, Duff and Phelps, or its equivalents under other risk rating agencies systems; (b) Collective investment funds managed by the Trust Company; and (c) Any entity authorized to raise deposits in United States Dollars or Euros, whose risk rating is at least A+ by Standard & Poor's or an equivalent rating by Moody's.

**"Direct Depositor"** means the entities that under *DECEVAL*'s operating regulations, as approved by the Financial Superintendency of Colombia, may directly access its services and who have executed the securities deposit agreement, either in their name and own behalf and/or in a third party's name and behalf.

**"Preemption Right"** means the right that those Investors appearing in *DECEVAL*'s records as owners of the Trust Securities on the publication date of the offering notice of the relevant Tranche, shall have to preemptively subscribe the Securities of the new Tranche, in the same proportion of the number of Securities they own on such date with respect to the total number of Securities outstanding thereon. This right must be exercised in the terms established in the relevant offering notice. The Investors General Assembly may decide on the Securities' placement without being subject to Preemption Rights, in accordance with the terms provided for herein.

**"Binding Documents"** means any promise of sale agreements, call options, real estate lease agreements, or other legal businesses entered into by the Trust, whereby the right or power to acquire the ownership of a Real Estate Asset and/or Trust Rights whose underlying assets are Real Estate Assets is granted.

**"Dollars"** means United States of America dollars.

**"EBITDA"** means the Trust's profit before interest and taxes, less the income and expense items not representing cash flow.

**"Issuance"** means the set of securities with identical characteristics and economically backed by the same Issuer to be put into circulation and absorbed by the Stock Market. For purposes of this Prospectus, means each set of Securities issued under the Issuance Program.

**"Financial Indebtedness"** means the Long-Term Financial Indebtedness and Short-Term Financial Indebtedness of the Trust, acquired under any instruments or credit transaction, including but not limited to bank loans, real estate leases, issues of debt securities, and receivables associated to term payments of the price of Real Estate Assets and/or Trust Rights with Real Estate as their underlying assets, acquired by the Trust.

**"Short-Term Financial Indebtedness"** means the Trust's indebtedness acquired under any instruments or credit transaction, including but not limited to bank loans, real estate leases, issues of debt securities, and receivables associated to term payments of the price of Real Estate Assets and/or Trust Rights with Real Estate as their underlying assets, acquired by the Trust and whose term is equal to or less than one year.

**"Long-Term Financial Indebtedness"** means the Trust's indebtedness acquired under any instruments or credit transaction, including but not limited to bank loans, real estate leases, issues of debt securities, and receivables associated to term payments of the price of Real Estate Assets and/or Trust Rights with Real Estate as their underlying assets, acquired by the Trust and whose term exceeds one year.

**"Liquidity Surplus"** means the remainder of the Trust, after the payments and provisions in subparagraph 2.6.4 of this Prospectus are made.

**"Acquisition Date"** means the date when *DECEVAL* records the acquisition, in accordance with the procedure established in *DECEVAL*'s operation rules.

**"Issuance Date"** means the business day following the publication date of the first offering notice of each Tranche.

**"Subscription Date"** means the date when the Investor pays each Security.

**"Trustor"** means *Inversiones y Estrategias Corporativas S.A.S.* (in liquidation).

**"Trust Company"** means *Fiduciaria Corficolombiana S.A.*

**"Cash Flow"** means the net result of the liquid assets of the Trust, calculated as the inflows and outflows of money within a given period (month, semester, year), that reflect the Trust's liquidity.

**"Operating Cash Flow"** means the EBITDA minus the financial expenses plus the financial returns from the Liquidity Surplus, in accordance with paragraph 1.7.12 of this Prospectus.

**"Adjusted Operating Cash Flow"** means the Operating Cash Flow minus the investments in fixed assets



and working capital, in accordance with paragraph 1.7.12. of this Prospectus.

**"Distributable Cash Flow"** are the flows distributed among the Investors, in accordance with subparagraph 1.7.12 of this Prospectus.

**"Net Flow from New Tranche Issues"** means the result of subtracting the value of the Real Estate Assets subject to securitization under the relevant Tranche and the Issuance Costs, from the Issuance's value.

**"Operation Fund"** means the operating cash that the Trust must maintain to meet all of its obligations, costs, and expenses.

**"Reacquisition Fund"** means the fund set up with the resources necessary for the Trust to reacquire the Securities, pursuant to subparagraph 1.7.10 of this Prospectus.

**"Expenses"** means the expenses provided for in subparagraph 2.6.2 of this Prospectus.

**"Annual Income"** means the whole revenues received by the Trust in one year for each and every one of the items referred to in this Prospectus.

**"Permitted Investments"** has the meaning assigned to such term in subparagraph 2.3.1 of this Prospectus.

**"Investors"** are the public or private entities or individuals, national or foreign, who have acquired Securities, including Pension and *Cesantías* Funds.

**"CPI"** means the net variation of the Consumer Price Index for the last twelve (12) months in Colombia, certified and published by the *Departamento Administrativo Nacional de Estadística* [National Administrative Department for Statistics] ("DANE"), expressed as an annual effective rate. If the government eventually eliminate the CPI, the CPI will be replaced by any index established by the government for the same purpose.

**"Annual Limit of Assets Under Development"** means the limit in connection with the value of the Assets Under Development that can be acquired in a given calendar year (this is, for each year, the period from January 1 to December 31 thereof) with respect to the portfolio assets' value at the end of said calendar year, in accordance with Section 2.3.3 of this Prospectus.

**"Limit of Advance Payments of the Price"** means the limit of the advance payments of the purchase price of Assets Under Development, in accordance with Section 2.3.3 of this Prospectus.

**"Limit of Advance Payments of the Price on a Particular Asset"** means the particular limit related to the Limit of Advance Payments of the Price, in accordance with Section 2.3.3 of this Prospectus.

**"Macro-certificate"** means a certificate issued by the Issuer that represents the entire Issuance. The par value will be determined in accordance with the securities issued and informed to DECEVAL S.A. The mechanism consists in the global certificate's value increasing with the primary subscriptions and decreasing with the reacquisition of Securities.

**"Primary Market"** means the market where the securities registered with the Securities and Issuers

National Registry are traded pursuant to Part 5 of Decree 2555, and where the Securities are offered to the general public.

**"Minimum Placement Amount"** means the minimum amount of the offer, which must be bided by Investors regardless of the number of placement rounds and below which, the relevant Tranche referred to in the corresponding Public Offering Notice will not be placed.

**"Placement's Partial Amounts"** means the partial amounts of the placement established in the public offering notice corresponding to each Tranche, which shall be applied in accordance with subparagraph 1.8.1 of this Prospectus.

**"Hedging Transactions"** means transactions with financial instruments to mitigate the variable prices' financial risk (interest rates, exchange rates, etc.) that bring volatility into the Trust's flow.

**"Payment in Kind"** means the Trust's prerogative to receive as a partial consideration for the subscription price of the Securities offered in the First Round with Payments in Kind, transfers of the ownership of a particular asset or property, or any part thereof.

**"Trust"** means all the assets described in subparagraph 2.2.2 of this Prospectus, subjected to comply the purpose of the Trust Agreement, namely the *Estrategias Inmobiliarias Trust*.

**"Sponsorships"** means the revenue that the Trust receives as consideration under contracts where physical or virtual spaces for marketing and advertising are granted.

**"PEI"** means the *Estrategias Inmobiliarias Trust* (PEI), an investment vehicle managed by *PEI ASSET MANAGEMENT S.A.S.*, with unique characteristics in the Colombian market, allowing investors to participate in a diversified portfolio of income generating properties. PEI emulates international real estate trusts, commonly known as REITs by its initials in English (Real Estate Investment Trusts).

**"Determined Person"** means the direct or indirect owner of an immovable property or part a thereof, whose ownership right will be transferred to the Trust as Payment in Kind of Securities offered in the First Round With Payment in Kind.

**"Pesos"** means Colombian pesos.

**"Strategic Plan"** means the annual strategic plan of the Trust, prepared by the Manager and approved by the Advisory Committee.

**"Liquidation Plan"** means the Trust's liquidation plan, in accordance with the provisions herein.

**"Investment Policy"** means the Investment Policy described in subparagraph 2.3 of this Prospectus.

**"Portfolio"** means the assets where the Trust has invested the resources received from the Investors and generated by the vehicle, in accordance with the provisions herein.

**"Parking Service"** means the revenue received by the Trust for the parking service provided to the different Real Estate Assets' visitors.

**"Entry Premiums"** means the extraordinary revenue received by the Trust from new concessionaires or tenants, for their rights to access the property subject matter of the lease or concession agreement.

**"First Round"** shall be, as applicable, the First Round Without Payment in Kind or the First Round with Payment in Kind.

**"First Round with Payment in Kind"** means, with respect to the Tranches contemplating the Payment in Kind, the Round destined to the Determined Persons that will pay for the Securities in kind.

**"First Return Without Payment in Kind"** means, with respect to the Tranches not contemplating the Payment in Kind, the round established for the exercise of Preemption Rights, which will have the validity term provided for in the relevant offering notice.

**"Issuance Program"** means the plan through which the Trust structures, under a global amount, several Securities issues by means of a public offering during an established term.

**"Prospectus"** means this Securities Issuance and Placement Prospectus.

**"REIT"** means the real estate trusts, commonly known as REITs by its initials in English (Real Estate Investment Trusts), which are vehicles that purchase, develop, manage, and sell real estate properties.

**"Investors Legal Representative"** means Fiduciaria Colmena S.A. or the trust company that the Investors General Assembly selects to replace it.

**"Credit Risk"** means the risk from the possibility that any counterparty (tenants, concessionaires, among others) is not able to comply with the payments under the relevant contracts (Lease Agreements, concession contracts, among others).

**"Market Risk"** means the risk from fluctuations in the market or economic conditions, or others.

**"Second Round"** means, as applicable, the Second Round Without Payment in Kind or the Second Round with Payment in Kind.

**"Second Return with Payment in Kind"** means, with respect to the Tranches contemplating the Payment in Kind, the round established to exercise the Preemption Right, whose term of validity shall be established in the relevant public offering notice.

**"Second Round Without Payment in Kind"** means, with respect to the Tranches not contemplating the Payment in Kind, the round established for Free Placement, whose term of validity shall run from the business day immediately following the expiration of the First Round Without Payment in Kind's validity, in accordance with the relevant offering notice.

**"Related Companies"** means the parent or controlling companies and the affiliates and subsidiaries of a company.

**"Superintendency"** means the Financial Superintendency of Colombia.

**"Third Round"** means, with respect to the Tranches contemplating the Payment in Kind, the round

established for Free Placement, whose term of validity shall run from the business day immediately following the expiration of the Second Turn With Payment in Kind, in accordance with the relevant public offering notice.

**"Securities"** means the Equity Securities, namely, *Estrategias Inmobiliarias Securities* ("TEIS"), issued by *Estrategias Inmobiliarias Trust*, whose terms and conditions are specified in this Prospectus.

**"Re-acquirable Securities"** are the Investors' Securities that may be reacquired by the Trust, pursuant to subparagraph 1.7.10 of this Prospectus.

**"Tranches"** means the Issues under the Issuance Program, in the terms and conditions provided therein.

**"Trust Profits"** means the difference between the Trust's income and expenses described in this Prospectus, in accordance with accounting standards in force in Colombia.

**"Distributed Trust Profits"** means the amount of Distributable Cash Flow actually distributed to the Investors as profits.

**"Retained Profit of the Trust"** means the accumulated amount of the accounting profit not distributed after the end of each fiscal year.

**"Market Value"** means the Security's value published by *Bolsa de Valores de Colombia S.A.*

**"Reacquisition Value"** means the repurchase value of the Re-acquirable Securities, calculated as provided for in subparagraph 1.7.10 of this Prospectus.

**"Trust Value"** means the Trust Portfolio's appraisal, in accordance with the Banking Superintendency's Circular 100 of 1995 and any other regulations modifying, supplementing, or adding it.

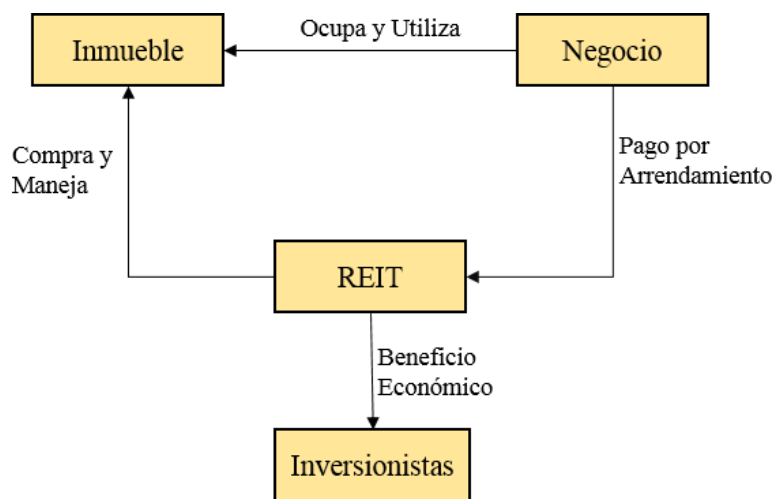
**"Trust Value for Subsequent Issues"** means the Trust value to Issue a new Tranche, which shall be calculated as provided for in subparagraph 1.7.6 of this Prospectus.

**"Average Trust Value"** means the daily average of the Trust's Value in a given period.

**"Monthly Concession Values"** means the consideration paid by the concessionaire to the Trust (grantor) or whoever the Trust designates, as the price of the concession contract.

## OVERVIEW OF THE REITS

The information provided in this chapter is a brief conceptual overview of the international real estate investment vehicles known as REITS, which illustrates their main features. Although the legal structures used for these purposes may be different from the real estate securitization used by PEI in Colombia, the Issuance Program aims to share the same characteristic principles of the REITs. The graph below shows the simplified operation of the REITs:



*Inmueble* = Property; *Ocupa y Utiliza* = Occupies and Uses; *Negocio* = Business; *Compra y Maneja* = Buys and Manages; *Pago por Arrendamiento* = Lease Fee; *Beneficio Económico* = Economic Benefit; *Inversionistas* = Investors.

This Issuance Program incorporates the main success factors of the REITs, developed through the *Estrategias Inmobiliarias Trust* (PEI), which will carry out a new real estate securitization (Eleventh Tranche) in the terms provided for hereunder and in the Trust Agreement.

Real estate trusts, commonly known as REITs (Real Estate Investment Trusts), are vehicles that purchase, develop, manage, and dispose of real estate properties. Additionally, depending on their goals and investment policy, these vehicles are characterized by being made up of a real estate portfolio diversified or specialized per economic activity and administered by a professional manager.

The REITs' profitability mainly proceeds from the leases' revenue and the portfolio's assets appreciation.

REITs emerged in 1960 in the United States, as an investment vehicle aimed at democratizing the opportunity to invest in large real estate portfolios.<sup>1</sup> Since then and, as of December 31, 2018, 226 equity REITs associated to NAREIT exist globally. By the end of 2018, REITs have over USD 2.0

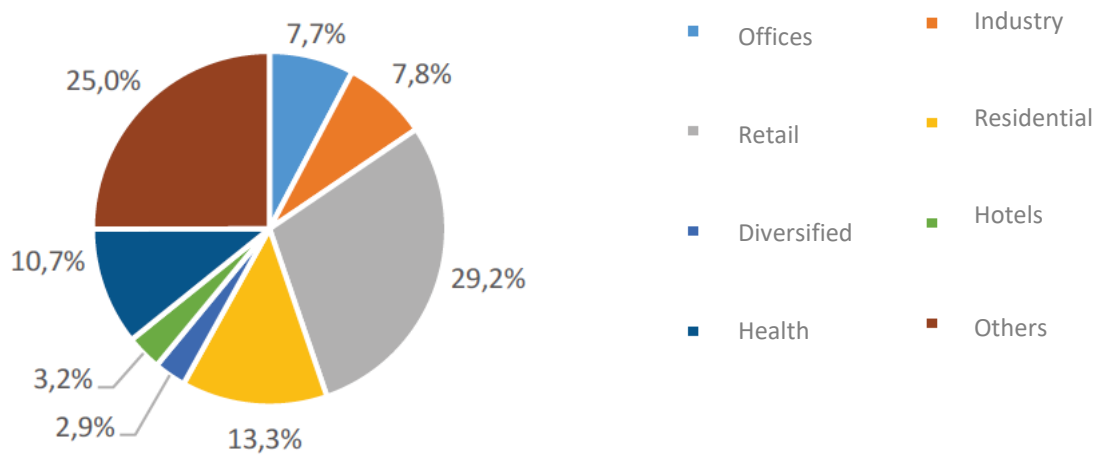
---

<sup>1</sup> CFA. (2015). The REIT Industry. CFA Institute Industry Guides.

trillion in assets and a market capitalization exceeding USD 1.0 trillion.<sup>2</sup>

Depending on their focus and investment strategy, these real estate vehicles invest in different sectors and industries, including offices, commerce, warehouses, hotels, and residential properties. In the United States, taking as a measurement variable the share per sector according to the capitalization published by NAREIT<sup>3</sup>, it is evidenced that most REITs are specialized by sector.

Share per Sector in the USA according to Market Capitalization as of December 31, 2018



Graph prepared by the Asset Manager based on NAREIT's data.<sup>4</sup>

### REITs and Real Estate Investment Alternatives in Latin America

REITs in Latin America have been present since the nineties. Successful REITs currently exist in Colombia, Mexico, Chile, Brazil, Peru, and Argentina, among others. Below is a description of some of the main REITs, real estate portfolios, and players in the region.

#### Description:



**Parque Arauco** is a real estate developer with over 30 years of experience, aimed at developing and operating shopping centers in Chile, Peru, and Colombia. As of December 2018, *Parque Arauco* had 32 properties representing over 1.053.000 m<sup>2</sup> of leasable area.<sup>5</sup>

---

<sup>2</sup> NAREIT- "REITWatch, A Monthly Statistical Report on the Real Estate Investment Trust Industry", January 2019 (Data as of December 2018) <https://www.reit.com/sites/default/files/reitwatchIRW1901.pdf>

<sup>3</sup> Ibidem.

<sup>4</sup> Ibidem.

<sup>5</sup> Parque Arauco: Results Report for the Fourth Quarter of 2018. <http://www.parauco.com/wp-content/uploads/2019/01/Reporte-de-Resultados-4T18.-2.pdf>



**BR Properties** is a Brazilian company that acquires, leases, manages, develops, and sells commercial assets. Its main assets are in the office, commercial, and Industrial sectors, amounting a total 634,414 m<sup>2</sup> of leasable area in 28 properties as of December, 2018.<sup>6</sup>

**Fibra Uno** is the first “Fibra” in Mexico and among the great leaders of the real estate market in that country. It is engaged in the acquisition, development, rent, and operation of mixed real estate. As of December 2018, it had 536 properties between offices, commerce, and industry that exceeded 8.6 MM m<sup>2</sup> of leasable area.<sup>7</sup>

**Fibra Macquarie** is a real estate investment trust specialized in industrial, commercial, and office opportunities in Mexico, mainly focused on stable and income-generating properties. The portfolio had 253 properties and managed over 3.2 MM m<sup>2</sup> of leasable area as of December 2018.<sup>8</sup>

*Source: Management Reports of the abovementioned real estate investment vehicles in Latin America, as of the end of December 2018.*

---





<sup>6</sup> BR Properties Results Center: <https://www.brpr.com.br/en/ir/central-de-resultados/?riDate=2018>

<sup>7</sup> Fibra Uno. Information available at <http://funo.mx/inversionistas>

<sup>8</sup> Fibra Macquarie. Information available at <https://www.fibramacquarie.com/investors/levents-and-presentations> y <https://www.brpr.com.br/ir/central-de-resultados/?riDate=2018>

The following table compares the abovementioned real estate investment vehicles in Latin America:



Figures in thousands of dollars (US \$)					
Total Assets		\$12,355,980	\$3,429,128	\$2,740,685	\$2,226,020
Total Liabilities		\$4,309,908	\$1,874,654	\$1,228,172	\$829,134
Equity		\$8,046,072	\$1,554,474	\$1,512,513	\$1,396,887
No. of Assets		536	32	28	253
Area	Under	8,614,725 m2	1,053,000 m2	636,414 m2	3,216,000 m2
Management					
Real Estate Assets		\$11,374,836	\$2,576,282	\$2,067,395	\$2,042,390
Vacancy		4.70%	5.30%	19.50%	5.60%
Warehouses		47.8%	0%	3%	86%
Offices		14.0%	0%	97%	0%
Commerce		38.2%	100%	0%	14%
Others		0.0%	0%	0%	0%
Capital		17.0%	24%	46%	11%
Other National Cities		83.0%	35%	54%	89%
Foreign Investment		0.0%	41%	0%	0%
Actual Indebtedness*		33.1%	121%	81%	59%
Permitted Indebtedness		60.0%	N/A	N/A	N/A

\* Actual Indebtedness calculated as % of Liabilities/Equity

Figures as of December 31, 2018 (USD)

Source: Management Reports of the abovementioned real estate investment vehicles in Latin America, as posted in their web pages.

The comparisons are only intended to serve as a guide to the market's evolution and are not intended to reflect an exhaustive comparison of the industry. The figures are the result of internal calculations made with publicly available information, which is not necessarily homogeneous, among other aspects, in connection with the calculation methodologies, inputs, and time periods.

### REITs' Advantages

REITs offer clear advantages for both real estate asset holders and those investing in the securities or interests issued by these vehicles.



For the real estate asset holders, REITs are an alternative to eventually free up capital through the sale of their real estate assets to the REIT, capital that they may use later in a number of ways, such as optimizing the cost of their capital structures and investing in their core business, with the expectation of achieving greater returns.

Similarly, for those investors acquiring the securities or interests issued by these vehicles, REITs offer an investment alternative with a balanced risk/return profile. The following are among the main features of these vehicles:

**Diversification:** REITs in the US stock market have shown a very low correlation with fixed-income securities and stocks, allowing a greater diversification of the institutional investors' portfolios. The following table, calculated with NAREIT's data, shows the correlation between REITs in the United States and other types of investments in stocks and fixed-income instruments in the United States' capital market:<sup>9</sup>

REITs Correlation with Fixed-Income Securities and Stocks 30 Years (December 1988 – December 2018)				
Bonds	S&P 500	NASDAQ 100	Dow Jones	Russell 200
0,524	0,553	0,36	0,578	0,629

*Source: NAREIT –Comparative Total Return Investment Correlation.<sup>10</sup>*

**Stable and Growing Flows:** A diversified portfolio of real estate assets with top-tier tenants reduces credit risk and produces very stable and growing flows through time.

**Management:** A professional and specialized management is responsible for maximizing a dynamic and growing vehicle's performance.

**Liquidity:** Real estate assets do not characterize for having high-liquidity levels. However, the REITs' securities and interests listed with stock exchanges, show more attractive tradability levels than their underlying assets.

**Risk-Return:** One of the REITs' main appeals is the investment's risk-return ratio, compared to other investment alternatives offered by the capital market. The following graph, prepared by the Manager based on NAREIT's data, shows the REITs' risk-return ratio in the United States, compared to other types of equity and fixed-income investments therein:<sup>11</sup>

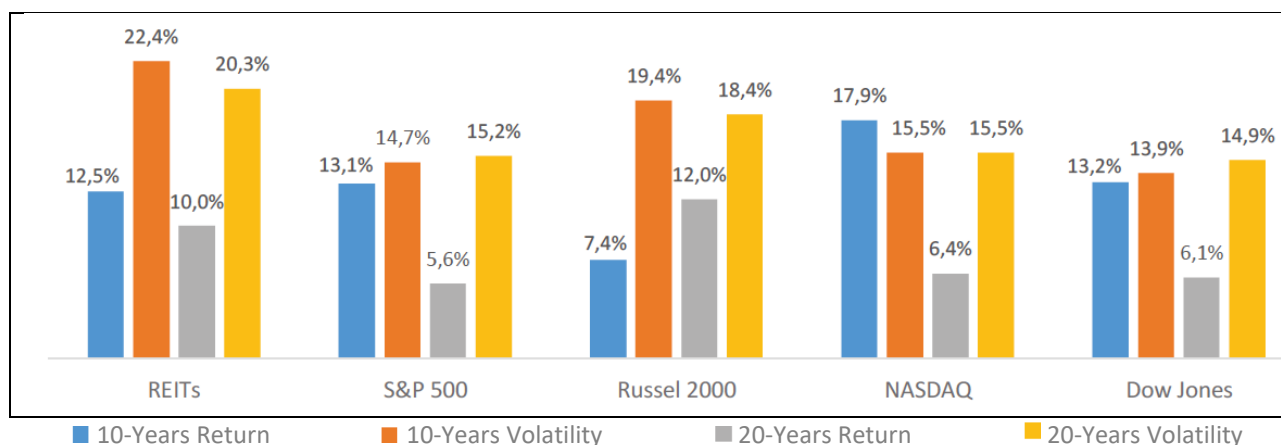
---

<sup>9</sup> NAREIT- "REITWatch, A Monthly Statistical Report on the Real Estate Investment Trust Industry", January 2019 (Data as of December 2018) <https://www.reit.com/sites/default/files/reitwatch/RW1901.pdf>

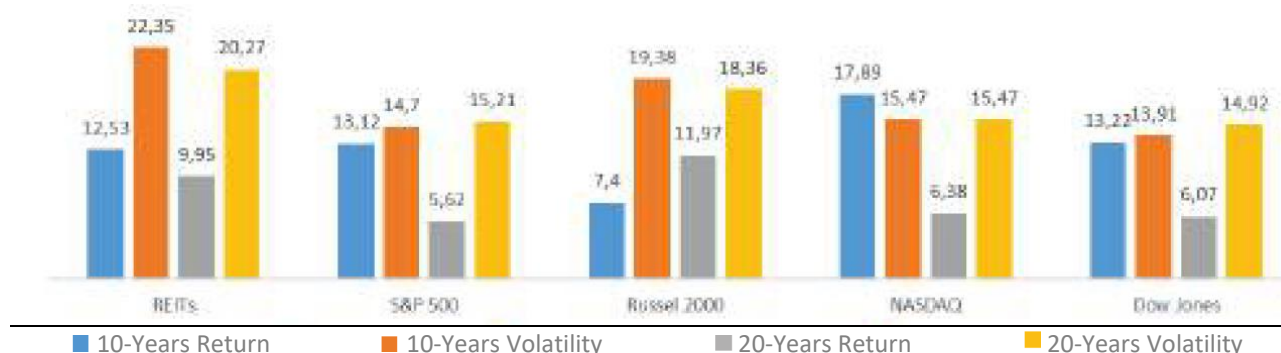
<sup>10</sup> Ibidem

<sup>11</sup> Ibidem

**Benchmark Return-Risk**  
January 1972 - December 2018



**Benchmark Return-Risk**  
January 1972 - December 2018



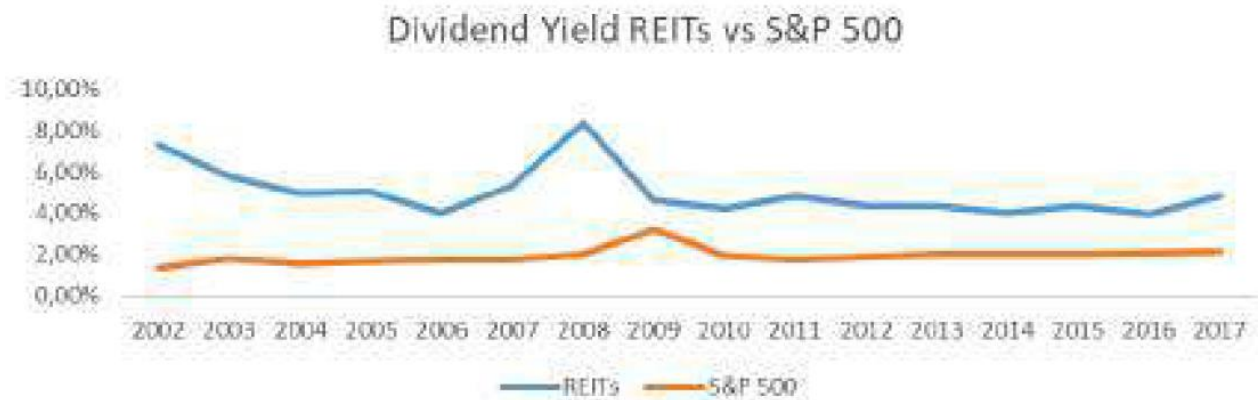
Source: NAREIT – Comparative Total Return Investment Performance<sup>12</sup>

There are no references of REITs in Colombia, allowing a comparison of the long-term profitability with other market indices. Therefore, the United States market has been taken as the benchmark to assess this type of vehicles' risk-return performance over time.

**Distributions:** REITs distribute high yields compared to companies in other sectors. The following graph shows that REITs present an average "dividend yield" in the United States, between 2002 and December 31, 2018, close to 4.80% per year, while that of S&P 500 companies is 2.15%.<sup>13</sup>

<sup>12</sup> Ibidem.

<sup>13</sup> Ibidem.



*Source: NAREIT - Comparative Total Return Investment Performance<sup>14</sup>*

The "dividend yield" is the proportion of the securities' value distributed annually as dividends.

#### ***REITs vs. Historical Real Estate Securitizations***

There are fundamental differences between the above-described REITs and the traditional real estate securitizations, other than PEI's, in Colombia. So far, a significant number of real estate securitizations, other than PEI's, have had a series of limitations preventing them from developing into a dynamic scheme for both investors and originators.

Among the main difficulties observed are:

- Concentration in a single tenant and type of asset generates high credit risk for tenants, as well as market risks.
- They have not used the expert real estate asset manager for the administration of the real estate assets subject to securitization.
- Their term is usually limited, which may require liquidating the assets under unfavorable market conditions or require a repurchase obligation by the originator.

As a real estate vehicle in Colombia, PEI aims at emulating the main that international REITs have had with securities listed with stock exchanges, to capture the benefits from these structures. Below is a comparison:

---

<sup>14</sup> Ibidem.

	<b>Estrategias Inmobiliarias Trust</b>	<b>International REITs listed with Stock Exchanges</b>
<b>Number of Investors:</b>	More than 100	More than 100
<b>Management:</b>	Professional	Professional
<b>Liquidity:</b>	High potential	High
<b>Diversification:</b>	High	High
<b>Term:</b>	99 years (extendable)	Indefinite
<b>Assets/Tenants:</b>	Top Tier	Top Tier
<b>Optimization:</b>	Dynamic Vehicle <i>Does not keep a static portfolio over time</i>	Dynamic Vehicle

Additionally, the Colombian market has investment vehicles comparable in certain aspects to the real estate securitizations, such as real estate collective investment funds (RECIF's) and private real estate capital funds (PCF's) investing in real estate assets.

## **EXECUTIVE SUMMARY OF THE REAL ESTATE SECTOR'S PERFORMANCE IN COLOMBIA**

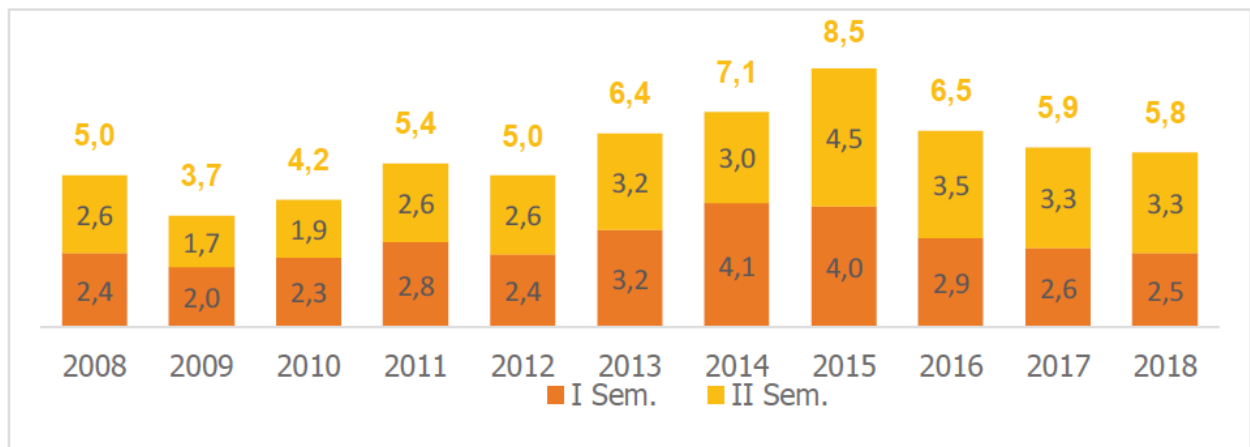
In general terms, 2018 was a year marked by high vacancy levels and a reduction of the market prices, becoming a favorable scenario for both purchasers and tenants. Nonetheless, the inventory absorption levels performed well, making it possible to foresee a rebound in the real estate sector's cycle and to expect vacancy decreases and an upward price correction in the next 12 to 18 months.

Below is the executive summary of the sector's performance in 2018, including an analysis of PEI's main categories of interest.

### **I. LICENSES: PERFORMANCE OF THE AREA APPROVED FOR NEW CONSTRUCTIONS**

#### **Approved Licenses**

As of December 2018, over 22.4 million m<sup>2</sup> of construction licenses were approved in Colombia (including housing), representing a 4.6% decrease compared to the same period of 2017. The 5.9% housing licenses' and 0.9% non-housing licenses' declines explain this result. Although sectors such as Warehouses, Hotels, and Commerce decreased the approved non-housing licenses by 635,551 m<sup>2</sup>, the office and industrial sectors contributed 354,192 m<sup>2</sup> in new construction licenses. The following graph –prepared by the Real Estate Manager with DANE's data– shows the approved licenses behavior:



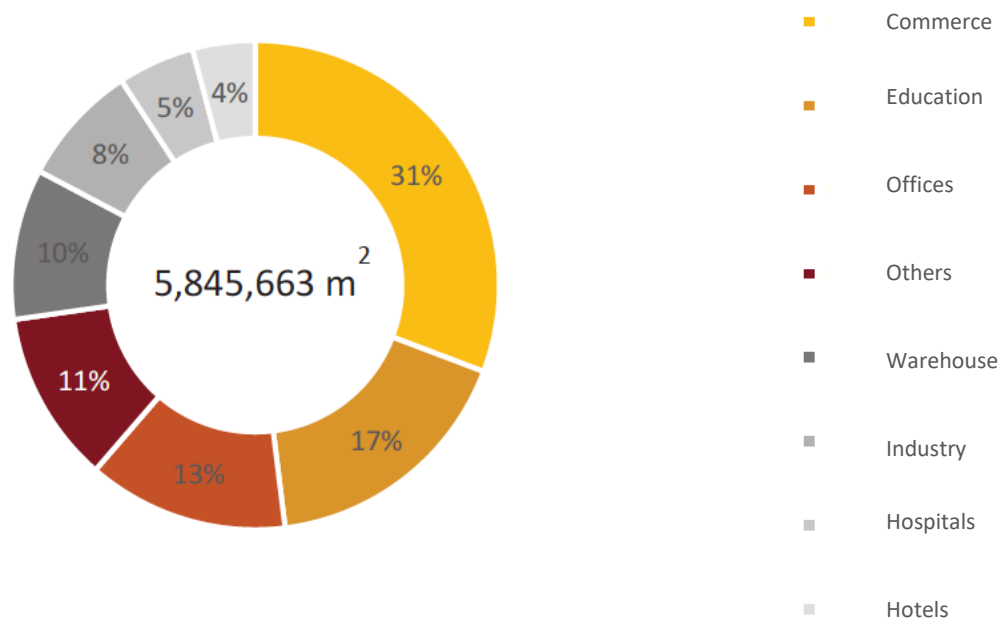
The Mayor's Office of Bogotá is expected to approve a new Territorial Order Plan (POT by its initials in Spanish) that may eventually generate a considerable increase of the approved licenses in the different categories in the country's capital throughout 2019, as typically happens whenever the POT is changed.

#### **Non-Housing Licenses Approved per Economic Sector**

Of the licenses approved for non-housing use as of December 2018, the commerce sector had the highest share with 31%, equivalent to 1.8 million m2. Among those of interest to PEI are also the education categories with a 17% share, equivalent to 1.0 million m2; the office sector with 13%, equivalent to 0.8 million m2; and the industrial and warehouse sectors with 8% and 10%, respectively, equivalent to more than one million m2 of the approved licenses.

On the other hand, it is important to note that in 2018 the category with the highest increase in licensed square meters was offices, with 0.8 million m2 approved, which implies an 55% increase compared to the licenses approved for the same period of the year before. Similarly, the licenses approved for the industrial sector closed at 0.5 million m2, implying a 20% increase compared to the same period of 2017. Finally, in the commerce sector, 1.8 million m2 were approved, dropping by 6% compared to the same period of 2017. Similarly, in the warehouse sector, the number of licenses approved decreased by 39%, so that 0.6 million m2 were approved by the end of 2018. The graph below –prepared by the Real Estate Manager with DANE's data– shows the share per sector of the total non-housing licenses authorized in 2018:

### Non-Housing Licenses Per Economic Sector



Source: Construction licenses statistics (CLIS), DANE - Calculations: PE Asset Management S.A.S.

### Non-Housing Licenses Approved Per Department and in Bogotá D.C.

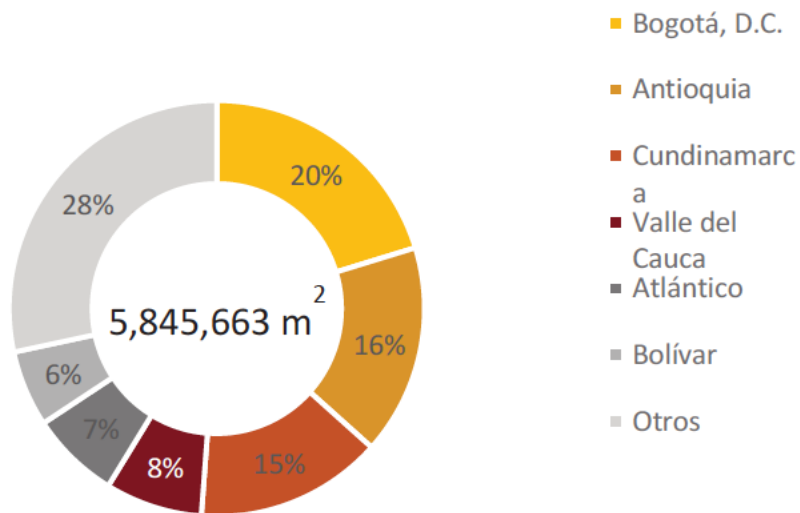
It is worth noting that 51% of the non-housing licenses approved concentrated in Bogotá D.C. and the departments of *Cundinamarca* and *Antioquia*, where 1.2 million m<sup>2</sup>, 1.0 million m<sup>2</sup>, and 0.9 million m<sup>2</sup> were licensed, respectively.

The 205,808 m<sup>2</sup> increase resulting from the licenses approved in Bogotá –equivalent to an 11% increase compared to the same period of the previous year– is significant and was mainly driven by the office sector.

Among the departments showing the most dynamism compared to the same period of the previous year were *Cundinamarca*, with an increase of 77,029 m<sup>2</sup>; *Bolívar*, with an increase of 66,033 m<sup>2</sup>, and *Atlántico*, with an increase of 58,994 m<sup>2</sup> of approved non-housing licenses.

It is worth noting that, in *Cundinamarca*, the 77,029 m<sup>2</sup> increase –equivalent to a 10% rise of the approved licenses compared to the previous year– was mainly driven by the warehouses and hospital sectors, while in *Bolívar* the 66,033 m<sup>2</sup> increase –equivalent to a 24% rise of the approved licenses compared to the previous year– is largely explained by the commercial and office sectors. Finally, *Atlántico*’s increase of approved licenses was driven by the commercial and industrial sectors. The graph below –prepared by the Real Estate Manager with DANE’s data– shows the share per department of the total non-housing licenses authorized in 2018:

**Non-Housing Licenses Approved Per Department and in Bogotá D.C.**

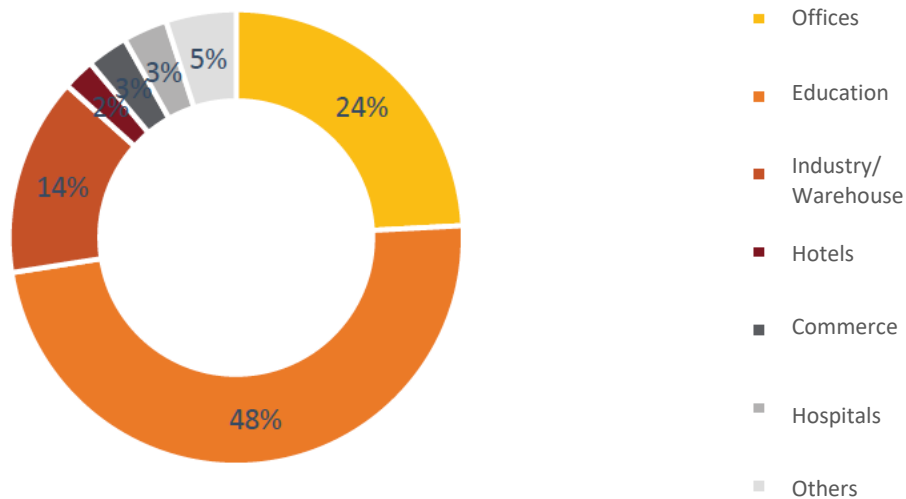


Source: Construction licenses statistics (CLIS), DANE - Calculations: PE Asset Management S.A.S.

In Bogotá, over 1.2 MM m<sup>2</sup> were approved, equivalent to a 20% share of the national total. The office category grew by 259,196 m<sup>2</sup>, reaching a total licensed area of 572,323 m<sup>2</sup>, followed by the commercial category, which increased by 49,329 m<sup>2</sup> to reach a total licensed area of 277,434 m<sup>2</sup>. Finally, it is worth highlighting the hotel sector's increase by 15,723 m<sup>2</sup>, which drove the approved licenses in this category to increase to 32,551 m<sup>2</sup>.

On the other hand, certain sectors in Bogotá showed a decrease in the number of approved licenses compared to the previous year. The education sector showed a 44% reduction of the licenses, equivalent to 140,363 m<sup>2</sup>, reaching a total of 179,220 m<sup>2</sup> licensed. Similarly, the licenses approved in the warehouse sector decreased by 4,541 m<sup>2</sup> compared to the previous year, for a total 1,703 m<sup>2</sup> licensed. The graph below –prepared by the Real Estate Manager with DANE's data– shows *[sic]* the share per department *[sic]* of the total non-housing licenses authorized in 2018:

**Non-Housing Licenses Per Economic Sector in Bogotá D.C.**



Source: Construction licenses statistics (CLIS), DANE - Calculations: PE Asset Management S.A.S.

## **II. MARKET: PERFORMANCE OF THE REAL ESTATE MARKET FOR OFFICES IN COLOMBIA**

Based on the information and statistics collected by *Colliers International*, an analysis of the office sector by the end of 2018 appears below. To standardize the analysis, *Colliers International's* criteria were used to classify the office inventory:

**Class A+ (A Plus):** Class A+ (A Plus) buildings are deemed high-specification and include criteria such as, construction time below or equal to 10 years, heights between floors and ceilings equal to or exceeding 3.5 meters, one parking space per every 40 m<sup>2</sup> of offices, advanced communications and fire and access security systems. Additionally, the location of, access roads to the building, and proximity to the city's important centers are deemed important variables.

**Class A:** The Class A buildings' features include construction times between 11 to 20 years, heights between floors and ceilings of up to 3,0 meters, one parking space per every 40 m<sup>2</sup> of offices, and access and fire security systems.

**Class B:** The Class B buildings' features include construction times between 21 to 25 years, simple heights of up to 2.5 meters, one parking space per every 50 m<sup>2</sup> or more of offices, and basic access and fire security systems.



## Offices

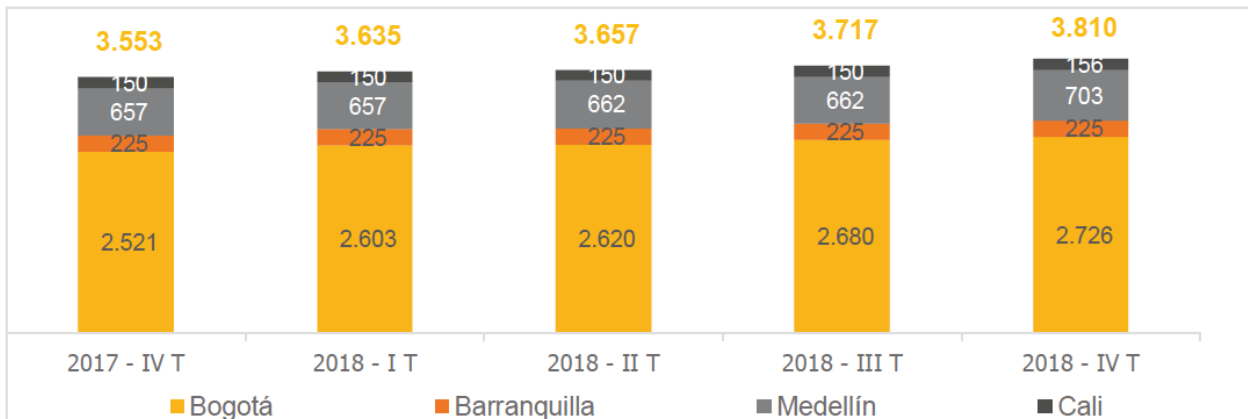
According to *Colliers International's* studies, the inventory of the four main cities of the country stood at 3.8 million m<sup>2</sup>, representing a 7.2% increase compared to the same period of the previous year. Three of the four cities showed an increase in inventory, except for Barranquilla, which maintained it at 225,000 m<sup>2</sup>. *Bogotá D.C.* closed the year with an inventory of 2.7 million m<sup>2</sup>, representing a 72% share of the national total. *Medellín* reached 730,000 m<sup>2</sup> of inventory, growing 7% compared to the same period of the previous year. Finally, *Cali* increased by 4% its offices inventory, closing at 156,000 m<sup>2</sup>.

In *Bogotá*, the inventory increased because 23 buildings, such as Central Point, *Elemento Torre Agua*, *Plaza Claro*, and *Torre 100* –representing 55,000 m<sup>2</sup> (2% of the total inventory)– started to operate in the market. It is important to note that, in the coming years, nearly 593,000 m<sup>2</sup> will enter the market, represented by 39 new projects, 44% of which are Class A buildings, standing among them *Urban 165*, *Torre 126*, and *Floresta Business Center*. Additionally, 33% of the projects will be Class A+, among them *Atrio Torre Norte* with 61,000 m<sup>2</sup> and *7-100* with 69,000 m<sup>2</sup>. The remaining 23% of the projects will be Class B.

In *Medellín*, the 7% increase results from 4,000 new square meters represented by 5 projects located in the corridors of *Las Palmas* and *El Poblado*. Within these projects, the *BIO 26 Torre Norte*, *Q Office*, *35 Palms*, and *Square Trade & Home* buildings stand out. 89% of the new supply of offices in *Medellín* is concentrated in *Las Palmas* and *El Poblado* corridor, and 4 projects totaling over 46,000 m<sup>2</sup> are expected for delivery in 2019.

Regarding *Cali*, the 4% increase in inventory was driven by *Zona América 1* building's completion, with 7,000 m<sup>2</sup> of corporate area. It worth noting that no significant variations are projected in the city's inventory in 2019; however, the *Zona América* project –towards the south of the city–, aims at becoming the first free trade zone focused on services and technology and its long-term goal is to house 18 office buildings.

The average vacancy for these four cities rose from 9.8% in June 2016 to 10.9% in June 2017, equivalent to 357,000 m<sup>2</sup>. This corresponds to an increase in the vacancy metric exceeding 11%. *Medellín* was the city with the greatest increase in vacancies, compared to the previous year, rising from 5.6% to 9.3% as new offers entered the market. With respect to *Bogotá D.C.* and *Cali*, the vacancy varied 6% and 11%, respectively. Finally, *Barranquilla* remained stable. The graph below –prepared by the Real Estate Manager, based on *Colliers International* Office Market Report 2018 Q4– shows the office sector performance in the main cities:



The average market vacancy in corporate assets was 11.8%, equivalent to 449,000 m2. Compared to the same period in 2017, vacancies in the four cities decreased by 0.3%.

For several years *Barranquilla* has been showing oversupply levels in the category, particularly in 2018 when the vacancy closed at 29% given the new supply of buildings such as *Centro Empresarial Atlántico* and *Centro Empresarial Buenavista*. These buildings continue to show a high percentage of availability and low absorption.

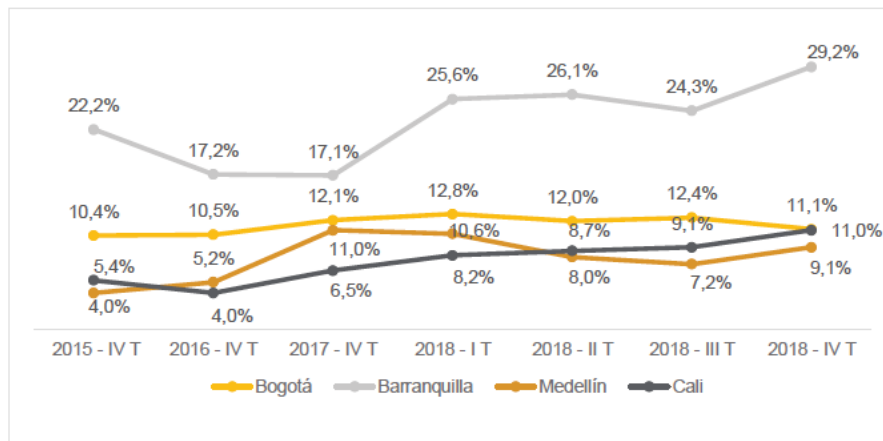
In *Cali*, vacancy rose from 6.5% to 11% as new buildings such as *Word Trade Center*, *Torre Centenario Centro Empresarial*, and *ZF Towers Versalles* in the north of the city increased supply.

On the other hand, vacancy decreased by 1% in *Bogotá*, compared to the previous year, mainly as a result of the occupation of large spaces by coworking, government, and outsourcing companies (BPO).

Finally, *Medellín* was the city with the greatest vacancy reduction —2%— dropping from 11% to 9%, due to the city's rapid absorption of the new supply for Class A buildings.

The following graph —prepared by the Real Estate Manager, based on *Colliers International Office Market Report 2018 Q4*— shows the office sector's vacancy performance in the main cities:

### Offices' Vacancy Performance in the Four Main Cities, in 2018



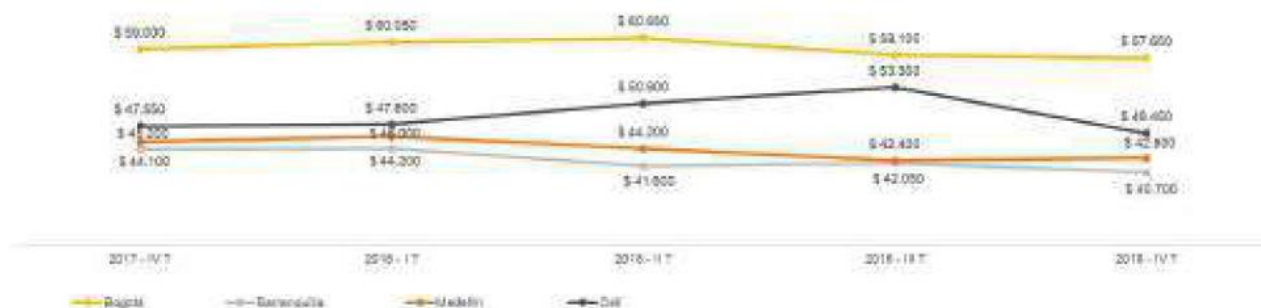
In relation to market prices, the four main cities in general showed a decrease in this variable, equivalent to a negative 4% variation compared to the end of 2017. Given *Barranquilla* high vacancy levels, this was the city with the greatest price variation, registering a drop of 8%. In *Medellín*, prices decreased by 5% compared to the end of the previous year, as a result of the demand's displacement toward Class A buildings, which forced prices downwards in the spaces available in Class B buildings.

*Bogotá D.C.* has the highest values per square meter in the country, with an average of COP 57,650. These prices showed a downward 1% correction compared to the same month of the previous year.

On the other hand, office prices decreased by 1% in *Cali*, compared to the end of 2017. However, during the second and third quarters of the year rental prices increased in *Cali* as new Class A buildings entered the inventory.

The following graph –prepared by the Real Estate Manager, based on *Colliers International* Office Market Report 2018 Q4– shows the office sector's market prices performance in the main cities:

### Offices Lease Fees Per M2 in the 4 Main Cities



### III. MARKET: PERFORMANCE OF THE REAL ESTATE MARKET FOR SHOPPING CENTERS IN COLOMBIA

According to the International Council of Shopping Centers (ICSC), shopping centers may be classified into the following categories; however, such categories may vary depending on the country and/or the market assessed. The following is ICSC's classification:

- **Neighborhood centers:** Have an average leasable area between 3,000 and 10,000 m<sup>2</sup> and are characterized for having a supermarket in their premises.
- **Community centers:** Have an average leasable area between 10,000 and 40,000 m<sup>2</sup> and may have department stores, fashion stores, supermarkets, and/or specialized stores.
- **Regional centers:** Have a leasable area between 40,000 and 80,000 m<sup>2</sup> and are characterized by generating massive trade and having more than one department store, fashion stores, supermarkets, and/or specialized stores.
- **Super-regional centers:** Are characterized for having a leasable area beyond 80,000 m<sup>2</sup>, massive trade, and more than one department store, fashion stores, supermarkets, and/or specialized stores.

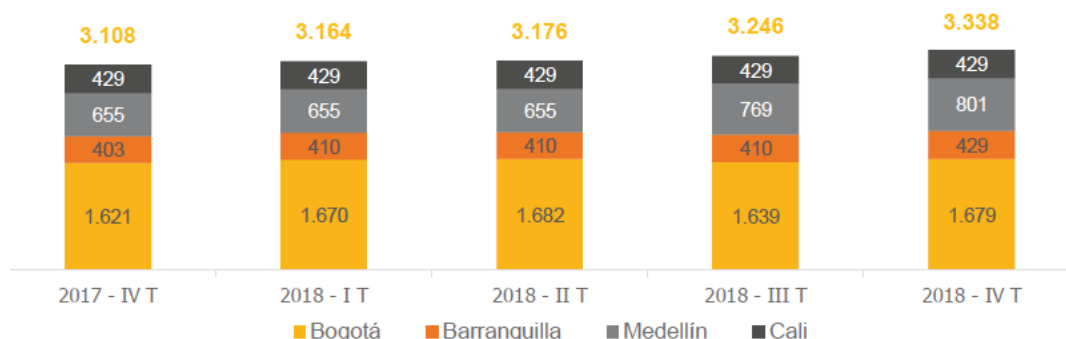
#### Shopping Centers

The Manager prepared the information below based on the end of 2018 market studies, which the Manager contracted with *La Galeria Inmobiliaria*.

The analysis submitted in January 2019 by *La Galería Inmobiliaria* —a company with over 20 years of experience in the real estate sector and database of 174 shopping centers in different areas of the country—, reported at the end of the third quarter of 2018 more than 3.3 million m2 of leasable area in the main 4 cities' shopping centers, showing a 7.4% growth compared to the same period in 2017. This resulted from the entry into operation of four new shopping centers, among which *Viva Envigado* in *Medellín*, with 105,000 m2, stand out as the largest shopping center in the country. In *Bogotá*, *Gran Plaza Ensueño* and *Plaza Claro* were opened, totaling 75,000 m2. Additionally, the *La Central*, *De Moda Outlet* and *Plaza Arrayanes* shopping centers opened in the city of *Medellín*, and *Carnaval* shopping center in *Barranquilla*.

Similarly, according to *La Galería Inmobiliaria*'s reports for 2019, nine new projects are expected to open in the 4 main cities of the country during the second half of the year, corresponding to more than 333,000 m2. In *Bogotá*, 145,000 m2 are expected to enter the market, concentrated in the *Paseo Villa del Río* and *El Eden's* 1st Stage. In *Barranquilla* a new supply for 122,000 m2 is expected, distributed in *Alegra's* projects, *Mall Plaza*, *Plaza Campestre*, and *Plaza 63's* expansions. *Cali* will have two new *Marcas Mall* and *Cosmocentro 360* projects totaling 57,000 m2. Finally, 9,000 m2 are projected to enter the market in *Medellín* with *Pradera del Sur Shopping Center's* opening.

The graph below —prepared by the Real Estate Manager, based on *La Galería Inmobiliaria*'s "Commercial Presentation 01-19"— shows the performance of the square meters built in the main cities for the commercial category in 2018:



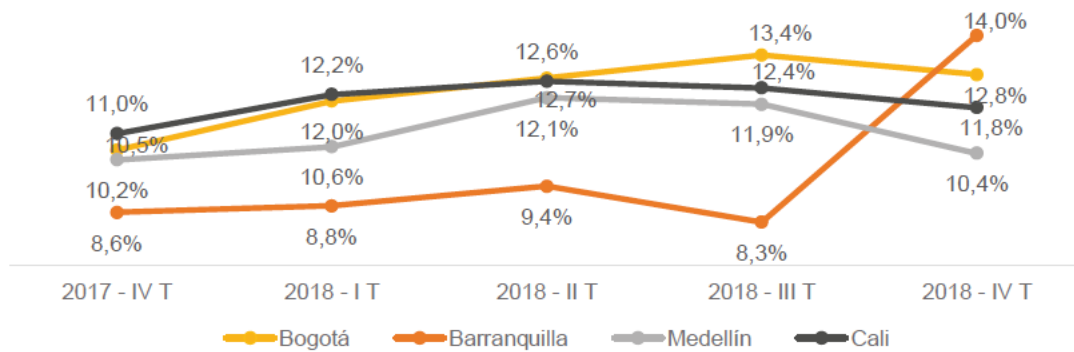
Source: La Galería Inmobiliaria- Calculations: PEI ASSET MANAGEMENT S.A.S.

The shopping centers' vacancy closed the third quarter of 2018 at 12.3% and with 409,000 m2 available. Compared to the same period of the previous year, the square meters available increased by 73,000 m2.

According to *La Galería Inmobiliaria*, vacancies generally increased in the four main cities of the country. In *Barranquilla*, the physical vacancy's increase was 5.4%, explained by *Carnaval* shopping center's opening, which marked a 59% vacancy. In *Bogotá*, vacancy increased by 2%, translating into 45,000 m2, explained by new supply in the market such as *Plaza Ensueño* and *Plaza Claro* shopping centers, which registered a 33% vacancy. *Medellín's* case was similar, as new shopping significantly increased the supply of square meters, leading the commercial category to register a 10.4% vacancy. In *Cali*, the vacancy did not show any major changes, although it increased by 3,000 m2 or 0.8%,

translating into 5,000 m2.

The following graph –prepared by the Real Estate Manager, based on *La Galería Inmobiliaria's* "Commercial Presentation 01-19"– shows the vacancy's performance in the main cities for the commercial category in 2018:



Source: La Galería Inmobiliaria- Calculations: PEI ASSET MANAGEMENT S.A.S.

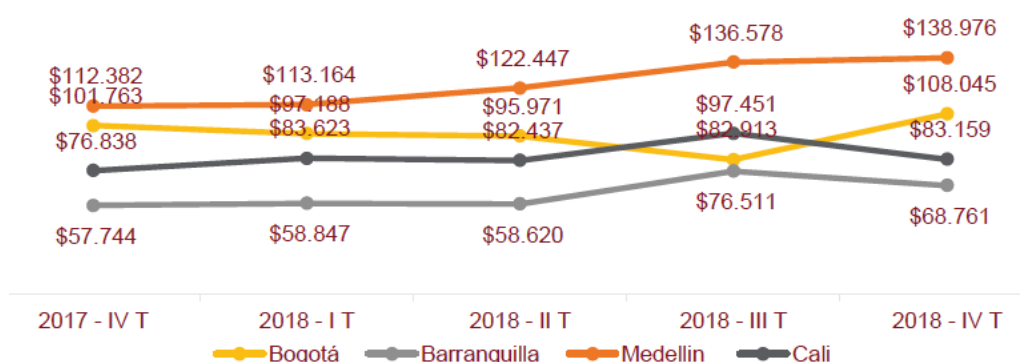
The average price per square meter in the four main cities of the country was COP 99,735, increasing by 14% compared to the same period of 2017. In the case of *Medellín*, the price per square meter increased by 24%, mostly due to the new supply in shopping centers such as *Viva Envigado*, *La Central*, and *Plaza Arrayanes* which, given their location and high demand, showed an average price per square meter of COP 154,032, driving up the average rental price in the city's shopping centers.

Likewise, prices per square meter in *Barranquilla* increased by 19% as a result of the demand's surge in the *Super Regionales* shopping centers, evidenced by the vacancy's drop in the city.

On the other hand, the average price in *Bogotá* increased by 6%, reaching COP 108,045.

Finally, prices per square meter in *Cali* reached on average COP 83,159 per square meter, increasing 8% with respect to the previous year, due to the new available spaces in shopping centers such as *Unicentro* and *Chipichape* that marked the prices per square meter around COP 150,000.

The graph below –prepared by the Real Estate Manager, based on *La Galería Inmobiliaria's* "Commercial Presentation 01-19"– shows the market's prices performance in the main cities for the commercial category in 2018:



Source: *La Galería Inmobiliaria*- Calculations: PEI ASSET MANAGEMENT S.A.S.

#### IV. PERFORMANCE OF THE REAL ESTATE MARKET FOR WAREHOUSES IN COLOMBIA

Based on the information and statistics collected by *Colliers International*, below is an executive summary of the Industrial market by the end of 2018. To standardize the analysis, it is important be clear on the criteria used for its classification:

**Industrial Park:** Is the geographically limited area specially designed to establish industrial buildings with suitable location, infrastructure, equipment, and services conditions and a permanent management for their operation. Pursues the ordering of industrial settlements and the deconcentration of urban and suburban areas through an appropriate use of the land, the provision of suitable conditions for the industry to operate efficiently, and the fostering of creativity and productivity within a comfortable environment.

**Industrial Facility:** Is the physical facility or building designed and built to carry out the industrial activities of production, transformation, manufacture, assembly, industrial processes, storage, and distribution.

**Storage Warehouse:** Physical facility whose sole purpose is the storage of products.

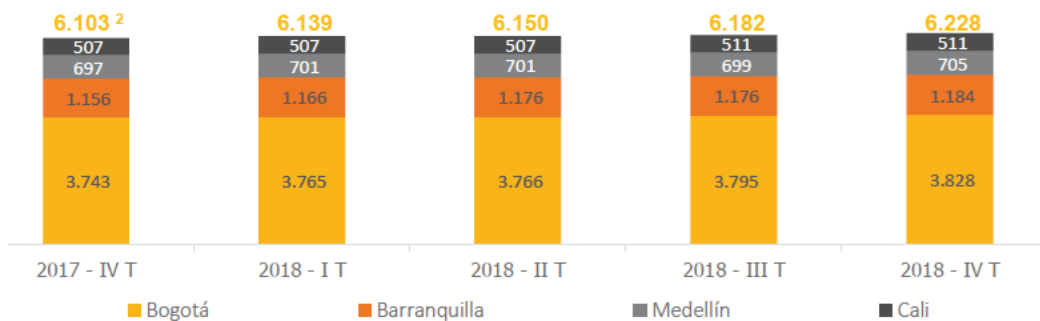
#### Warehouses

The Manager prepared the information below based on the end of 2018 market studies, which the Manager contracted with *La Galería Inmobiliaria*.

Based on *Colliers International's* studies, the inventory of warehouses in the four main cities of the country as of December 2018 stood at 6.2 million m<sup>2</sup>, representing a 2.0% increase compared to the same period of the year before. The cities with the greatest dynamism were *Bogotá* and its neighboring areas, and *Barranquilla*. *Bogotá*, because several industrial parks such as *Interpark*, *Logika Siberia* and *Zol-Funza* started operations, and *Barranquilla* given *Hada International's* warehouse expansion in the *La Cayena* Free Trade Zone (an asset owned by PEI) and *Zilog* and *Las Américas* industrial parks start of operations.

At the end of 2018, Bogotá D.C. and its neighboring areas closed the year with an inventory of 3.8 million m<sup>2</sup> that represent a 2% increase equivalent to 85,000 m<sup>2</sup>. *Barranquilla*, on the other hand, increased its inventory by 28,000 m<sup>2</sup>, followed by *Medellín* with 8,000 m<sup>2</sup> and, finally, *Cali* which grew 1%, equivalent to 5,000 m<sup>2</sup>.

A significant increase is estimated in three of the main cities of the country for 2019. In *Barranquilla*, an important increase of the inventory is expected as certain projects will be completed, particularly BTS warehouses that would contribute more than 944,000 m<sup>2</sup>. A similar case occurs in *Bogotá* and its neighboring areas, where an inventory increase is expected from a number of BTS warehouses in 2019 and the consolidation of industrial parks in neighbor municipalities to the capital. Similarly, *Medellín* is expected to experience the same dynamics considering that industrial parks such as *Qbox*, *Quality Center*, and *Parque Industrial Fote*, among others, will begin to operate. Finally, a lower growth is expected for *Cali*, compared to other cities, as few construction projects are being developed in the region. The graph below –prepared by the Real Estate Manager, based on *Colliers International Office Market Report 2018 Q4*– shows the warehouse sector’s performance in the main cities:



Source: *Colliers International Office Market Report 2018 Q4* - Calculations: *PEI ASSET MANAGEMENT S.A.S.*

Regarding vacancy, the warehouse average was 14.2%, equivalent to 881,000 m<sup>2</sup>. A comparison of this figure with 2017, lead to the conclusion that vacant meters increased by 5,000 m<sup>2</sup>.

At the city level, the highest vacancy reduction was in *Cali*, where the metric decreased by 6% compared to the previous year, driven by the entry of companies mainly focused on the food sector in the region, which have occupied the available space. Similarly, *Medellín* registered a 1.5% reduction of the vacancy compared to the end of 2017, resulting from an increased demand, particularly from auto-parts import companies and businesses in the food, logistics, and fabrics sectors.

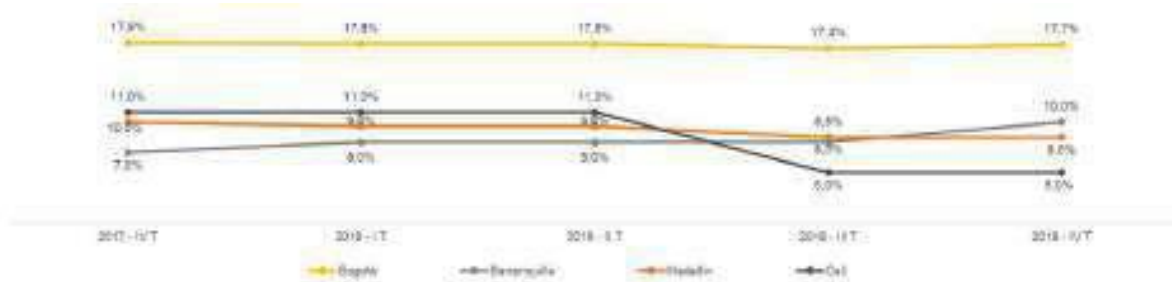
In *Bogotá* and its neighboring areas, vacancy levels stand at 17.7%, mainly driven by the migration toward warehouses with better specifications and tailor-made distribution centers adapted to the companies’ particular needs.

*Barranquilla*’s vacancy increased by 3% compared to the end of 2017. This increase resulted from a greater supply in the different sectors of the city, such as industrial parks like *Parque Industrial*



*Las Americas and Parque Industrial de Malambo-PIMSA.*

Based on the data published by the Monthly Manufacturing Survey published by DANE in November 2017<sup>15</sup>, a positive 4.7% annual variation in real production and a 4.8% increase of the industrial sector's sales by the end of 2018 seem to indicate a positive recovery of the industrial sector. This, in turn, seems to suggest an improvement of the economy and a good macroeconomic outlook at the end of 2018. Therefore, it is possible to expect in 2019 a reduction of the oversupply in the warehouses inventory for both industrial park projects and built to suit (BTS) warehouses.



Source: Colliers International Office Market Report 2018 Q4 - Calculations: PEI ASSET MANAGEMENT S.A.S.

In general terms, the average market prices in the Warehouse category decreased by 3%. In the case of *Bogotá* and its neighboring areas, the average value per m2 (COP 13,950) decreased 9% compared to the same period of the previous year, explained by the high vacancy levels that the category shows in different corridors. *Cali* shows a 6% reduction in the average rental rate, due to a reduction of availability for Trade Zones, while Class B warehouses' availability increased by 1%, driving the market prices down. Finally, the 2% market prices reduction in *Medellín* is explained by the Free Trade Zones' price adjustment resulting from extended availability periods. A similar case happened with Class A+ warehouses. In *Barranquilla* the average lease rate has increased by 3% compared to the end of the fourth quarter of 2017, mainly driven by the supply of properties with better specifications in the *Barranquilla* Free Trade Zone and in Class A+ warehouses.



Source: Colliers International Office Market Report 2018 Q4 - Calculations: PEI ASSET MANAGEMENT S.A.S.

#### IV. MARKET: PERFORMANCE OF THE REAL ESTATE MARKET FOR UNIVERSITY RESIDENCES IN

<sup>15</sup> Link available under DANE's "Monthly Manufacturing Survey", November 2018. [https://www.dane.gov.co/files/investigaciones/boletines/mmm/Pres\\_EMM\\_nov18.pdf](https://www.dane.gov.co/files/investigaciones/boletines/mmm/Pres_EMM_nov18.pdf)

## COLOMBIA

According to the Ministry of Education's information, 4.689.279 students are enrolled at the undergraduate and graduate levels in Colombia,<sup>16</sup> with 52% located in the city of *Bogotá D.C.* This underlines the city's need and potential to host a business model for university residences. Additionally, the numerous benefits that living in university residences brings has been demonstrated, among them, networking and an improvement of academic performance, which help to reduce student dropout during the first semesters. Nonetheless, this is a completely new category in the Colombian market that poses challenges for all: developers, investors, operators, and, of course, the users.

In 2018, the inventory of rooms in university residences of Bogotá grew more than 28% given the new supply by *LivinnX* and *Esstudia*.

*Bogotá's* city center concentrates 95% of the university residences' supply due to their proximity to universities such as *Los Andes*, *Rosario*, *Externado*, and *Jorge Tadeo Lozano*, which amount to 116.212<sup>17</sup> students enrolled in their different programs. *Universidad de los Andes* contributes 40% of the sample.

Because as of the publication date of this Prospectus, PEI has no market studies suppliers for university residences in Colombia, the Manager calculated the information below based on data directly collected by the Operator of *CityU's* university residences.

---

<sup>16</sup> Taken from: Base " Higher Education Enrollments - Colombia 2017", April 2018, Ministry of National Education - Higher Education National Information System [*Sistema Nacional de Información de la Educación Superior (SNIES)*].

<sup>17</sup> Ibidem.

## Inventory of University Residences' Rooms in Bogotá



PEI ASSET MANAGEMENT S.A.S.'s calculations based on information directly collected by the operator of the *CityU*'s university residences.

Additionally, according to data provided by the operator of *CityU*'s university residences, there are currently 5 projects for sale in their development stage in *Bogotá*, focused on studio apartments or student housing, which could be substitutes for *CityU* and will represent a new supply of over 1,540 rooms. *La Quinta* (2020), *Torre Barcelona* in *Bogotá* (2019) and *Chía* (2021), *33DC* (2023), *Saint Pierre*, and *Davinci* are among the outstanding projects.

In terms of price, according to data provided by the operator of *CityU*'s university residences, the rental rates for university housing located in the city center, as of December 31, 2018, ranged between COP 900,000 and COP 2.8 million, depending on the type of room and the services requested. In the case of *CityU* and *Livinn*, the price difference responds to the variety of accommodations offered by each, which range from single s to quadruple rooms. In the case of *Esstudia*, on the other hand, the price variation is explained by the services requested, as this residence only offered single accommodations. The following graph shows the prices' performance in 2018:



PEI ASSET MANAGEMENT S.A.S.'s calculations based on information directly collected by the operator of the CityU's university residences.

## TRANSFER OF SECURITIES FROM THE SECONDARY MARKET TO THE PRIMARY MARKET

Through official letter 2006013931 of March 30, 2006, the Financial Superintendency of Colombia authorized the registration of the Securities under the Issuance Program with the Securities and Issuers National Registry ("SINR") and the public offering's registration in the secondary market.

The Investors General Assembly held on May 7, 2009, approved an amendment to the Program's conditions, authorizing the transfer of the registered Securities from the secondary market to the primary market, in accordance with Article 5.2.3.1.2 of Decree 2555, with the Superintendency's prior authorization. This decision is recorded in Minute No. 2 of the Trust's Investors General Assembly.

Under Decree 2555, the secondary market is understood as that where only professional investors can participate.

The primary market, on the other hand, is made up by the general public, which includes pension and *cesantías* funds. The transfer of the securities from the secondary market to the primary market increased the securities' liquidity as a result of its increased tradability due to the larger spectrum of recipients, which was initially limited to professional investors.

With the Securities transfer to the primary market, the Issuer remained being subject to the same legal provisions on relevant information that it was subjected to in the secondary market. However, the requirements are different, and some may be more stringent because the recipient is the general public and not solely professional investors.

## **1 THE SECURITIES**

### **1.1 DESCRIPTION OF THE ISSUANCE AND PLACEMENT PROGRAM**

#### **1.1.1 General Characteristics**

The Securities subject matter of this Prospectus are the *Estrategias Inmobiliarias* Equity Securities (the "Securities" or "TEIS"), that will be issued by the Management Agent, charged to the resources of the *Estrategias Inmobiliarias* Trust, in accordance with Articles 5.2.1.1. 3 to 5.2.1.1.5 of Decree 2555.

The Issuance Program, under a global amount, structures several Securities issues through public offerings in the primary market during an established term.

The Securities shall be placed in the primary market through a public offering to the general public, which includes pension and *cesantías* funds, in accordance with Decree 2555.

The Issuance Program will have a global amount of up to five billion pesos (\$5,000,000,000,000) Colombian legal tender and may be extended prior the relevant authorizations, in accordance with the regulations in force.

The Issuance Program will be developed through the placement of several Tranches, each of which has the following characteristics:

- a. Only one Issuance Date.
- b. The Securities of the different Tranches of the Issuance Program are fungible and thus, all of them shall have the exact same rights, regardless of the Tranche under which they are issued. Therefore, Investors acquire a proportional right or aliquot in the Trust, equivalent to the result of dividing the number of Securities acquired by the total number of outstanding Securities of the Issuance Program.
- c. The Issuance of new Tranches leads to an increase of the outstanding Securities and the Trust through the new securitized assets, which, together with the totality of the existing assets, will proportionally back up all of the outstanding Securities of all the Tranches.
- d. Two or more Tranches cannot be placed at the same time.
- e. The subscribed amount of the Issuance Program shall not exceed the maximum amount in force, authorized by the competent authorities.
- f. The Real Estate Assets' securitization in no event shall exceed one hundred and ten percent (110%) of the Real Estate Assets' Commercial Appraisal, in accordance with section 5.6.5.1.1 of Decree 2555, and any surplus on the Real Estate Assets' Commercial Appraisal shall be

destined to cover the securitization process costs described in subparagraph 2.6.3 of this Prospectus.

Placement of new Tranches will be made under the terms and conditions of subparagraph 1.7.6 of this Prospectus.

### **1.1.2 Real Estate Assets Securitization**

Upon the Trust's securitization of the Real Estate Assets under the law, it shall comply with section 5.6.6.1.1 of Decree 2555, which refers to the securitization of properties.

In accordance with section 5.6.6.1.1 of Decree 2555, the Real Estate Assets securitization in the primary market shall comply with the following requirements:

- a. Each Real Estate Asset subject to securitization shall be appraised using the appraisal techniques accepted under the IFRS or any rules modifying, replacing, or supplementing them, by a member of a Real Estate Guild or certified by such guild, or an appraiser registered with the Appraisers National Registry. The appraiser will be independent from the Originator and the Management Agent.
- b. The Real Estate Assets will be free of encumbrances, conditions subsequent, or limitations to their ownership other than those under the horizontal property rules. The above shall be recorded in the real estate registration certificate and the relevant property title's assessment will be enclosed thereto.
- c. The Real Estate Assets subject to securitization shall remain insured for the term of the Trust Agreement against fire and earthquake risks.
- d. Each Tranche's amount shall not exceed 110% of the Commercial Appraisal of the Real Estate Assets underlying the relevant Tranche, and any surplus on the Real Estate Assets' Commercial Appraisal shall cover the securitization process costs, as described in subparagraph 2.6.3 of this Prospectus.

## **1.2 ECONOMIC AND FINANCIAL GOALS OF THE ISSUANCE PROGRAM**

The Issuance Program's resources, for up to five billion pesos (COP 5,000,000,000,000) Colombian legal tender, shall be used to purchase the Real Estate Assets described in the Investment Policy under subparagraph 2.3 of this Prospectus.

Ninety-six-point seven percent (97.3%) of the resources obtained through the placement of the Eleventh Tranche shall be used to purchase the Real Estate Assets, as provided for in subparagraph 2.4 of this Prospectus; and, two-point seven percent (2.7%) of such resources shall be reserved for the Operation Fund to pay for the Trust's Expenses and Issuance Costs.

### **1.3 STOCK EXCHANGE WHERE THE SECURITIES WILL BE LISTED**

The Securities will be listed with *Bolsa de Valores de Colombia S.A. (BVC)*

### **1.4 DEMATERIALIZATION OF SECURITIES**

Securities are issued in a dematerialized form. Acquirers of the Securities expressly waive any right to materialize them.

### **1.5 SECURITIES' CIRCULATION RULES AND SECONDARY TRADING**

Securities shall be registered, and their ownership transfer will be carried out through entries in *DECEVAL*'s holders deposit accounts or sub-accounts. Disposals and transfers of individual rights will be made through electronic data records and systems, following the procedure established in *DECEVAL*'s operation rules.

*DECEVAL*, acting as the Issuance Program's manager, shall record the Securities holders' relevant entries in their deposit accounts, certifying in the relevant account the number of certificates subscribed by their holder.

The Securities shall be freely tradeable in the *BVC* and Investors will be able to trade them directly or through the *BVC*.

### **1.6 RATING OF THE ISSUANCE PROGRAM'S SECURITIES**

*BRC Investor Services S.A.* awarded an "i-AAA" (Triple A) rating to the Issuance Program. The rating awarded considers PEI and its Manager's positive aspects.

Anyhow, the Issuance Program's rating will be updated each time a new Tranche is issued. The Securities under the different Tranches of the Issuance Program will have the same rating because they shall be backed by all the assets making up the Trust.

The complete rating report shall be delivered to the Superintendency and may be consulted in such entity's records and its website ([www.superfinanciera.gov.co](http://www.superfinanciera.gov.co)), clicking on "relevant information".

### **1.7 FINANCIAL CONDITIONS OF THE ISSUANCE PROGRAM**

#### **17.1. Amount**

The Issuance Program has a global amount of up to five billion pesos (COP 5,000,000,000,000) Colombian legal tender, which may be expanded, prior the relevant authorizations.

The global amount's increase may be applied for once placed in full or at least on a fifty percent (50%), provided that the offering's authorization term is in force.

#### **1.7.2. Type of Security**

The Trust shall issue *Estrategias Inmobiliarias* Equity Securities (the "Securities" or "TEIS"). The Issuance Program will only have one type of equity securities, which are fungible, so all of them shall have the exact same rights, regardless of the Tranche under which they are issued. Thus, Investors acquire a proportional right or aliquot in the Trust, equivalent to the result of dividing the number of Securities owned by the Investor by the total number of outstanding Securities of the Issuance Program.

#### **1.7.3. Par Value and Minimum Investment**

The Securities will be denominated in Colombian legal tender and shall be issued in multiples of one million five hundred seventy-two thousand seven hundred sixty-five pesos (COP 1,571,765) Colombian legal tender. The minimum investment in the primary market and the minimum trade in the secondary market shall be one (1) Security.

#### **1.7.4. Subscription Price**

The subscription price of any Securities under new Tranches will be calculated according to the procedure established in subparagraph 1.7.6 (2) of this Prospectus and shall be published in the relevant public offering notice.

#### **1.7.5. Number of Securities to Issue**

Shall result from dividing the authorized amount of the Tranche by the subscription price of the authorized Securities.

#### **1.7.6. Issuance of New Tranches**

The price and number conditions of the Securities under a New Tranche Issuance, in order to maintain a fair and proper ratio between the Investors that subscribe the new Tranche and the Trust's existing Investors, shall be determined by the following procedure:

1. Trust's Value for Subsequent Issues: The first step to determine the conditions of a new Tranche is to estimate the Trust's Value for Subsequent Issues on the business day immediately prior to the publication date of the relevant Tranche's offering notice, as provided for in this section.

The Trust's Value for Subsequent Issues shall be determined by the Advisory Committee,



considering the following criteria and any others applicable under recognized appraisal methods:

- The Trust's Real Estate Assets' and other assets' value.
  - The projection of future income from current Lease Agreements, including their term conditions, lease fee, and other relevant characteristics.
  - The Real Estate Assets expected to be acquired with the proceeds of the new issue and the conditions established in connection with the relevant Lease Agreements.
  - Market conditions and Investors' demand for the Securities.
2. **Subscription Price:** Once the Trust's Value for Subsequent Issues is calculated, as described in the above paragraph, the subscription price may be calculated by dividing this value by the number of Securities outstanding on the business day immediately prior to the relevant Tranche's notice publication date.  
Consequently, the subscription price of the Securities under the new Tranche will be the par value plus a premium or a discount.
3. **Number of Securities to be Issued:** Once the subscription price is determined, the number of Securities corresponding to the new Tranche will be calculated by dividing the amount to place under the relevant Tranche by the subscription price determined in the above subparagraph.

The result of the method described to determine the Trust's Value for Subsequent Issues allows establishing an adequate ratio between all the Investors, so that the subscription price for the new Tranche Investors is equivalent to the existing Investors' Security value.

Additionally, notwithstanding the above, any Investors existing before a new Tranche Issuance shall have preemption rights on the new Tranche Securities, as described in subparagraph 1.7.9 of this Prospectus. This preemption right allows them to opt not to dilute their interest in the Trust with the Issuance of new Tranches.

The Issuance of new Tranches leads to an increase of both the Securities outstanding and the Trust through the new assets subject to securitization which, together with the total assets already existing, shall proportionally back up all the Securities outstanding under all Tranches.

As indicated above, once the Securities under a new Tranche are placed, such Securities are fungible with the others issued and outstanding. Therefore, all Securities are backed up by all the assets of the Trust. All the securities outstanding have the same rights and participate pro rata, regardless of any circumstances that may affect the Trust, the Real Estate Assets, or other assets acquired in the Trust's ordinary course of business or new issues, including, among others, the following:

- The conditions under which the Real Estate Assets may be leased more favorably or

unfavorably than other Real Estate Assets.

- The fulfillment or breach of one or more of the Lease Agreements and changes in the credit risk of one or several of the Lease Agreements.
- The possibility that one or more of the Real Estate Assets may not be leased at any given time or under particular conditions.
- The absolute or percentage variation with respect to the costs, expenses, and taxes associated with one or more of the Real Estate Assets or the process in general, and for whatever reason.
- The sale of one or more specific Real Estate Assets, regardless of the opportunity or conditions of the relevant sale.
- The original conditions and variations of the Trust's Financial Indebtedness, regardless of the time or circumstances when the same was acquired.
- One, some, or all of the Real Estate Assets' destruction or total or partial impairment thereof, whether significant or not.
- Regulatory risks or changes to the legal provisions or their interpretation, affecting either positively or negatively the profitability associated with one, some, or all of the Real Estate Assets.
- Litigations, claims, complaints involving one, some, or all of the Real Estate Assets.
- In general, any other negative or positive circumstance, temporary or permanent, directly or indirectly affecting one or more of the Trust's assets or that may possibly or likely materially affect, adversely or not, the securitization process or the Trust's assets.

#### **1.7.7. Disposals and Transfers**

Disposals and transfers of the rights recorded in the relevant deposit accounts corresponding to the Securities, may only incorporate complete security units.

#### **1.7.8. Term**

The Securities shall be valid from each Tranche's Issue Date until the Trust's liquidation date. Therefore, the Securities' maximum redemption term may not exceed the Trust Agreement's term, that is, ninety-nine (99) years counted as of its execution, extendable with the parties' consent.

### **1.7.9. Proportion and Form of the Offering**

**1. First Round Without Payment in Kind. - Preemption Right:** Those Investors appearing in *DECEVAL*'s entries record as owners of the Trust Securities on the publication date of the relevant public offering notice, will be entitled to preferentially subscribe, in the First Round Without Payment in Kind, the Securities under the new Tranche, prorata to the number of Securities they own on such date from the total number of Securities outstanding on such date.

Each one of the Investors may preferentially subscribe a maximum number of Securities equivalent to the whole number, without decimals approximation, resulting from multiplying: (i) The number of Securities owned by the Investor on the publication date of the relevant public offering notice; times (ii) A factor resulting from dividing (a) The number of Securities under the relevant Tranche, by (b) The number of Securities outstanding on the publication date of the relevant public offering notice.

If any fractions result after applying the aforementioned proportion, such fractions may be totally or partially traded as of the Issue Date and during the period established for such purpose in the relevant public offering notice's publication date.

Preemption Rights may be totally or partially traded, only from the relevant Tranche's Issue Date. Likewise, any fractions resulting from the calculations made, limited to the first two decimals without approximations, may be traded by the Investors within the term established for such purpose in the relevant public offering notice; however, the subscription will be for a whole number of Securities.

The Preemption Rights' assignment shall be made as provided for in the public offering notice, as follows:

1. Through the Trust Company, with the requirements established in the public offering notice; or
2. Through the Securities Direct Depositor (i) Through the *BVC*'s transactional systems, in a whole number of Preemption Rights or fractions of Preemption Rights, in accordance with the operating procedure established in the normative bulletin issued by *BVC* for this purpose; and (ii) Through the OTC market, only for fractions of the Preemption Rights.

Compliance will abide by the *BVC*'s clearing and settlement mechanisms.

The maximum term established for the Preemption Rights' assignment shall comply with the technical requirements of the *BVC*'s clearing and settlement mechanisms.

The Preemption Rights' special conditions shall be set in the relevant public offering notices and will provide, at least, the term to exercise the right, the manner how it shall be exercised, the subscription factor, and the Securities' subscription price for any subscribers exercising their Preemption Rights.

The Investors General Assembly may approve the Issuance of Tranches not subject to the Preemption Rights described in this subparagraph, in accordance with this Prospectus.

Any Securities not acquired in the First Round Without Payment in Kind, may be subscribed by the general public in the Second Round Without Payment in Kind. In any case, those Investors participating in the First Round Without Payment in Kind will only receive the Securities that they expressly agreed to acquire in that round; this, notwithstanding their decision to participate in the Second Round Without Payment in Kind.

**2. Second Round Without Payment in Kind - Free Placement:** Any Securities not subscribed in the First Round Without Payment in Kind will be available for free subscription by the Investors in general, on the business day immediately following the First Round Without Payment in Kind's expiration, in accordance with that provided for in the relevant offering notice, at the same price and payment conditions established for the First Round Without Payment in Kind.

#### **1.7.10. Proportion, Form of the Offering, and Award Mechanism if there is Payment in Kind**

If the Trust intends to acquire one or several properties or a part thereof, paying it/them with securities, this is, that the third parties owning the property, properties, or part thereof that the Trust will acquire under the relevant Tranche will pay in kind for the Securities to be subscribed, the proportion and form of the Offer shall be the following:

**1. First Round with Payment in Kind:** The first round will be directed to the Determined Person, who shall pay the Securities by transferring the ownership of the properties that the Trust will acquire in furtherance of the relevant Tranche, in accordance with the payment terms under the public offering notice.

The number of Securities paid in kind shall correspond to a proportion of the price of the properties or part thereof that will be delivered as part of the Securities payment, allowing the subscription of a whole number of Securities. In no case shall the subscription be made for a number of Securities that is not whole.

Notwithstanding the special conditions established in the relevant public offering notices, the procedure below shall be followed to subscribe the Securities under the Payment in Kind modality:

1. The Trust and the Determined Person will execute a promise of purchase sale agreement for the property to be transferred to the Trust under the Payment in Kind modality. The promise of purchase sale agreement shall stipulate that a pledge in favor of the Trust shall be granted on the Securities that the Determined Person receives as part of the property's price.

2. Publication of the relevant public offering notice will be made following the requirements provided in the law or this Prospectus and shall contain, at least:
  - a. The term for the ownership transfer of the property or part thereof, delivered as part of the Securities payment;
  - b. The manner how the Payment in Kind must be made; and
  - c. The Securities' subscription price, for those paying them in kind, which shall be calculated in accordance with that provided for in subparagraph 1.7.6.
3. The Determined Person, through its direct depositor, shall accept the Trust's offering under the terms established in the public offering notice.
4. On the day established in the relevant offering notice to carry out the First Round with Payment in Kind, the Determined Person shall subscribe and deliver to the Management Agent, as spokesperson for the Trust, the pledge agreement on the Securities acquired thereby, to ensure full compliance with the agreements under the promise of purchase and sale contract.
5. Upon the Trust's receipt, through the Management Agent, of: (i) The Securities public offering acceptance; (ii) The executed pledge agreement; and (iii) The verification that the conditions set forth in the relevant public offering notice are complied with, the Trust, through the Management Agent, shall order *DECEVAL* to issue the Securities and record the relevant entry in favor of the Determined Person.
6. On the same day that the Securities are issued in favor of the Determined Person, the direct depositor of the Determined Person will order *DECEVAL* to record the pledge on the Securities acquired by the Determined Person, which will imply their blocking. The Securities will be blocked until the public deed with the property's sale or part thereof to the Trust, is recorded. The Securities' blocking shall be made under *DECEVAL*'s rules.
7. The Determined Person will have the term established in the relevant offering notice to transfer the property's ownership. Within the ten (10) business days following the Trust's recording as owner under the property's title document, the Trust, through the Management Agent, shall deliver the pledge certificate issued by *DECEVAL*, duly signed and authorizing the pledge's lifting, to the Determined Person's direct depositor.
8. Within the three (3) business days following the date that the Determined Person's direct depository receives the pledge certificate, duly signed by the Trust, the Determined Person's direct depositor shall deliver a communication to *DECEVAL* requesting the pledge's lifting.

The certificate issued by *DECEVAL* shall be enclosed to such communication and will be duly signed by the Trust.

Settlement of the offerings contemplating the Payment in Kind shall be made under the payment-free transactions modality. Likewise, the purchase of properties with Securities will be subject to the conditions established in subparagraph 2.3.6 of the Prospectus.

Placement of any Securities not subscribed in the First Round with Payment in Kind shall be made through the Placing Agents, in accordance with subparagraph 1.8 of the Prospectus. The award of any Securities not subscribed in the First Round with Payment in Kind shall be made in accordance with subparagraph 1.8.1 of the Prospectus and the relevant public offering notice.

The Trust Company, as spokesperson for the Trust, shall inform to the BVC the amount of any Securities not subscribed in the First Round with Payment in Kind, in accordance with the terms of the relevant public offering notice.

**2. Second Round with Payment in Kind - Preemption Right:** Investors appearing in *DECEVAL*'s entries record as owners of the Trust Securities on the publication date of the relevant public offering notice, will be entitled to preferentially subscribe, in the Second Round with Payment in Kind, the Securities of the new Tranche not subscribed under the First Round with Payment in Kind, in the same proportion of the number of Securities they own on such date from to the total number of Securities outstanding on such date. Each one of the Investors may preferentially subscribe a maximum number of Securities equivalent to the whole number resulting from multiplying: (i) The number of Securities owned by the Investor on the publication date of the relevant public offering notice, times (ii) A factor resulting from dividing (a) The number of Securities under the relevant Tranche that were not subscribed on the First Round With Payment in Kind, by (b) The number of Securities outstanding on the publication date of the relevant public offering notice.

If any fractions result after applying the aforementioned proportion, such fractions may be totally or partially traded as of the Issue Date and during the period established for such purpose in the relevant public offering notice.

Preemption Rights may be totally or partially traded, only from the relevant Tranche's Issue Date. Likewise, any fractions resulting from the calculations made, may be traded by the Investors within the term established for such purpose in the public offering notice; however, the subscription will be for a whole number of Securities.

The Preemption Rights' assignment shall be made as provided for in the public offering notice, as follows:

1. Through the Trust Company, with the requirements established in the public offering notice;  
or

2. Through the Securities' Direct Depositor (i) through the *BVC*'s transactional systems, in a whole number of Preemption Rights, in accordance with the operating procedure established in the normative bulletin issued by *BVC* for this purpose; (ii) Through the OTC market, only for fractions of the Preemption Rights; or (iii) If this is not possible, for a whole number or fractions of the Preemption Rights, through the transactional systems of the *BVC*, in accordance with the operating procedure established in the normative bulletin issued for this purpose by the *BVC*.

Compliance will be made in accordance with the *BVC*'s clearing and settlement mechanisms.

The maximum term established for the assignment of Preemption Right will comply with the technical requirements under the *BVC*'s clearing and settlement mechanisms.

The Preemption Rights' special conditions shall be set in the relevant public offering notices and will provide, at least, the term to exercise the right, the manner how it shall be exercised, the subscription factor, and the subscription price of the Securities for any subscribers exercising their Preemption Rights. The Investors General Assembly may approve the Issuance of Tranches not subject to the Preemption Rights described in this subparagraph, in accordance with this Prospectus. Any Securities not acquired in the Second Round with Payment in Kind, may be subscribed by the general public in the Third Round. In any case, those Investors participating in the Second Round with Payment in Kind shall only receive the Securities that they expressly agreed to acquire in that round; this, notwithstanding their decision to participate in the Third Round.

**3. Third Round - Free Placement:** Any Securities not subscribed in the First Round with Payment in Kind or the Second Round with Payment in Kind, shall be available for free subscription by the Investors in general, on the business day immediately following the Second Round with Payment in Kind's expiration, in accordance with the provisions of the relevant offering notice, at the same price and payment conditions established for the Second Round with Payment in Kind.

Paragraph One. In the Tranches where Payments in kind will not be made, the offering shall comply with subparagraph 1.7.9 of this Prospectus. Consequently, the Trust may pursue Issues where the Securities to be placed are paid: (i) Only in cash; and/or (ii) Part in cash and part in kind, as provided for in the Prospectus and the Trust Agreement.

Paragraph Two. The price of the Securities in the three (3) rounds will be the same and shall be determined according to subparagraph 1.7.6 of this Prospectus.

#### **1.7.11. Reacquisition of Securities**

Investors may offer their Securities to the Trust, for it to reacquire them, according to the following procedure:

Each Investor may sell to the Trust, on a yearly basis, up to ten percent (10%) of the Securities acquired and maintained for a period exceeding ten (10) consecutive and uninterrupted years, counted as of their Acquisition Date ("Re-acquirable Securities").

Reacquisition may only incorporate complete units of securities.

The reacquisition value shall correspond to the lesser between the Securities' value published by the Management Agent and their Market Value, prior a twenty percent (20%) deduction, by way of a discount (the "Reacquisition Value").

The Investor interested in the Trust's reacquisition of its Re-acquirable Securities, shall deliver a written communication to the Management Agent offering the Re-acquirable Securities, at least one hundred and twenty (120) calendar days in advance to the proposed reacquisition date.

The Trust will repurchase the Re-acquirable Securities on April 15 of each year (or the next business day), in accordance with the terms provided for herein.

From the fifth (5th) year of its operation, the Trust shall annually allot the resources that the Advisory Committee deems necessary to reacquire the Re-acquirable Securities (the "Reacquisition Fund").

If there is any a shortfall between the Reacquisition Fund and the Re-acquirable Securities' value in any given year, the Advisory Committee will instruct the Management Agent to allot the shortfall of the Trust's resources, if possible, prior to the reacquisition date. If it is not possible to provision all the resources, the Investors' General Ordinary Assembly shall adopt the appropriate measures to solve this situation.

In accordance with article 2, paragraph 2 of Act 964 of 2005, whenever the Trust reacquires Re-acquirable Securities, the provisions on the obligations derived from reacquired securities under Article 1724 of the Civil Code shall apply.

#### **1.7.12. Securities' Yield**

Because these are Equity Securities, they will not have a guaranteed return, which will rather depend on the performance of the Permitted Investments making up the Trust's Portfolio.

The Securities' yield shall come from the: (i) Appreciation of the Real Estate Assets making up the Trust; (ii) Appreciation of the other Permitted Investments of the Trust; (iii) Revenues from the Real Estate Asset Lease payments, Monthly Concession Amounts under the Trust's Real Estate Assets concession contracts, Parking Spaces' Lease Fees, Parking Services, Entry Premiums, Sponsorships; (iv) Compensations from insurance; (v) Penalties payable by the tenants for the early termination of the Real Estate Assets' lease agreements; (vi) Sums payable by the tenants



under the Lease Agreements; (vii) Revenues from the returns of these resources; and (viii) Monies received by the Trust in any capacity, once the relevant discounts are made under the Trust Agreement and with the periodicity established therein.

Given the real estate business's nature, it is necessary to establish metrics that adequately reflect the transactions and profitability of the Trust, as follows:

1. The operating flow (the "Operating Cash Flow") equivalent to the EBITDA less any interest from the Financial Indebtedness, plus the financial returns from Liquidity Surpluses.
2. The adjusted Operating Cash Flow (the "Adjusted Operating Cash Flow") corresponding to the Operating Cash Flow less the real estate assets investments and working capital.
3. The returns periodically distributed to the Investors (the "Distributable Cash Flow") result from subtracting the Reacquisition Fund's provision and the Financial Indebtedness's amortizations from and adding the new Financial Indebtedness and the Net Flow from any New Tranche Issues to, the Adjusted Operating Cash Flow.

If any Real Estate Assets owned by the Trust are sold, any resources derived therefrom shall be added to the Investors' Distributable Cash Flow in the following events: (i) Following Twelve (12) months to the sale date, if such resources have not been reinvested in new Real Estate Assets complying with the Investment Policy's guidelines; (ii) The Trust's liquidation; or (iii) The Advisory Committee deems it appropriate after considering profitability, market conditions, and convenience criteria.

The Distributable Cash Flow shall be distributed to the Investors as Trust Distributed Profits and, if possible, as a partial reimbursement of the initial investment, up to the amount deemed appropriate under the regulations and as long as, for tax purposes, the references in the tax regulations to the applicable accounting standards prior to the effective date of the International Financial Reporting Standards - IFRS- remain valid pursuant to article 165 of Act 1607 of 2012.

The difference between the Trust's Profit and the Trust's Distributable Profit shall be credited to the Trust's Retained Income.

If any of the Purchase and Sale Agreements cannot be perfected, the balance of the Issuance resources that would be destined to purchase the Real Estate Assets subject matter of such Purchase and Sale Agreements shall be used to purchase other Real Estate Assets within the following twelve (12) months, in line with the Investment Policy and the Advisory Committee's guidelines. These resources will remain in the Trust and shall not be the Investors' Distributable Cash Flow, save for the following events: (i) The relevant Real Estate Assets are not acquired within the previously twelve (12) months referred to; (ii) The Trust's liquidation; or (iii) The Advisory Committee deeming it appropriate after considering profitability, market conditions, and convenience criteria.

### **1.7.13. Distributable Cash Flow's Periodicity and Payment**

The Trust Company, through *DECEVAL*, shall pay the Distributable Cash Flow to the Investors, pro rata to their interest in the Trust, as follows:

1. On the tenth business day (10th) of the month of February, the Distributable Cash Flow corresponding to the period between October 1 and December 31 of the previous year.
2. On the tenth (10th) day of the month of May, the Distributable Cash Flow corresponding to the period between January 1 and March 31 of the current year.
3. On the tenth (10th) day of the month of August, the Distributable Cash Flow corresponding to the period between April 1 and June 30 of the current year.
4. On the tenth (10th) day of the month of November, the Distributable Cash Flow corresponding to the period between July 1 and September 30 of the current year.

**Transition Period Towards the Quarterly Periodicity of the Distributable Cash Flow:** The Manager and the Trust Company shall distribute the Distributable Cash Flow on a quarterly basis, not later than on December 31, 2020 and this shall apply at the same time to all Investors.

Temporarily, through *DECEVAL*, the Trust Company shall pay the Distributable Cash Flow to the Investors pro rata to their interests in the Trust, as follows:

1. On the tenth business day (10th) of February, the Distributable Cash Flow corresponding to the period between July 1 and December 31 of the previous year.
2. On the tenth (10th) business day of August, the Distributable Cash Flow corresponding to the period between January 1 and June 30 of the current year.

### **1.8. PLACEMENT AND TRADING RULES**

The Securities placement through the Issuance Program shall be carried out by one or more Placement Agents, through best efforts placement contracts. Placement Agents shall be in charge of the placement and marketing of the Securities issued under the Trust by the Management Agent. Additionally, the Placement Agents shall constantly review the market of the Securities issued by the Trust, to suggest any relevant modifications to the Issuance Program's orientation. With this goal in mind, the Advisory Committee shall designate the group of entities that will act as Placement Agents.

The Investors interested in acquiring the Securities, in order to participate in the placement

process, shall deliver the Investor Enrollment form duly completed with its annexes, not later than at the time of the offering's acceptance, in accordance with the guidelines in Chapter VII, Title I, Part III of Basic Legal Circular 029 of 2014 of the Superintendency, which refers to the mechanisms to prevent and control money laundering.

#### **1.8.1. Award Mechanism**

The Trust Company, as spokesperson for the Trust, following the Advisory Committee's instructions shall inform in each Tranche's public offering notice the amount offered, any Placement Partial Amounts, and the Placement's Minimum Amount.

Award of the Securities shall be made by the entity established in the public offering notice, which may be the Trust Company or *BVC*, in accordance with the rules in the Prospectus, the public offering notice, and the operation instructions issued by *BVC* for this purpose. Notwithstanding the above, award of the Securities under the First Round with Payment in Kind shall be made pursuant to the procedure described in subparagraph 1.7.10 of the Prospectus.

The recipients of the offer shall submit their bids to the relevant Placement Agent through any verifiable means, stating the amount bided.

The recipients of the offer shall deliver the documents required by the Placement Agent under the provisions regulating its operation. Each of the offering's recipients, by merely submitting a bid, acknowledges that the number of Securities that can be awarded thereto may be less than the number of Securities bided for. The addresses and hours when the Placement Agents will be available shall be determined in the relevant public offering notice.

The recipient of the offer shall be informed if its bid is illegible and will be required to resubmit the bid. The time limit for retransmitting the bid shall adjust to that established under the relevant public offering notice for the submission of offering acceptances.

For all purposes of the offering, it shall be understood that any recipient, by submitting a bid, declares to be familiar with and accept each and every one of the public offering's conditions provided for in the Prospectus and the relevant public offering notice.

In the Second Round Without Payment in Kind and the Third Round - Free Placement, whenever the bids exceed the offering, the Securities award to the offerings recipients shall be made in order of arrival, following the special allocation rules under the offering notice, and in the terms provided in the operation instructions issued by *BVC*, subject to the minimum amounts established. If, as a result of the awarding mechanism, none of the submitted bids reaches the minimum amount established and, accordingly, cannot be awarded, or if all the securities offered are not awarded based on the award mechanism, the award shall be made following the procedure established in the public offering notice and *BVC*'s operation instructions.

Whenever the Amount bid for is less than the Minimum Placement Amount: (i) The Securities' subscription agreements entered into shall be rescinded by virtue of the offering; and (ii) The effects for the Trust of any Preemption Rights' assignments shall become extinguished (including the assignments of fractions of the computations made, in accordance with each public offering notice's provisions), so the assignments made shall not affect the offerings of Securities under new offering notices. However, the Securities may be offered through a new public offering notice during the relevant Tranche's Placement Term.

Whenever the amount bid for is higher than the Placement Minimum Amount, but lower than the amount offered in the relevant offering notice, the Partial Placement Amounts established in the relevant offering notice may be awarded considering the following criteria:

- The Partial Placement Amount closest, but lower than the amount bid for shall be awarded, in accordance with the Partial Placement Amounts included in the public offering notice corresponding to each Tranche.
- The Securities' subscription agreements entered into shall be rescinded by virtue of the offerings exceeding the partial amount actually awarded.

Each Security's value shall be paid in full upon its subscription.

The results of the award shall be informed to the public by the awarding agent and each Placement Agent once the offering's validity expires and/or the Tranche is fully awarded.

### **1.8.2. Issuance Program's Placement Term**

The Placement Term of the global amount under the Issuance Program is three (3) years, counted as of Resolution No. 0433 of April 9, 2018 issued by the Financial Superintendency, until April 26, 2019. This term may be renewed for equal periods before its expiration.

Notwithstanding the above, the Trust may request in writing the term's renewal for equal periods before its expiration, as it actually did on March 24, 2009, and the Superintendency approved until March 30, 2012 and ratified through Resolution No. 1415 of September 18, 2009 (by which the Superintendency authorized the transfer of the Issuance Program's securities from the secondary market to the primary market).

On January 5, 2012, the renewal of the term was applied for, again, for three (3) more years, and the Superintendency approved until March 2, 2015, through Resolution No. 0256 of February 23 2012. Through Resolution No. 0279 of March 11, 2015 issued by the Financial Superintendency, the term was renewed for three (3) additional years, until March 12, 2018. Finally, on February 19, 2018 the Superintendency approved the term's renewal for three (3) more years, until April 26, 2021, through Resolution No. 0433 of April 9, 2018.

Renewal of the authorization's validity period may include the same securities, others, or an increase of the global amount.

#### **1.8.3. Placement Term for Each Tranche**

The Placement Term of each Tranche shall be established in the relevant Tranche's first offering notice. Such term in no case shall extend beyond the Issuance Program's Placement Term.

#### **1.8.4. Offer and Subscription's Validity**

The validity of each offer shall be established in the relevant offering notice.

The validity of each Tranche's subscription shall be as follows:

**First Round:** Shall be, depending on the case, the First Round Without Payment in Kind or the First Round with Payment in Kind.

**First Round Without Payment in Kind:** Regarding the Tranches not contemplating the Payment in Kind, shall be the round established to exercise the Preemption Right, whose term of validity will be established in the relevant offering notice;

**First Round with Payment in Kind:** Regarding the Tranches contemplating the Payment in Kind, shall be the round addressed to the Determined Person;

**Second Round:** Shall be, as applicable, the Second Round Without Payment in Kind or the Second Round With Payment in Kind.

**Second Round Without Payment in Kind:** Regarding the Tranches not contemplating the Payment in Kind, shall be the round established for the Free Placement, whose term of validity will run from the business day immediately following the First Round Without Payment in Kind's expiration date, in accordance with the relevant offering notice's provisions.

**Second Round with Payment in Kind:** Regarding the Tranches contemplating the Payment in Kind, shall be round established to exercise the Preemption Right, whose term of validity will be established in the relevant offering notice;

**Third Round:** Regarding each Tranche contemplating the Payment in Kind, shall be the round established for the Free Placement, whose term of validity shall run from the business day immediately following the Second Round with Payment in Kind's expiration date, in accordance with the relevant offering notice's provisions.

#### **1.8.5. Recipients of the Issuance Program**

The Securities' recipients shall be the Investors, the Determined Person, and the general public, which includes pension and *cesantías* funds.

#### **1.8.6. Means to Make the Offer**

Announcements of each Tranche's public offering shall be published in a nation-wide circulation newspaper, in the *Bolsa de Valores de Colombia S.A.*'s daily bulletin, or in any other suitable media. For notices published in the *Bolsa de Valores de Colombia S.A.*'s daily bulletin, the date when the bulletin becomes available to the public shall be deemed the publication date.

#### **1.9. OTHER CHARACTERISTICS OF THE SECURITIES**

1. Any encumbrances, leins, civil lawsuits, and other legal events related to the Securities will be perfected through said precautionary measure's entry in *DECEVAL*'s records, in accordance with Act 27 of 1990, the legal provisions regulating it, and *DECEVAL*'s rules.
2. The Investor is liable, for all legal effects, for the information provided to the Issuance Program's Placement Agents, *DECEVAL*, the Manager, or the Management Agent.
3. The Securities' yields will be subject to withholding at source under the current tax regulations. For these purposes, whenever the Security is issued in the name of two (2) or more beneficiaries, each one shall indicate its individual interest on the Security's rights; likewise, if applicable, they shall evidence that they are not subject to tax withholdings. Should new taxes arise, applicable to the Issuance Program on a date following its placement, the Securities holders shall bear them. The Management Agent shall pay to the National Tax and Customs Directorate -*DIAN*- [*Dirección de Impuestos y Aduanas Nacionales*] any withholdings at source and will issue any relevant certificates.
4. If the Trust fails to comply with the obligation to transfer the deposits to *DECEVAL* or to maintain sufficient resources to make the payments that they are intended to, the Securities holders, using the certificate issued by *DECEVAL* to exercise their economic rights, may exercise the actions granted under the law, in addition to any that the Superintendency may bring under its competence.
5. During the course of the Issuance Program, the Trust shall maintain the validity of any contracts required to further and perform its purpose.
6. Any dispute or difference arising between the Management Agent, the Originator, and/or the Investors in connection with the performance, interpretation, termination, or liquidation of the Trust Agreement, or any other controversy related thereto that they are not able to solve directly within the thirty (30) calendar days following the date when either party informs it to the other one, shall be submitted to an arbitration tribunal consisting of three (3) arbitrators jointly appointed by the parties. If this appointment is not possible, the Arbitration and Conciliation Center of the Chamber of Commerce of Bogotá shall designate the

arbitrators. The Arbitration shall be in law.

#### **1.10. MANAGEMENT OF THE ISSUANCE PROGRAM**

*DECEVAL*, domiciled in the city of *Bogotá*, at *Calle 24A # 59 - 42, Torre 3, Oficina 501*, shall exercise all the operative activities derived from the Issuance Program's deposit, among them, the following obligations and responsibilities:

1. Register and manage the Macro-certificate, including the Issuance Program's accounting record; the custody, management, and control of the Issuance Program's outstanding balance; the Securities' amount issued, placed, outstanding, paid, to be placed, and annulled under the Issuance Program. The Macro-certificate thus registered shall guarantee the Issuance Program's amount actually placed on a daily basis.

For these purposes, the Management Agent agrees to deliver the Macro-certificate not later than within the Business Day prior to the publication of the Eleventh Tranche's first Public Offering Notice.

2. Register and record on the account the information on:
  - The individual placement of the rights under the Issuance Program.
  - Any disposals and transfers of the individual rights recorded in deposit account or subaccounts. Any registration of deposited rights' disposals shall follow the procedure established in *DECEVAL*'s Operation Rules.
  - The annulment of the Securities rights, in accordance with the Management Agent's orders, in the terms established in *DECEVAL*'s Operation Rules.
  - Any orders for the issuance of the rights recorded in deposit accounts.
  - Any pledges and liens, for which the holder or holders of the rights shall follow the procedure established in *DECEVAL*'s Operation Rules. Whenever any information on disposals or encumbrances comes from the subscriber or a competent authority, *DECEVAL* shall be required to inform it to the Management Agent on the following Business Day.
  - The outstanding balance under the Entry Record mechanism.
  - The transfer of the rights recorded in deposit accounts and subaccounts, whenever the holder, through the intermediary Direct Depositor or beneficiary Direct Depositor, so requests it.

3. Charge to the Management Agent any economic rights represented by Entry Records on behalf of the relevant beneficiaries, whenever they are Direct Depositors with security management service or represented by one of them.
- The Management Agent shall inform *DECEVAL*, through a written communication provided at least ten (10) business days in advance to the date when the drafts to meet the payment of the Securities' yields must be made, whether it will be able to timely pay the relevant amount.
  - *DECEVAL*'s communications shall be made at the times indicated herein, using immediate and secure means of communication and, in each case, the origin and recipient of each of these communications shall be authenticated.
  - For such purpose, *DECEVAL* shall submit two settlements, a previous and a final one. Pre-settlement of the amounts to be transferred by the Trust Company shall be submitted within the five (5) business days term prior to the date of the relevant transfer. This shall be supported indicating the balance of the Issuance outstanding in a dematerialized form and the return's payment periodicity.
  - The Trust Company shall verify *DECEVAL*'s pre-settlement and both will agree on the relevant adjustments, in case of any discrepancies.
  - Subsequently, *DECEVAL* shall submit to the Trust Company, within the two (2) business days prior to the payment, a final settlement on the securities under deposit managed by *DECEVAL*.
  - The Trust Company shall only pay in *DECEVAL*'s account the relevant economic rights in the case of Investors related to other Direct Depositors or who are Direct Depositors with security management service. For this purpose, the Trust Company shall deliver to *DECEVAL* a copy of the final settlement of the payments made to the relevant beneficiaries, after discounting the amounts corresponding to the withholding at the source applicable to each, and through a wire transfer shall deposit the settlement's amount in *DECEVAL*'s designated account, according to the yields' payment rules. Payments shall be made by the due date, not later than at 9:00 a.m.

On the Business Day following the date when the economic rights' payment is due, *DECEVAL* shall inform the Investors and control entities of any default thereof, whenever the Management Agent fails to provide the resources, so that such Investors and control entities may exercise any relevant actions.

*DECEVAL* shall not be liable to the Management Agent if the Management Agent fails to provide the resources to timely pay the yields, nor for any omissions or errors in the information that the Management Agent or Direct Depositors provide to *DECEVAL*, derived from any issuance, subscription, transfers, encumbrances, or seizures orders of



the incorporated rights.

4. Submit monthly reports to the Management Agent, within the five (5) business days following the end of each month, in connection with:
  - Payments made to the lawful Investors of the Securities under the Issuance Program.
  - The balances outstanding under the deposited Issuance Program.
  - Any annulments made in the relevant month, affecting the outstanding limit under the Issuance and Placement Program.
5. Following the Management Agent's request, update the deposited Macro-certificate, based on any securities issuance, cancellation upon maturity, reacquisition, annulment, and withdrawal operations from the Deposit, purposes for which *DECEVAL* will have broad powers.
6. Provide to the Management Agent any information that *DECEVAL* is aware of and which the tax authorities and supervisory and control bodies request, within the three (3) business days following the request's submission.
7. Carry out the any other acts relevant to the Issuance Program's management on behalf of and with the resources of the Trust, according to the duties assigned to *DECEVAL* under the law, this Prospectus, and the Issuance Program's Deposit and Management Agreement.

## **1.11. INVESTORS' RIGHTS AND OBLIGATIONS**

### **1.11.1. Investors' Rights**

All the Securities under the different Tranches of the Issuance Program are fungible and accordingly, afford the exact same rights, regardless of the Tranche under which they are issued. Therefore, Investors acquire a proportional right or aliquot in the Trust, equivalent to the result of dividing the number of Securities owned by the Investor by the total number of outstanding Securities under the Issuance Program.

The Issuance of new Tranches leads to an increase of both the outstanding Securities and the Trust, through the new securitized assets which, together with the totality of the existing assets, will proportionally back up all of the outstanding Securities under all the Tranches. Investors do not acquire a fixed-income security, but rather share the resulting profits or losses.

In addition to the rights provided for in other paragraphs of this Prospectus and the law, Investors will have the following rights:

1. Share the Trust's profits, in accordance with the provisions herein.

2. Participate and vote in the Investors General Assembly, by themselves or through a representative, in accordance with their interest in the Trust.
3. Trade their Securities, in accordance with their circulation rules.
4. Any others under this Prospectus, the Trust Agreement, and inherent to their capacity as Securities Investors.

#### **1.11.2. Investors' Obligations**

The Investors' main obligations are the following:

1. Fully pay the Securities, in accordance with this Prospectus.
2. Provide the information necessary to establish whether they are subject to withholdings at source or not, in accordance with the provisions herein.
3. Timely notify *DECEVAL* of any disposal, encumbrance, or limitation to the ownership of the securities acquired.
4. Register, through the direct depositors, any Securities transfers, in accordance with *DECEVAL*'s rules.
5. Any others derived from this Prospectus, the Trust Agreement, or the law.

#### **1.12. DISCLAIMER**

READING OF THIS INFORMATION PROSPECTUS IS DEEMED INDISPENSABLE FOR POTENTIAL INVESTORS TO APPROPRIATELY ASSESS THE INVESTMENT'S CONVENIENCE.

THE REGISTRATION OF THE PUBLIC OFFERING WITH THE SECURITIES AND ISSUERS NATIONAL REGISTRY AND ITS AUTHORIZATION DO NOT IMPLY ANY RATING OR LIABILITY WHATSOEVER BY THE FINANCIAL SUPERINTENDENCY OF COLOMBIA IN CONNECTION WITH THE REGISTERED INDIVIDUALS OR ENTITIES, OR THE SECURITIES' OR RELEVANT OFFERING'S PRICE, WORTHINESS, OR TRADABILITY, NOR THE ISSUER'S SOLVENCY.

THE PROSPECTUS IS NOT AN OFFER OR INVITATION TO SUBSCRIBE OR PURCHASE ANY OF THE SECURITIES REFERRED TO THEREIN, BY OR ON BEHALF OF THE ISSUER, LEADING AGENT, OR PLACEMENT AGENT.

THE SECURITIES' LISTING WITH THE *BVC* DOES IMPLY ANY CERTIFICATION WHATSOEVER AS TO THE SECURITIES VALUE OR THE ISSUER'S SOLVENCY.

THE MANAGEMENT AGENT'S OBLIGATIONS ARE OF MEANS, NOT OF RESULT.

ADDITIONALLY, ALL THE PAYMENTS THAT THE SECURITIES' ISSUER IS REQUIRED TO MAKE IN CONNECTION WITH THE ISSUANCE PROGRAM SHALL BE SOLELY AND EXCLUSIVELY MADE THROUGH *DECEVAL*. THE ISSUER SHALL NOT MAKE ANY DIRECT PAYMENTS AND, ACCORDINGLY, IT IS UNDERSTOOD THAT ALL ACQUIRERS ARE (OR WILL BE AT THE TIME OF PAYMENT), DIRECT DEPOSITORS WITH SECURITY MANAGEMENT SERVICE OR REPRESENTED BY DIRECT DEPOSITORS WITH SECURITY MANAGEMENT SERVICE.

IT IS UNDERSTOOD, ALSO, THAT ACQUIRER WAIVE THEIR POWERS TO REQUEST TO *DECEVAL* THE CERTIFICATE OF COLLECTION OF DUTIES NECESSARY TO DIRECTLY REQUEST PAYMENT FROM THE ISSUER.

## **2. TRUST**

The purpose of this Prospectus is to promote a real estate securitization process based on the constitution of a Trust with monies destined to acquire a diversified portfolio of Real Estate Assets through a Securities Issuance Program.

Consistently with Article 5.6.1.1.2 of Decree 2555, the vehicle chosen to carry out this securitization was the Trust, constituted under an irrevocable business trust agreement, so that the Trust Company, acting as spokesperson and manager for the Trust, issues the equity securities and becomes legally bound to the Investors.

Under paragraph one of Article 5.6.1.1.4 of Decree 2555, securitization processes may start with the creation of estates from monies destined to acquire assets subject to securitization and, the Trustor is willing to securitize the Real Estate Assets.

### **2.1. INTERVENING PARTIES**

The securitization process will be carried out by the following persons:

#### **2.1.1. Originator or Trustor**

*Inversiones y Estrategias Corporativas S.A.S.* (in liquidation), which contributed one million pesos (COP 1,000,000) Colombian legal tender to the Trust.

The Trustor will be the Trust's beneficiary for one million pesos (COP 1,000,000) Colombian legal tender, which the Trust Company shall return it upon the Trust's liquidation.

*Inversiones y Estrategias Corporativas S.A.S.* (in liquidation) is not liable for the results of any transaction originating in the Trust's constitution. Therefore, *Inversiones y Estrategias Corporativas S.A.S.* (in liquidation) shall not be liable to the Investors or the Trust Company.

The assignment of the Originator and Trustor's contractual position under the Trust Agreement—currently held by Inversiones y Estrategias Corporativas S.A.S (in liquidation)— on *PEI ASSET MANAGEMENT S.A.S.*'s behalf, will take place in 2019.

### **2.1.2. Trust Company or Management Agent**

Is *Fiduciaria Corficolombiana S.A.*, which shall fulfill the Management Agent's duties and, in accordance with Article 5.6.3.1.1 of Decree 2555, shall collect the proceeds from the Issuance Program, make with investments under this Prospectus charged to the Trust's resources, and act before the Investors and third parties as the Trust's spokesperson.

### **2.1.3. Manager**

Is *PEI ASSET MANAGEMENT S.A.S.*, by virtue of the Real Estate Management Agreement, which shall be responsible for fulfilling the Manager's duties and, in accordance with article 5.6.3.1.1 of Decree 2555, is the entity in charge of the conservation, custody, and management of the assets subject to securitization, and the collection and transfer of the assets' revenues to the Management Agent.

### **2.1.4. Investors**

Are the general public, including pension and *cesantías* funds.

### **2.1.5. Beneficiaries**

Investors are the first beneficiaries of the Trust in connection to their investment.

*Centro Rural Sofia Koppel de Pardo* is a non-for-profit entity beneficiary of the Trust for an amount equivalent to five (5) current legal monthly minimum wages (the "Foundation's Benefit"), payable within the thirty (30) days following the end of each year. *Centro Rural Sofia Koppel de Pardo* shall be the sole beneficiary of the amounts remaining in the Trust upon its liquidation, following any relevant payments to the Investors and the Trustor.

The Trust Company shall annually allot the amounts directed by the Advisory Committee to pay the Foundation's Benefit.

### **2.1.6. Placement Agents**

*Valores Bancolombia S.A.*, *Corredores Davivienda S.A.*, *Alianza Valores S.A.*, *Ultraserficio S.A.*, and *Casa de Bolsa S.A.* shall act as Placement Agents for the Eleventh Tranche, in accordance with the provisions herein and the placement agreement executed between the Placement Agents

and the Trust for such purpose. The stockbrokerage companies appointed by the Advisory Committee shall act as such for the following Tranches.

#### **2.1.7. Investors Legal Representative**

*Fiduciaria Colmena S.A.* shall act as the Investors Legal Representative for the Issuance Program and, in such capacity, will exercise the rights and defend the common or collective interests of the Investors in accordance with Decree 2555, the Prospectus, and the Legal Representation Agreement therewith.

#### **2.1.8. Issuance Program's Manager**

*DECEVAL* will act as manager for the Issuance Program, in accordance with this Prospectus and the Deposit and Management Agreement it entered into for said purpose with the Trust.

### **2.2. TRUST'S CONFORMATION**

#### **2.2.1. Securitized Assets**

The Trust may securitize the commercial use real estate assets described in subparagraph 2.3.1 of this Prospectus (the "Real Estate Assets"). The Trust may acquire this Real Estate Assets individually, or jointly and *pro indiviso*.

#### **2.2.2. Assets Making Up the Trust**

The Trust shall consist of the following assets:

1. One million pesos (COP 1,000,000) Colombian legal tender, contributed by the Trustor on the Trust Agreement's date of execution.
2. The rights and obligations under the Real Estate Assets' Purchase and Sale Agreements.
3. The sums of money obtained from the Securities placement in the Primary market. These sums will be temporarily with the Trust, as they shall be used to acquire the Real Estate Assets and cover the Issuance Costs and Expenses.
4. The Permitted Investments acquired by the Trust.
5. The Lease Fees agreed to under the Real Estate Assets' Lease Agreements and/or the Monthly Concession Amounts agreed under any concession contracts, the Parking Spaces Lease Fees, the monies from the provision of Parking Services, Entry Premiums, Sponsorships.

6. Any profit or loss on the disposal of assets.
7. The returns, interest, or any other type of revenue from the assets making up the Trust.
8. The appreciation or depreciation of the assets making up the Trust.
9. Returns from Hedging Transactions.
10. Any compensations from insurance received by the Trust; and
11. Any other monetary resources that, under the Trust Agreement's purpose, may enter the Trust.

### **2.2.3. Value of the Securitized Assets Under the Eleventh Tranche**

The commercial value of the Real Estate Assets listed in subparagraph 2.4 is COP 816.622.105.380. The Trust Company shall deliver to the Superintendency the Real Estate Assets value under the next Tranches, the relevant Prospectus, and the updated Trust Agreement in connection with such Real Estate Assets value, among others.

### **2.2.4. Transfer of the Trust Assets**

On the Trust Agreement's date of execution, Trustor delivered to the Trust Company one million pesos (COP 1,000,000) Colombian legal tender, amount that the Trust Company declares satisfactorily received.

## **2.3. INVESTMENT POLICY**

The Trust seeks to create a diversified real estate assets portfolio (the "Portfolio") offering low-volatility flows. This Portfolio's composition will be dynamic, depending on the opportunities identified in the market, and its aim will be to maximize the Investors returns while maintaining a moderate risk profile.

The Trust's operation will be based on the investment policy established below (the "Investment Policy"). The purpose of this policy is to set investment guidelines that minimize the Credit and Market Risks through a highly diversified Portfolio and permanent real estate and financial management.

The Trust will pursue a moderate risk profile by investing in assets with a reasonably high capacity to preserve the capital invested, such as the Permitted Investments described in the following subparagraph.

The Investment Policy's guidelines refer to the management of the Trust. If the Portfolio does

not comply with these guidelines at any given time, the Advisory Committee will adopt the relevant measures to adjust it to the Investment Policy, provided that the circumstances at the time point to the adjustment's convenience and this is possible. If the adjustment is not possible, the Investors Representative will be informed so that it calls an extraordinary Investors General Assembly, which will decide on any relevant corrections.

### **2.3.1. Permitted Investments**

The Trust may only invest in the following assets (the "Permitted Investments"):

#### **A. Real Estate Assets**

The Trust may invest in any commercial real estate assets that, in the Advisory Committee's opinion, have an attractive income-generation and/or appreciation potential in light of their location, access roads, security, finishings, functionality, and tenants (the "Real Estate Assets"):

1. Offices: Offices in buildings with high safety and quality specifications.
2. Hypermarkets: Commercial premises with a built-up area exceeding two thousand five hundred (2,500) m<sup>2</sup>, devoted to commerce (retail and wholesale activities).
3. Warehouses: Warehouses with high safety and quality specifications.
4. Commercial Premises: Commercial premises with a built-up area below two thousand five hundred (2,500) m<sup>2</sup> dedicated to commercial and entertainment activities.
6. Shopping Centers: Shopping centers located in high density areas and with first level specifications.
7. Other Commercial Assets: Any other commercial property with expected attractive returns and that allowing a greater portfolio diversification level (hotels, etc.)

#### **B. Other Assets**

1. Trust Rights: Trust rights whose underlying assets are the Real Estate Assets.

As a prior step to the acquisition of trust rights by the Trust, the Manager must carry out a due diligence process on the underlying Real Estate Asset and the trust agreement originating the trust rights, as well as define the accounting policies applicable thereto in order to specify their submission and treatment within PEI's financial statements, and the share acquired in the relevant trust and/or underlying real estate assets.

#### **Risks Associated with Investments in Trust Rights**

The risks associated with the acquisition of trust rights are, in principle, the following:

- (i) Those derived from the underlying Real Estate Assets;
- (ii) Those derived from the business trust agreement's provisions originating the trust rights;
- (iii) Financial risk, understood as the likelihood of incurring in losses or a decreased investment return resulting from an interruption or reduction of the expected cash flows from the assets and rights making up the Trust (rents, dividends, and interests). Financial risk is mitigated through by properly structuring the assets' lease and exploitation contracts, so that any revenues therefrom remain stable over time;
- (iv) Trust manager's solvency risk, i.e., the Manager's defaults due to insolvency or an inefficient management of the revenues.

Specifically, the legal risks that may arise are the following:

- (i) Encumbrances on the trust rights;
- (ii) Flaws in the constitution of the trust, i.e., the legal requirements for the trust's existence and validity are not complied with, leading to the business trust agreement's non-existence, inefficaciousness, or absolute or relative nullity;
- (iii) The trustor's creditors going after the trust's assets, based on debts prior to the business trust's constitution; and
- (iv) Transfers of the trust rights to the Trust by a person other than their owner (property risk of the trust right).

Notwithstanding the above, the risks associated with the acquisition of Real Estate Assets, whether the acquisition refers to trust rights or their underlying assets directly, as mentioned above, are identified during the due diligence process and ownership titles study. Additionally, through the structuring of the relevant contracts, the necessary protection mechanisms are established in line with the risks identified.

2. The Liquidity Surpluses and the Operation and Reacquisition Funds' resources may be invested in Financial Assets and hedging instruments.

### **2.3.2. Investment Criteria**

- Real Estate Assets shall concentrate in large cities (i.e., *Bogotá, Cali, and Medellín*); however,



if the Advisory Committee deems so appropriate, the Trust may invest in Real Estate Assets located in other cities.

- The Trust may invest in improvements and renovations of the Portfolio's assets, in order to maximize their profitability.
- The Trust may invest in Real Estate Assets only when the Contract(s) executed are leases, concessions, or any others susceptible of generating income from the underlying property, prior to the disbursement of resources by the Trust, unless the Advisory Committee authorizes investing in such Real Estate Assets without any of the referred to contracts.
- Investments in Financial Assets shall bear in mind that the Investment Policy aims at maximizing the surpluses' returns and security, so that resources are available to pay the Expenses, Distributable Cash Flow, and real estate assets' acquisitions approved by the Advisory Committee.

Investments in Financial Assets will be handled by the Management Agent, following the Advisory Committee's guidelines and profitability and security criteria, as follows:

- (i) Currency: Investments denominated in Pesos, Dollars, and/or Euros; and
- (ii) Depositary: The Trust Company shall deposit the Trust's resources with an Acceptable Depositary.
- The Trust may not invest in Management Agent's securities. However, the Trust Company may invest the Liquidity Surpluses and the Operation and Reacquisition Funds' resources in the Trust Company's open collective portfolio Valor Plus, Financial Assets, and hedging instruments.
- The Trust may only invest in Real Estate Assets after the resources for the Operation Fund, the Reacquisition Fund, and the Distributable Cash Flows are provisioned, to maintain a balance between the necessary liquidity and the expected return.
- To assess a Real Estate Asset and/or Trust Right whose underlying assets are Real Estate Assets, a detailed credit and financial analysis of the Trust's counterparty will be carried out to quantify the Credit Risk, in accordance with the Trust's credit risk policy.
- A similar analysis of the Credit Risk and others, including commercial and construction risks shall be performed in connection with the Trust's counterparty and the Real Estate Asset to be acquired, whenever the Trust makes advance payments of the purchase price of the Real Estate Assets and/or trust rights whose underlying assets are Real Estate Assets.
- The Real Estate Asset may be built assets, assets under construction, or assets to be

built. The objective will be to verify that the investment complies with the Investment Policy guidelines and the risk is adequately counterweighed by the expected profitability and/or required guarantees, or other risk-mitigation mechanisms, as applicable. Such guarantees and/or mechanisms shall consider the proper mitigation of the credit, construction, liquidity, and solvency risks depending on their nature and the prevailing market conditions.

Advance payments of the purchase price of Assets under development approved by the Advisory Committee shall abide by the Price's Advance Payment Limit and the Price's Advance Payment Limit on a Particular Asset referred to in section 2.3.3 of this Prospectus. No advance payments whatsoever shall exceed the purchase price.

### **2.3.3. Exposure Levels**

- To ensure the tenants' diversification and thus reduce the Credit Risk, the Trust's Portfolio shall have the following exposure limits:
  - (i) Consolidated income from a tenant and its Related Companies may not exceed forty percent (40%) of the Trust's Annual Income for a calendar year.
  - (ii) The average consolidated value of the assets let to a tenant and its Related Companies may not exceed forty percent (40%) of the Trust Real Estate Asset's value for the calendar year.

These limits shall apply following twenty-four (24) months from the Subscription Date of the first Tranche of the Issuance Program.

- To ensure the geographical diversification and per asset types to reduce the Market Risk, the Trust's Portfolio will have the following exposure limits:
  - (i) The exposure for each of the different types of Real Estate Assets –identified in subparagraph 2.3.1 of this section– shall not exceed seventy percent (70%) of the Trust's Real Estate Assets' value or Annual Income.
  - (ii) The Real Estate Assets' average value per geographical area shall not exceed eighty-five percent (85%) for *Bogotá*, fifty percent (50%) for *Medellín*, fifty percent (50%) for *Cali*, and thirty percent (30%) for other areas during each year.
  - (iii) The Annual Limit for Assets under Development shall abide by the following rules:
    - Whenever the Advisory Committee knows of any business opportunity on an Asset under Development (the "Business Under Development Opportunity"), to obtain the authorization for the execution of a Binding Document in connection with said Asset under Development (the "Application Date") the Manager shall:

- First, calculate the Annual Limit for Assets under Development for each calendar year (the "Measured Year") to elapse from the Application Date's calendar year to the last calendar year where (in a chronological sense) the Trust expects to acquire the real estate assets under the executed Binding Documents.

For this calculation per calendar year, the period elapsing from January 1 to December 31 of said year is understood for each year.

The calculation shall be done as follows for each Measured Year:

- a. The value resulting from adding the acquisition prices agreed under the Binding Documents in connection with the Assets under Development that the Trust expects to acquire in the Measured Year, directly or indirectly, except for built to suit schemes, divided by
- b. The value resulting from adding: (i) The value of the Trust's assets (as reflected in the assets account of the Trust's balance sheet as of the Application Date) plus (ii) The sum of the acquisition prices agreed under the Binding Documents in connection with the Assets under Development and any other Permitted Investments that the Trust expects to acquire from the Application Date to the Measured Year.

Whenever the Measured Year is the calendar year where the Business Opportunity is expected to be acquired or a later calendar year, the Manager shall include the Business Opportunity's initial price among the components under paragraphs (a) and (b) above. The percentage resulting from this calculation for any Measured Year shall not exceed 15%.

- Second, on each Application Date, the Manager shall calculate and submit to the Advisory Committee the result of the Annual Limit for Assets under Development for each of the Measured Years. This result shall not exceed forty percent (40%):
  - a. The result of adding all the acquisition prices agreed under the Binding Documents in connection with the Assets under Development that the Trust expects to acquire between the Application Date and the last Measured Year, divided by
  - b. The result of adding: (i) The value of the Trust's assets (as reflected in the assets account of the Trust's balance sheet as of the Application Date) plus (ii) The sum of the acquisition prices agreed under the Binding Documents in connection with the Assets under Development and any other Permitted Investments that the Trust expects to acquire from the Application Date to the last Measured Year.

These exposure limits shall apply following twenty-four (24) months from the Subscription Date

of the Issuance Program's first Tranche.

- To mitigate the risks associated with the advance payment of the Assets under Development's purchase price, the following limits shall apply:
  - i. Limit to the Price's Advance Payments, which shall be calculated as the proportion of (a) The result of adding the Trust's advance payments of the Assets under Development's price, divided by (b) The result of adding (i) The Trust's assets total value (as reflected in the assets account of the Trust's balance sheet) plus (ii) The total value of the Assets under Development to be acquired by the Trust and in connection with which it makes any advance payments of the price under the Binding Documents. The percentage resulting from this calculation shall not exceed 10%. Advance payments of the Assets under Development's price under built to suit schemes shall not be computed or be subject to this limit.
  - ii. Limit to the Price's Advance Payments on any Particular Asset, which shall apply to each of the Assets under Development that, upon the Trust making the first advance payment of their purchase price: (i) Neither have lease or concession agreements executed for an area equal to or exceeding seventy percent (70%) of the Real Estate Asset's total area; (ii) Nor have stipulated a minimum secured revenue, preferential flow, or any other business risk-mitigation mechanism on behalf of the Trust –as defined in each case depending on the type of project and economic conditions negotiated– to guarantee that the Trust receives revenues at least equal to the amount receivable under any lease or concession of an area equal to exceeding seventy percent (70%) of the Real Estate Asset's total area. In these cases, this particular limit shall prevent the Trust from making any advance payments that exceed fifty percent (50%) of the relevant Assets under Development's total purchase price.

#### **2.3.4. Financial Indebtedness**

Financial Indebtedness is common in the real estate business given the low volatility of its flows. This may potentially increase the Investors' returns, as long as the capital returns exceed the Financial Indebtedness' effective cost.

Financial Indebtedness may consist of any instrument or credit transaction, including bank loans, real estate leases, securities issues, and receivables associated to term payments of the price of Real Estate Assets and/or Trust Rights whose underlying assets are Real Estate Assets acquired by the Trust.

- In furtherance of its purpose, the Trust may obtain resources under Financial Indebtedness to: (i) Make improvements to the Real Estate Assets; (ii) Finance the Operation Fund; and

(iii) Maximize the Investors' potential return.

- The Trust's total Financial Indebtedness shall not exceed forty percent (40%) of the Trust's assets total value (as reflected in the assets account of the Trust's balance sheet).
- The Trust's total Short-Term Financial Indebtedness shall not exceed thirty-five percent (35%) of the Trust's assets total value (as reflected in the assets account of the Trust's balance sheet).
- The Trust's total Long-Term Financial Indebtedness shall not exceed thirty-five percent (35%) of the Trust's assets total value (as reflected in the assets account of the Trust's balance sheet).
- The sum of the Short-Term Financial Indebtedness and the Long-Term Financial Indebtedness shall not exceed the limit provided for the Trust's Financial Indebtedness total value. The Advisory Committee shall previously approve the Financial Indebtedness.
- The Financial Indebtedness shall be incurred in under market conditions and rates.
- The Trust may guarantee the Financial Indebtedness' payment through encumbrances on its assets, provided that the total value of the Trust's Real Estate Assets subject to encumbrances securing the payment does not exceed fifty percent (50%) of the Trust's Value.
- The Financial Indebtedness guidelines are Trust management guidelines. If at any given time the Portfolio fails to comply with these guidelines, the Advisory Committee shall adopt any relevant measures to adjust it to the Financial Indebtedness guidelines herein.
- If the adjustments are not possible, the Investors Legal Representative will be informed so that it calls an extraordinary Investors General Assembly to adopt any corrective measures.

#### **2.3.5. Insurance**

- The Real Estate Assets owned by the Trust during the Trust Agreement's term shall be insured against fire and earthquake risks, for their replacement value, by a well-reputed insurance company in the Colombian insurance market. At the Advisory Committee's discretion, any TMIA risks (Third Parties' Maliciously Intentioned Acts) shall be insured.
- The Trust shall be designated as the only insured party and beneficiary under such policies, regarding its insurable interest in the Real Estate Assets.
- The Trust will be designated as the only insured and beneficiary of such policies with respect to its insurable interest under the Real Estate Assets.

- The Real Estate Assets owned by the Trust are insured under a Material Damages All-Risks policy and a Tort Liability policy. The Material Damages All-Risks policy, subject to its terms and conditions, insures the Real Estate Assets against damages or material losses resulting from the risks covered. The Material Damages All-Risks policy covers the following assets owned by the Trust or where the Trust has an insurable interest: buildings, materials and equipment, electrical and electronic equipment, Third Parties' Maliciously Intentioned Acts (TMIA), strike, civil or popular riots, and terrorism. The Tort Liability policy, on the other hand, subject to its conditions, is intended to compensate any damages covered by the Tort Liability policy, caused to third parties by the Trust.

Additionally, the Advisory Committee may request the Manager to require each tenant of the Trust's Real Estate Assets to contract a lease fee-compliance insurance policy with a Colombian insurance company well-reputed in the Colombian insurance market.

The insured value will be up to one hundred percent (100%) of the lease fees' amount during the lease agreement's relevant term and the policy shall be valid for the same term or one year, extendable annually, during the term of the Lease Agreement. The Trust shall be designated as the sole beneficiary of the policies with respect to its insurable interest.

### **2.3.6. Payment in Kind**

The Trust may receive as consideration for the Securities issued in the First Round With Payment in Kind, part of the ownership rights over a property, provided that the value of the property to receive as payment for the Securities does not exceed: (i) Twenty-five percent (25%) of the Issuance amount of the Tranche under which such property will be securitized; and (ii) Fifty percent (50%) of the value of the property that will be paid in kind.

If a real estate asset will be securitized under a Tranche, the amount that the Trust may receive as consideration for the Securities issued in the First Round with Payment in Kind shall be up to fifty percent (50%) of the new Tranche's Issuance amount.

The procedure established in subparagraph 1.7.13 of this Prospectus shall be followed for the placement and subscription of any Securities payable in kind.

#### **2.3.6.1. Risks Associated with Payments in Kind**

##### **2.3.6.1.1. Transfer of Ownership Rights**

Because the Securities payable in kind shall be issued in the name of the Determined Person on the date of the First Round with Payment in Kind, time at which the relevant property or part thereof will not have been transferred to the Trust, there is a risk that the Determined Person

fails to transfer the property or part thereof to the Trust, despite being registered with *DECEVAL* as owner of the Securities.

In this case, the Trust would be harmed, as it would have paid for a property that it does not own and, accordingly, cannot economically exploit. Investors would be also affected because the distributable resources' amount would be lower to any deliverable amount if the Trust were economically exploiting the property already paid for.

To minimize the likelihood of this risk, the process described in paragraph 1 of Section 1.7.13 of this Prospectus provides that the Securities must be pledged to guarantee that the transaction will be complied with. Also, the promises of purchase and sale that the Trust executes include penalty clauses that would be enforceable if the Determined Person failed to transfer the property.

#### **2.3.6.1.2. Breach of Promises of Purchase and Sale**

If the Trust fails to comply with any of the promises of purchase and sale executed in furtherance of a Payment in Kind transaction, the Trust would be required to pay the penalty clause agreed to under the relevant contract. In addition, the Trust's breach of the promises of purchase and sale may give rise to civil liability proceedings requiring it to compensate any damages caused, in addition to paying the penalty clauses.

#### **2.3.6.1.3. Unblocking of Securities**

Any Determined Persons participating in the First Round with Payment in Kind will bear the risk that the Trust fails to instruct the Determined Persons' direct depositors to issue the order to unblock the Securities delivered as part of the payment of the Determined Persons' real estate assets or that *DECEVAL* fails to unblock said Securities upon receiving the order to unblock them. The Determined Persons would be required to bring any relevant legal actions for: (i) The Trust to instruct the Determined Persons' direct depositors to unblock the Securities; and/or (ii) *DECEVAL* to unblock the Securities.

### **2.4. REAL ESTATE ASSETS UNDER THE ELEVENTH TRANCHE**

The Trust Company shall deliver to the Superintendency the list of THE Real Estate Assets making up the Eleventh Tranche, along with their corresponding Commercial Appraisals, before the Tenth Tranche's first public offering notice is published.

The assets part of the Eleventh Tranche was acquired with resources from credits that will be paid with the resources from the placement.

#### **2.4.1. Description**

*Estrategias Inmobiliarias Trust (PEI's) Eleventh Tranche consists of 36 assets acquired between 2016 and 2018: Ideo Cali, Plaza Central, Nutresa Palermo, Nuestro Montería, Hada International, QBE Piso 8, Divercity, CEDI LG Palmira, Davivienda - Calle 29 Palmira, Davivienda - Calle 35, Davivienda - Calle 38, Davivienda - Calle 49 Cabellano, Davivienda - Carrerea 2 Bocagrande, Davivienda - Carrera 23 Provenza, Davivienda - Cedritos, Davivienda - Centro Comercial Chicó, Davivienda - Centro Comercial Milenio Plaza, Davivienda - Centro Comercial Salitre Plaza, Davivienda - Centro Comercial Salitre Plaza 2, Davivienda - Contador, Davivienda - Edificio Calle 72 Carrera 11, Davivienda - Edificio del Cafe (Cali), Davivienda - Edificio Manuel Saenz, Davivienda - Edificio Pasaje El Liceo, Davivienda - Edificio Seguros Bolivar, Davivienda - Estrada, Davivienda - La Soledad, Davivienda - Multicentro Nueva Autopista, Davivienda – Oficina Principal Ibagué, Davivienda - Santa Isabel, Davivienda - Soluzona, Davivienda - Toberin, Davivienda - Torre Bolivar, 50% de Davivienda - Torre CCI, Davivienda - Trinidad Galan y Davivienda - Unicentro Girardot. It is important to highlight that all of the above Real Estate Assets have excellent technical specifications and that the tenants have very good credit ratings.*



**2.4.1.1. Ideo Cali**

1. **Name:** *Ideo Cali* shopping center
2. **Concessionaires:** Multi-concessionaire. The shopping center has brands such as *Corona, Haceb, Muebles & Accesorios, Mabe, Decorceramica*, among others.
3. **City:** *Cali, Valle del Cauca*
4. **Neighborhood:** *Calima*
5. **Address:** Carrera 1 No 62-80
6. **Use:** Shopping center
7. **Leasable area:** 17,975 m<sup>2</sup>
8. **Year of construction:** 2017
9. **Number of Parking Spaces:** 220 parking spaces for vehicles and 114 parking spaces for motorcycles.
10. **Number of Floors:** 2 floors
11. **Type of construction (structure type):** Building with a reticular system reinforced with concrete columns and steel beams.
12. **Access roads:** The shopping center is located at Carrera 1 heading to the South, a road close to three urban corridors that has 6 lanes, three heading to the South and three to the North; additionally, the massive system *MIO's Chiminangos* station is located in front of the property.
13. **Description of the building:** The property is located on a corner lot and thus has three facades. It has three levels with an exterior vehicular route that distributes to the parking lots located in the perimeter.
14. **Description of the sector:** The property is located in the *Calima* neighborhood, which is part of Commune 4 of the city of *Cali*. The commune has a strategic position given its proximity and equidistance to the traditional Center, the Transport Terminal, exits to the neighboring municipalities of *Yumbo, Palmira (Airport)*, and *Candelaria*. Its proximity to the Metropolitan cemetery, *Sena* Institute, and the Municipal Transit Headquarters allow the sector's quick location.

#### **2.4.1.2. Plaza Central**

- 1. Name:** *Plaza Central* shopping center.
- 2. Tenant:** Multi-tenant. The shopping center has brands such as *Falabella, Cine Colombia, BodyTech, Jumbo*, among others.
- 3. City:** Bogotá D.C.
- 4. Neighborhood:** *Puente Aranda* locality.
- 5. Address:** Avenida Calle 13 Carrera 62.
- 6. Use:** Shopping center.
- 7. Leasable area:** 75,000 m2.
- 8. Year of construction:** 2016.
- 9. Number of Parking Spaces:** Parking spaces for the shopping center's common and exclusive use.
- 10. Number of floors:** 4.
- 11. Type of construction (type structure):** Reinforced concrete structure.
- 12. Access roads:** The shopping center has several access roads, standing out among them *Avenida 68, Calle 13, and Avenida de las Americas*.
- 13. Description of the building:** *Plaza Central* is the largest single owner shopping center in the country, with over 75,000m2 of leasable area and 378 commercial premises. The commercial complex has 4 stories, plus 2 basements, and 4 high parking floors. It has more than 370 commercial premises distributed between anchor and sub-anchor brands, commercial premises, the food court, the cinema and kiosks, with brands such as *Falabella, H&M, Cine Colombia, BodyTech, Jumbo, Farmatodo, Inditex* group's brands, *Arturo Calle, Crepes & Waffles, WOK*, and the main Colombian banking entities, among other commercial brands.
- 14. Description of the sector:** The shopping center is located in an industrial influence area close to residential areas with medium purchasing power. *Puente Aranda* is the capital's industrial activity epicenter, very important at the national level. Its main industries relate to the manufacture and processing of plastics, textiles, chemicals, metal-mechanical crafts, soft drinks, tobacco, concentrates and foods.

**2.4.1.3. Nutresa Palermo**

- 1. Name:** *Nutresa Palermo*
- 2. Tenant:** Comercial Nutresa S.A.S.
- 3. City:** *Palermo*, Huila
- 4. Neighborhood:** *Palermo*
- 5. Address:** *Palermo Industrial Park, Kilómetro 2 Via Huila-Palermo*
- 6. Use:** Warehouse
- 7. Leasable area:** 4,380 m2
- 8. Year of construction:** 2016
- 9. Number of parking spaces:** 9 cargo docks and 12 light vehicle parking spaces.
- 10. Number of Floors:** 2
- 11. Type of construction (type structure):** Reinforced concrete structure.
- 12. Access roads:** The property is located at the *Palermo Industrial Park*, in the Municipality of *Palermo, Huila*, at *Kilometro 2 Vía Huila-Palermo* to the right, at *Palermo's* suburban road corridor of the industrial consolidation axis.
- 13. Description of the building:** The property is distributed in two independent modules affecting both its structure and location. These modules create a central yard where the maneuvering area is located. The project is developed in two (2) floors, distributed according to the uses and the client's requirements.
- 14. Description of the sector:** *Palermo Industrial Park* is located in a strategic operations place, in *Palermo's* industrial zone, consolidating a business group with a great projection for *Huila's* economic growth.

**2.4.1.4. *Nuestro Montería***

- 1. Name:** *Nuestro Montería* Shopping Center
- 2. Tenant:** Multi-tenant
- 3. City:** *Montería, Córdoba*
- 4. Neighborhood:** *San José*
- 5. Address:** Transversal 29 No. 69
- 6. Use:** Shopping Center
- 7. Leasable area:** 25,024 m<sup>2</sup>
- 8. Year of construction:** 2015
- 9. Number of parking spaces:** 767 cells
- 10. Number of floors:** Two floors and Mezzanine
- 11. Type of construction (structure type):** The building has a porticoed construction structural system with footings, beams, and columns and a metal structure roof made up of purlins and trusses with A42 techmet roof tiles.
- 12. Access roads:** Through Calle 41 or Transversal 29, which some kilometers ahead join the road leading to *Planeta Rica*.
- 13. Description of the building:** *Nuestro Montería* Shopping Center consists of two levels for the commercial area, a mezzanine housing the management offices, and a large parking area in the outdoors zone, complemented by a parking tower. *Nuestro Montería* has four anchor and semi-anchor brand stores, renowned chain stores, and a cinema area.
- 14. Description of the sector:** The property is located at the convergence of Calles 29 and 41, in front of the roundabout of *Monumento a la Ganadería* [the Cattle Raising Monument] (known as the *Los Toros* roundabout), near the transport terminal and the *Canta Claro, La Pradera, San Jose,* and *La Floresta* neighborhoods. The Shopping Center meets the needs of *Montería's* middle class, providing this sector with large areas for commerce and entertainment, previously neglected given its low commercial density.

**2.4.1.5.     *Hada International***

- 1. Name:** *Hada International*
- 2. Tenant:** *Hada International S.A.*
- 3. City:** Barranquilla, Atlántico
- 4. Neighborhood:** Kilómetro 8 Vía Barranquilla, *Tubara*
- 5. Address:** Kilómetro 8 Vía *Barranquilla - Tubara, La Cayena* Free Zone
- 6. Use:** Warehouse
- 7. Leasable area:** 11,634 m<sup>2</sup>
- 8. Year of construction:** 2018
- 9. Number of parking spaces:** 16 Loading docks
- 10. Number of floors:** One-story warehouse 12 meters high.
- 11. Type of construction (structure type):** Reinforced concrete structural elements (beams, columns, and the perimeter walls' tie-down elements); additionally, it has a metal structure with trusses and purlins throughout the roof system.
- 12. Access roads:** *La Cayena* Free Trade Zone is located 26 km from the port of *Barranquilla*, and 10 minutes away from its urban area, more exactly at kilómetro 8 vía *Tubara*.
- 13. Description of the building:** *Hada International* is developed in three lots and three phases, with lot 6 corresponding to phase III, lot 7 to phase I, and lot 8 to phase II. Phases II and III correspond to the plant's expansions and phase I to the initial development thereof.
- 14. Description of the sector:** *Hada International* is strategically located as *Barranquilla* is the most important city in the Colombian Caribbean, with the main multipurpose port in the country, and very close to the *Cartagena* and *Santa Marta* ports.

**2.4.1.6. QBE Floor 8**

- 1. Name:** QBE
- 2. Tenant:** QBE Seguros S.A.
- 3. City:** Bogota
- 4. Neighborhood:** Nogal
- 5. Address:** Carrera 7 No. 76-35 Office 801
- 6. Use:** Corporate
- 7. Leasable area:** 1063.41m<sup>2</sup>
- 8. Year of construction:** 1998
- 9. Number of parking spaces:** N/A
- 10. Number of floors:** 1 floor.
- 11. Type of construction (structure type):** The asset where the 8th floor is located consists of a large solid volume divided into two sections. The main and most important part has a brick facade with extruded areas where natural lighted areas are located. The second section, attached to the first section, has a floating glass facade with a curve protruding from the main rectangular volume.
- 12. Access routes:** Direct access through *Carrera 11*, *Carrera 15*, and *Calle 72*.
- 13. Description of the building:** The offices main access is through the fixed point of stairs that connects the three levels. The elevator corridor only provides access to the level in case of emergency. A recent remodeling left it with a gray and green modular carpet floor depending on the area. This level –housing the gym– has laminated wood floors in the group room and rubber floors in the machine and the service areas (cafeterias and coffee points).
- 14. Description of the sector:** It is located in the *Chapinero* locality *El Nogal* neighborhood. This area is one of the most important sectors of the city and concentrates very important companies, especially from the oil, hydrocarbons, construction, and services sectors. Additionally, this is the most important financial center of the city.

#### **2.4.1.7.     Santafé Shopping Center's Commercial Premises**

- 1. Name:** *Santafé Shopping Center's commercial premises*
- 2. Tenant:** *Eduparques S.A.S., Action Fitness S.A.S., and Interpark Group S.A.S.*
- 3. City:** *Medellín, Antioquia*
- 4. Neighborhood:** *El Poblado, Medellín*
- 5. Address:** *Carrera 43a No. 7 Sur -170 Local: 4178*
- 6. Use:** *Commercial Premises*
- 7. Leasable area:** *6,358 m2*
- 8. Year of construction:** *2010*
- 9. Number of parking spaces:** *The commercial premises belong to Santafé shopping center, which has*
- 10. Number of floors:** *The area is subdivided into 3 premises, the first of which has two levels and a mezzanine; the second one is a double-height one-story premise with a mezzanine; and the third is has one story.*
- 11. Type of construction (structure type):** *The shopping center is built as a porticoed system with light slabs on the floors.*
- 12. Access roads:** *The Shopping Center may be accessed through important roads of Medellín's road network that approach the sector's vicinity, including Avenida El Poblado (Carrera 43a) and Calle 7 Sur. In general, these are two-way roads with two (2) and four (4) lanes ensuring the vehicles' flow within the area and towards other sectors.*
- 13. Description of the building:** *This property is subdivided into three (3) premises, as follows:*
  - *Action Fitness: A two-levels and a mezzanine gym.*
  - *Zero Gravity: A trampoline park developed in a double height level with a mezzanine.*
  - *Divercity: A city to scale with approximately 16 attractions.*
- 15. Description of the sector:** *The property is located in El Poblado, the largest commune in Medellín. El Poblado sector has a high creativity level (bars and restaurants), tourism, and high value-added commerce. There is great potential for the development of differentiated businesses with little tradition in the city, such as gourmet, fusion, and bistro restaurants, and small commercial establishments with a diverse offer of exclusive designs in modern clothing, footwear, and handicrafts. Accessibility to El Poblado sector is the most diverse in the city. You can get there by car, bus, and metro. There is great potential to ensure accessibility. Similarly, the strip between Avenida El Poblado and the Medellín river has the most suitable areas to build infrastructure and new facilities.*

**2.4.1.8. CEDI LG Palmira**

- 1. Name:** LG *Palmira* Distribution Center
- 2. Tenant:** LG Electronics Colombia Ltda.
- 3. City:** Municipality of *Palmira*, *La Herradura* hamlet
- 4. Neighborhood:** N/A.
- 5. Address:** Kilometer 16 of the highway going from *Yumbo* to the *Alfonso Bonilla Aragón* airport.
- 6. Use:** Storage of merchandise and administrative offices
- 7. Leasable area:** 15,589.78 m<sup>2</sup>
- 8. Year of construction:** 2018
- 9. Number of Parking Spaces:** 37 spaces for visiting vehicles, 4 spaces for disabled people, 38 spaces for motorcycles, 62 docks for trucks, 15 unloading docks, 10 loading docks, 10 outside and inside.
- 10. Number of Floors:** Three levels in the administrative area and a three-volume warehouse.
- 11. Type of construction (structure type):** Combined. Concrete, porticoed structure (footings, columns, and beams) and metal structure roof.
- 12. Address:** From *Cali* taking the North Highway to *Cali-Palmira* (National Route 25, *Troncal de Occidente*) and the road *Cali Yumbo*, National Route 23. Arrival is also possible from *Palmira*, taking National Route 25.
- 13. Description of the building:** The property consists of seventeen thousand four hundred ninety-five point ninety-nine (17,495.99) square meters, with a maximum height of sixteen and fifty (16.5) meters and a storage capacity of two hundred and eighty-eight thousand six hundred sixty-seven (288,667) cubic meters, and a three-level administrative building with service and wellness areas for the employees. It has large loading and unloading docks, and parking spaces for visitors.
- 14. Description of the sector:** The LG distribution center is located near the cities of *Cali* and *Palmira*, and the *Alfonso Bonilla Aragón* Airport, towards the western part of the country, in the Department of *Valle del Cauca*. It is ten kilometers away from *Yumbo* –considered the industrial capital of Colombia–, ten kilometers away from *Palmira* –the Agricultural Capital of Colombia–, and fifteen kilometers from *Cali* – the region’s capital, recognized as one of the cities with the greatest investment future in America.



**2.4.1.9.      *Davivienda – Avenida El Libertador [El Libertador Avenue]***

- 1. Name:** *Davivienda - Avenida Libertador.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Santa Marta, Magdalena.*
- 4. Neighborhood:** *San José.*
- 5. Address:** *Calle 12 No. 18 -122.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *188 m2.*
- 8. Year of construction:** *1998.*
- 9. Number of Parking spaces:** *N/A.*
- 10. Number of floors:** *1 floor.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access routes:** *The property can be accessed through Avenida Libertador, Santa Marta's main road, with four (4) lanes, two (2) heading from east to west direction and the other two (2) from west to east.*
- 13. Description of the building:** *The property is developed in four (4) commercial premises (premises 7, 8, 9, and 10) of the Palma Real Condominium. It has a single level housing the operations and customer service areas. According to information from Davivienda's staff, the headquarters will be remodeled in approximately two months.*
- 14. Description of the sector:** *The property is located in the city of Santa Marta at the San José neighborhood, in front of the Eduardo Santos Stadium and very close to the Carlos "El Pibe" Valderrama statue.*

**2.4.1.10. Davivienda – Calle 29 Palmira**

- 1. Name:** *Davivienda - Calle 29 Palmira.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Palmira -Valle del Cauca.*
- 4. Neighborhood:** *City Center.*
- 5. Address:** *Calle 29 No. 27 – 18.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *361 m2.*
- 8. Year of construction:** *1988.*
- 9. Number of parking spaces:** *N/A.*
- 10. Number of floors:** *1 floor.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access roads:** *Excellent The property is accessed through important roads of Palmira's Urban Area road network. The property can be directly accessed from Calle 29.*
- 13. Description of the building:** *The property is developed in two sublevels that form a single floor, immersed in Banco de Bogotá Building's first floor. It is the building's only commercial premise.*
- 14. Description of the sector:** *The property is located in the Municipality of Palmira, department of Valle del Cauca. Palmira concentrates large sugar mills, making it an area with high levels of commerce, industry, and agriculture in Valle del Cauca.*

**2.4.1.11. Davivienda – Calle 35**

- 1. Name:** *Davivienda - Calle 35.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bucaramanga, Santander.*
- 4. Neighborhood:** *City Center.*
- 5. Address:** *Calle 35 No. 17 – 58.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *1,544 m2.*
- 8. Year of construction:** *1980.*
- 9. Number of Parking Spaces:** *9 exclusive use parking spaces.*
- 10. Number of Floors:** *1 floor.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access routes:** *The property is accessed is through Carrera 35, a pedestrian street of the City of Bucaramanga.*
- 13. Description of the building:** *The area has five (5) floors: 1, 2, 3, 4, and offices 1601, 1602, 1603, and 1604.*
- 14. Description of the sector:** *The property is located between two lots, at the Centro neighborhood of commune 15.*

**2.4.1.12.      Davivienda – Calle 38**

- 1. Name:** *Davivienda - Calle 38*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Villavicencio, Meta.*
- 4. Neighborhood:** *City Center.*
- 5. Address:** *Calle 38 # 30a – 60.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *438 m2.*
- 8. Year of construction:** *1987.*
- 9. Number of Parking Spaces:** *Two (2) exclusive use parking spaces.*
- 10. Number of Floors:** *2 floors.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access roads:** *The property may be accessed through important roads such as Calle 38, Calle 40, and Carrera 30, thus it is deemed good. Because it is located in the center of the city of Villavicencio, its location is strategic.*
- 13. Description of the building:** *The area is developed on two levels. The first floor of the banking premises houses the assistants and advisors' area, while the second floor the cashiers and operations area.*
- 14. Description of the sector:** *The property is located in the city center of Villavicencio, the most important commercial center of the eastern plains.*

**2.4.1.13.      Davivienda – Calle 49 Cabellano**

- 1. Name:** *Davivienda - Calle 49 Cabellano.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bucaramanga, Santander.*
- 4. Neighborhood:** *Cabecera del Llano.*
- 5. Address:** *Calle 49 No. 33 -23.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *299m2.*
- 8. Year of construction:** *1981.*
- 9. Number of parking spaces:** *N/A.*
- 10. Number of floors:** *1 floor.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access roads:** *The property is accessed is through Carrera 33, an important road network within the urban area of Bucaramanga, with three northbound lanes.*
- 13. Description of the building:** *The area has three (3) single-level commercial premises. The property is located in the Cabecera shopping center, second stage, in a corner lot in front of Carrera 33.*
- 14. Description of the sector:** *The property is located in a corner lot, in the Cabecera neighborhood of commune 12. It is a residential sector, but also has commercial, services, and work premises.*

**2.1.4.15. Davivienda – Carrera 2 Bocagrande**

- 1. Name:** *Davivienda - Carrera 2 Bocagrande.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Cartagena, Bolivar.*
- 4. Neighborhood:** *Bocagrande.*
- 5. Address:** *Carrera 2 No. 9-73.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *226 m2.*
- 8. Year of construction:** *1995.*
- 9. Number of parking spaces:** *1.*
- 10. Number of floors:** *1 floor.*
- 11. Type of construction (structure type):** *Porticoed system with masonry walls.*
- 12. Access roads:** *Carrera 2da and Calle 9.*
- 13. Description of the building:** *The premises are located inside the Cartagena Escape Plaza building, which consists of two (2) towers called Amanecer and Atardecer, each with 21 and 19 floors, respectively. The building's use is residential from the 4th floor upwards, as floors 1, 2, and 3 are for commercial use.*
- 14. Description of the sector:** *Bocagrande is an exclusive real estate development neighborhood in the city of Cartagena. It is a sector designed with first world standards and high-rise buildings.*

**2.4.1.16. Davivienda – Carrera 23 Provenza**

- 1. Name:** *Davivienda - Carrera 23 Provenza.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bucaramanga, Santander.*
- 4. Neighborhood:** *Provenza.*
- 5. Address:** *Carrera 23 No. 104 – 26.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *240 m2.*
- 8. Year of construction:** *1997.*
- 9. Number of parking spaces:** *5 parking spaces.*
- 10. Number of floors:** *2 floors.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access roads:** *The property is accessed is through Carrera 23 and Calle 105, important roads of Bucaramanga’s Urban Area network. Carrera 23 leads directly to the property.*
- 13. Description of the building:** *The area is developed on two levels. The services and operations area is located in the second floor, while the customer assistance area in the first floor. This property also has a mezzanine where the bank’s general manager office is.*
- 14. Description of the sector:** *The property is located in a corner lot, at the Provenza neighborhood of the commune 10, also named Provenza.*

**2.4.1.17. Davivienda – Cedritos**

- 1. Name:** *Davivienda – Cedritos.*
- 2. Tenant:** Davivienda S.A.
- 3. City:** Bogota D.C., *Cundinamarca.*
- 4. Neighborhood:** Cedritos.
- 5. Address:** Calle 140 No. 10a – 86.
- 6. Use:** Commercial.
- 7. Leasable area:** 365 m2.
- 8. Year of construction:** 1971.
- 9. Number of parking spaces:** N/A.
- 10. Number of floors:** 1 floor.
- 11. Type of construction (structure type):** The property is built as a porticoed system with light slabs on the floors.
- 12. Access roads:** *Calle 140* leads to the property, which is also located close to *Carrera 9*.
- 13. Description of the building:** It has a total constructed area of 365.20 square meters. The building is adjacent to *Kokoriko's* commercial premises on its eastern side and to *AV Villas Bank* on the western side.
- 14. Description of the sector:** The property is located in the *Cedritos* neighborhood of the *Usaquén* municipality, to the northwest of *Bogotá*. Consists of work areas, a cashier and, on the outside, an open parking lot on public space.



**2.4.1.18. Davivienda – Chicó Shopping Center**

- 1. Name:** *Davivienda - Chicó Shopping Center.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** Bogota D.C.
- 4. Neighborhood:** *Chicó.*
- 5. Address:** Avenida Carrera 15 No. 90-20 interior 12 local 110.
- 6. Use:** Commercial.
- 7. Leasable area:** 495 m2.
- 8. Year of construction:** 1985.
- 9. Number of parking spaces:** N/A.
- 10. Number of floors:** 2 floors
- 11. Type of construction (structure type):** The property is built as a porticoed system with light slabs on the floors.
- 12. Access roads:** The property is accessed through the intersection of *Calle 90* and *Carrera 15*. The property is very close to *El Virrey* Park.
- 13. Description of the building:** The premises are located within *La Plazuela* Building, built 34 years ago. It is easily accessible because it's close to *Calle 90* and *Carrera 15*, and is adjacent to a variety of sector-scale commercial premises.
- 14. Description of the sector:** The property is located at the *Rincón del Chicó* neighborhood of the *Chapinero* locality, a predominantly high class office-sector. Its proximity to *El Virrey* park, *Calle 90*, *Carrera 15*, and sector-scale commercial premises makes it a busy and easily accessible sector.

**2.4.1.19. Davivienda – Milenio Plaza Shopping Center**

- 1. Name:** *Davivienda - Milenio Plaza.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bogota D.C., Cundinamarca.*
- 4. Neighborhood:** *Tintalito.*
- 5. Address:** *Avenida Ciudad de Cali No. 42B – 51.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *129 m2.*
- 8. Year of construction:** *2010.*
- 9. Number of Parking Spaces:** *N/A.*
- 10. Number of Floors:** *1 floor.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access roads:** *The property is accessed through an important road of Bogotá's network. It enjoys multiple access roads such as Av. Ciudad de Cali and Carrera 43 Sur.*
- 13. Description of the building:** *The area is within the Milenio Plaza shopping center. Its single level houses the customer service and operations areas.*
- 14. Description of the sector:** *The property is located at El Tintal neighborhood of the Kennedy locality. It is in front of CORABASTOS and near the Transmilenio's Portal de Las Américas. It is a residential sector, but also provides commercial and service areas.*

**2.4.1.20. Davivienda – Salitre Plaza Shopping Center**

- 1. Name:** *Davivienda - Salitre Plaza Shopping Center.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bogota D.C., Cundinamarca.*
- 4. Neighborhood:** *City Center.*
- 5. Address:** *Carrera 68B No 24-39 Local 1-14A.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *327 m2.*
- 8. Year of construction:** *1996.*
- 9. Number of Parking Spaces:** *N/A.*
- 10. Number of Floors:** *1 floor.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access roads:** *Access to the sector is through Calle 24 and Calle 68a.*
- 13. Description of the building:** *The office (number 1-14A) is located in Salitre Plaza shopping center's first floor.*
- 14. Description of the sector:** *The property is located in Ciudad Salitre neighborhood of Bogotá, between the Teusaquillo and Fontibón localities, close to the Salitre Transport Terminal.*

**2.4.1.21. Davivienda – Salitre Plaza 2 Shopping Center**

- 1. Name:** *Davivienda - Salitre Plaza Shopping Center.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bogota D.C., Cundinamarca.*
- 4. Neighborhood:** *Ciudad Salitre.*
- 5. Address:** *Carrera 68B No. 24-39 | Premises 1-85 | 1-87.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *207 m2.*
- 8. Year of construction:** *1996.*
- 9. Number of parking spaces:** *N/A.*
- 10. Number of floors:** *1 floor.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access routes:** *Access to the asset is through Calle 24 and Calle 68a in the city of Bogotá.*
- 13. Description of the building:** *The office is located in Salitre Plaza Shopping Center's first level.*
- 14. Description of the sector:** *The property is located in Ciudad Salitre neighborhood of Bogotá, between the Teusaquillo and Fontibón localities, close to the Salitre Transport Terminal.*

**2.1.1.22. Davivienda – Contador**

- 1. Name:** *Davivienda – Contador.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bogota D.C., Cundinamarca.*
- 4. Neighborhood:** *El Contador.*
- 5. Address:** *Calle 140 No. 18a -91.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *621 m2.*
- 8. Year of construction:** *1975.*
- 9. Number of parking spaces:** *N/A.*
- 10. Number of floors:** *2 floors.*
- 11. Type of construction (type structure):** *Porticoed system with light slabs on the floors.*
- 12. Access roads:** *The property is accessed through the corner between Carrera 19 and Calle 140.*
- 13. Description of the building:** *The office has a total built area of 620.68 square meters. The building limits to the east with several sectoral scale commercial premises; its north facade borders Calle 140 and the Foto Japón store; and its western facade borders Cali Mio's commercial premises.*
- 14. Description of the sector:** *The property is located northbound of the city at El Contador neighborhood and limits with Avenida Carrera 19, an area characterized by its important traffic given the sector's important business activity. The asset limits with the Chamber of Commerce-Centro Empresa and a Panamericana.*

**2.4.1.22. Davivienda – Calle 72 Carrera 11 Building**

- 1. Name:** *Davivienda Calle 72 Carrera 11 Building.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bogota D.C.*
- 4. Neighborhood:** *La Porciuncula.*
- 5. Address:** *Carrera 11 No. 71 -73 Floor 6 and Commercial Premise.*
- 6. Use:** *Offices.*
- 7. Leasable area:** *1,002 m2.*
- 8. Year of construction:** *2017.*
- 9. Number of parking spaces:** *140 private parking units and 10 parking units for visitors.*
- 10. Number of floors:** *4 floors.*
- 11. Type of construction (structure type):** *The front of the property has its own image of Banco Davivienda. The floors are in 60x60 porcelain tiles with gray grout and a honey-colored MDF broom guard. The ceilings are 60x60 drywall modules finished with stucco and paint.*
- 12. Access roads:** *Direct access through Carrera 11 and Avenida Chile.*
- 13. Description of the building:** *On the first floor of the property are Banco Davivienda's premises, with a privileged access through Calle 72 at the corner with Carrera 11. The building has a double-pane security gate. The property has three (3) personnel transport elevators with access to all floors. One (1) is negative, with access to the four (4) basements levels.*
- 14. Description of the sector:** *The sector's infrastructure is for services and commercial uses, mainly banking and education.*

**2.4.1.23. Davivienda – Edificio del Café (Cali)**

- 1. Name:** *Davivienda - Cafe Building (Cali).*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Cali, Valle del Cauca.*
- 4. Neighborhood:** *San Nicolás – City Center.*
- 5. Address:** *Calle 13 No. 5 -47*
- 6. Use:** *Offices*
- 7. Leasable area:** *5,677 m2*
- 8. Year of construction:** *1957*
- 9. Number of Parking spaces:** *51 private and exclusive use parking spaces.*
- 10. Number of Floors:** *15 floors and 1 basement.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access roads:** *The property is accessed through Calle 13 and Carrera 4a of Cali's urban area road network.*
- 13. Description of the building:** *The property is a City's Cultural Heritage Building and consists of 2 towers.*
- 14. Description of the sector:** *The property is located in Cali, one of the main economic and industrial centers of Colombia, and the main urban, cultural, economic, industrial, and agricultural center of the southwestern part of the country and the third on a nationwide level.*

**2.4.1.24. Davivienda – Manuela Sáenz Building**

- 1. Name:** *Davivienda - Manuel Saenz.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Manizales, Caldas.*
- 4. Neighborhood:** *City Center.*
- 5. Address:** *Carrera 23 No. 23-17.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *205 m2.*
- 8. Year of construction:** *1998.*
- 9. Number of parking spaces:** *N/A.*
- 10. Number of floors:** *2 floors.*
- 11. Type of construction (type structure):** *Porticoed system with light slabs on the floors.*
- 12. Access roads:** *The property is accessed through Carrera 23, the main access road of Manizales. and one of the roads with the greatest influx of vehicles and pedestrians in the city. The peripheral roads to the building have a single cobbled lane, prioritizing pedestrians.*
- 13. Description of the building:** *The property is developed on two (2) levels: the bank office operates on the second floor and the customer service office on the first floor. The premises are inside the Manuela Saenz Building, considered a Historical Heritage construction.*
- 14. Description of the sector:** *The property is located in Manizales' city center, adjacent to the Palace of Justice and the Basílica Nuestra Señora del Rosario, a city landmark.*
- 15. Cultural interest asset:** *On August 31, 2017, the Ministry of Culture of Colombia declared this asset of cultural interest. This neither affects the ownership, nor the ability to sell or receive benefits from the property. For any redevelopment of the property, the Trust will need to request the competent authorities' authorization and comply with the conservation plans and technical or architectural guidelines applicable thereto. Also, given the property's its cultural interest asset character, the Trust is required to preserve it in line with the special management plans established by the competent authorities and the Manizales Land Use Plan. The rules applicable to the property given its an asset of cultural interest character are provided for in Act 1185 of 2008, Decree 763 of 2009, Decree 1080 of 2015, and Agreement 074 of 2017 issued by the Council of Manizales.*



**2.4.1.25. Davivienda – Pasaje El Liceo Building**

- 1. Name:** *Davivienda - Pasaje El Liceo.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Pasto, Nariño.*
- 4. Neighborhood:** *City Center.*
- 5. Address:** *Calle 17 No. 25- 40.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *466 m2.*
- 8. Year of construction:** *1993.*
- 9. Number of parking spaces:** *N/A.*
- 10. Number of floors:** *1 floor.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access routes:** *The property is accessed through Calle 17 and Carrera 25. Its location in the Pasto's city center renders it strategical.*
- 13. Description of the building:** *The area within Pasaje El Liceo Building houses a bank office on the first floor and an office on the second floor, where Banco Davivienda's training rooms and operating, and portfolio areas operate.*
- 14. Description of the sector:** *The property is located in the city of Pasto, capital of the department of Nariño.*

**2.4.1.26. Davivienda – Seguros Bolívar Building**

- 1. Name:** *Davivienda - Seguros Bolivar.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Cali, Valle del Cauca.*
- 4. Neighborhood:** *San Nicolás – City Center.*
- 5. Address:** *Carrera 4 No. 12 – 41.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *476 m2.*
- 8. Year of construction:** *1979.*
- 9. Number of parking spaces:** *N/A.*
- 10. Number of floors:** *1 floor.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access roads:** *The property is accessed through Calle 13, an important road of Cali's Urban Area and directly through Carrera 4ta.*
- 13. Description of the building:** *The area consists of four premises, two of which (the bank branch) are located in Seguros Bolivar Building's basement and the other two on the second level.*
- 14. Description of the sector:** *The property is located in Cali, one of the main economic and industrial centers of Colombia, and the main urban, cultural, economic, industrial, and agricultural center of the southwestern part of the country and the third on a nationwide level.*

**2.4.1.27. Davivienda – Estrada**

- 1. Name:** *Davivienda – Estrada.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bogota D.C., Cundinamarca.*
- 4. Neighborhood:** *Estrada.*
- 5. Address:** *Carrera 66a No. 63 – 54.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *146 m2.*
- 8. Year of construction:** *1997.*
- 9. Number of Parking Spaces:** *N/A.*
- 10. Number of floors:** *2 floors.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with masonry walls.*
- 12. Access routes:** *The property is accessed through Carrera 66A, a road two (2) lanes. It is close to the Botanical Garden and the Francisco José de Caldas Technical - Industrial Institute, an area easily accessed and widely known.*
- 13. Description of the building:** *The property is developed on two (2) levels, with the customer service office located on the first floor and the bank operations office on the second floor.*
- 14. Description of the sector:** *The property is located in the Estrada neighborhood of the Engativá locality, characterized by its commercial and residential uses.*

**2.4.1.28. Davivienda – La Soledad**

- 1. Name:** *Davivienda - La Soledad.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bogota D.C., Cundinamarca.*
- 4. Neighborhood:** *La Soledad.*
- 5. Address:** *Avenida Carrera 24 No. 42 – 19.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *449 m2.*
- 8. Year of construction:** *1982.*
- 9. Number of parking spaces:** *N/A.*
- 10. Number of floors:** *2 floors.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access roads:** *The property is located between Carreras 24 and 25, in front of the Park Way linear park.*
- 13. Description of the building:** *The Davivienda office is an island type premise that supplies La Soledad neighborhood. It has a total built area of 448.56 square meters, is adjacent to several sector-scale commercial premises, a privileged access from Carrera 24, and proximity to Calle 45.*
- 14. Description of the sector:** *The property is located in front of the Park Way, a linear park that extends throughout the neighborhood in the middle of the two carriageways of Avenida Calle 24. It is about 800 meters long, constituting one of the highest green density areas in the sector.*

**2.4.1.30. Davivienda – Multicentro Nueva Autopista**

- 1. Name:** *Davivienda - Multicentro Nueva Autopista.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bogota D.C., Cundinamarca.*
- 4. Neighborhood:** *Nueva Autopista.*
- 5. Address:** *Avenida Carrera 19 No. 136 - 26, Local 2-6.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *105.3 m2.*
- 8. Year of construction:** *There is no reference.*
- 9. Number of parking spaces:** *N/A.*
- 10. Number of floors:** *1 floor.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access roads:** *The e property is accessed through Carrera 19, the city's main four (4) lanes road, two (2) of which are southbound and the other two (2) northbound.*
- 13. Description of the building:** *The property is located on a second level, where the tenant operates the cafeteria.*
- 14. Description of the sector:** *The property is located in the Nueva Autopista neighborhood, has excellent access roads as it borders the north highway and Carrera 19, between Calles 140 and 134. It is a residential neighborhood with shopping areas, given its proximity to Carrera 19.*

**2.4.1.31. Davivienda – Main Office Ibagué**

- 1. Name:** *Davivienda – Ibagué Main Office.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Ibagué, Tolima.*
- 4. Neighborhood:** *City Center.*
- 5. Address:** *Carrera 3 No. 12-74.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *375 m2.*
- 8. Year of construction:** *1994.*
- 9. Number of parking spaces:** *N/A.*
- 10. Number of floors:** *3 floors.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access routes:** *The property is accessed through Carrera 3 in Ibagué's city center. Carrera 3ra is a pedestrian and main road of the city.*
- 13. Description of the building:** *The property consists of three levels.*
- 14. Description of the sector:** *The property is located in Ibagué's city center, the capital of the department of Tolima. It is strategically located at Carrera 3ra, the main and pedestrian way of the city.*

**2.4.1.32. Davivienda – Santa Isabel**

- 1. Name:** *Davivienda - Santa Isabel.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bogotá D.C., Cundinamarca*
- 4. Neighborhood:** *Santa Isabel.*
- 5. Address:** *Carrera 27 No. 1G – 38.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *312 m2.*
- 8. Year of construction:** *1967.*
- 9. Number of Parking Spaces:** *It has 2 exclusive use parking spaces.*
- 10. Number of floors:** *3 floors.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access roads:** *Access is through Carrera 27, an important road of the Bogotá network, that has four (4) lanes with a separator, allowing greater circulation of both vehicles and pedestrians.*
- 13. Description of the building:** *The area has three (3) floors. The first and second floors house the customer service area. The third floor and a part of the second floor house the operations area. It also has a backyard.*
- 14. Description of the sector:** *The property is located in a dividing lot at the Santa Isabel neighborhood, of Los Martires locality. The sector is residential and has a Transmilenio station named after the neighborhood.*

**2.4.1.33. Davivienda – Soluzona**

- 1. Name:** *Davivienda – Soluzona.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bogotá D.C., Cundinamarca.*
- 4. Neighborhood:** *Centro Industrial.*
- 5. Address:** *Avenida Calle 17 No. 65B – 95.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *119 m2.*
- 8. Year of construction:** *1998.*
- 9. Number of parking spaces:** *Two (2) exclusive use parking spaces.*
- 10. Number of floors:** *1 floor.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access roads:** *The property is accessed through an important road of Bogotá's network. It has multiple access roads such as Avenida 68 and Calle 13.*
- 13. Description of the building:** *The property has a single level, where the customer service and office operations areas are located.*
- 14. Description of the sector:** *The property is at the Centro Industrial neighborhood of the Puente Aranda locality. This is the city's industrial activity epicenter. Its main industries relate to the manufacture and processing of plastics, textiles, chemicals, metal-mechanical crafts, soft drinks, tobacco, concentrates and foods.*



**2.4.1.34. Davivienda – Toberín.**

- 1. Name:** *Davivienda – Toberín.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bogotá D.C., Cundinamarca.*
- 4. Neighborhood:** *Toberín.*
- 5. Address:** *Calle 168 No. 45 - 96.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *276 m2.*
- 8. Year of construction:** *1993.*
- 9. Number of Parking Spaces:** *N/A.*
- 10. Number of floors:** *1 floor.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with light slabs on the floors.*
- 12. Access roads:** *The property is accessed through the Autopista Norte [North Highway], Northbound direction of Bogotá. A secondary road (Calle 168) leads to Autopista Norte.*
- 13. Description of the building:** *The property has a single level where the operations and customer service areas are located. The bank office is located in Premise 101 of the Callzilla Building.*
- 14. Description of the sector:** *The property is located in the Toberín neighborhood of the Usaquén locality. Given its proximity to Autopista Norte and Calle 170, it is easily accessible and located.*

**2.4.1.35. Davivienda – Torre Bolívar**

- 1. Name:** *Davivienda Torre Bolivar.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** Bogotá D.C.
- 4. Neighborhood:** *Ciudad Salitre, Fontibón.*
- 5. Address:** *Avenida El dorado No. 68b - 31.*
- 6. Use:** Offices.
- 7. Leasable area:** 4,363 m2.
- 8. Year of construction:** 1995.
- 9. Number of parking spaces:** 628 units in the business complex.
- 10. Number of floors:** 4 floors.
- 11. Type of construction (structure type):** The building has a structural light slabs porticoed system with alveolar plate, drywall divisions in the different floors, concrete screens and some other masonry divisions that, sometimes inside the building, are plastered and painted.
- 12. Access roads:** Access to the sector is through important the city's road network such as *Avenidas El Dorado and 68*. The property is close to *El Dorado* Airport, the Industrial Zone, the United States Embassy, and the Chamber of Commerce's Business Headquarters at *Calle 26*.
- 13. Description of the building:** The Torre Bolivar building is in the middle of the Metropolitan Business Center and consists of two towers exclusively used to house offices. The project has a pedestrian's square that provides an open area to the public.
- 14. Description of the sector:** Urban sector with various recreation, business, and residential development areas, limiting toward the north by *Avenida El Dorado*, to the east by *Carrera 50*, to the west by *Avenida Boyacá*, and to the south by the *San Francisco* river channel.

**2.4.1.36. Davivienda – Torre CCI**

- 1. Name:** *Davivienda Torre CCI.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bogotá D.C.*
- 4. Neighborhood:** *San Diego.*
- 5. Address:** *Calle 28 No. 13A- 15 I 53 Interior 1-081.*
- 6. Use:** *Offices.*
- 7. Leasable area:** *24,292.70 m2.*
- 8. Year of construction:** *1970.*
- 9. Number of parking spaces:** *328.*
- 10. Number of floors:** *44 floors and 3 basements.*
- 11. Type of construction (structure type):** *Reinforced concrete.*
- 12. Access roads:** *The property is located between several important city roads such as Calles 26 and 39, and Carreras 7 and 14 or Avenida Caracas in the San Diego and San Martin neighborhoods.*
- 13. Description of the building:** *The Centro de Comercio Internacional building has a rectangular shape where its narrower sides open to create two entrances to the project (eastern and western).*
- 14. Description of the sector:** *The sector brings together several high-rise buildings distributed in an area with multiple squares and pedestrian sectors. Though time, this became the first financial sector in the city. It is located in the Expanded City Center of Bogotá between Calles 26 and 39 and Carreras 7 and 14 or Avenida Caracas, in the San Diego and San Martin neighborhoods.*

**2.4.1.37. Davivienda – Trinidad Galán**

- 1. Name:** *Davivienda - Trinidad Galán.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Bogotá D.C., Cundinamarca.*
- 4. Neighborhood:** *Trinidad Galán.*
- 5. Address:** *Carrera 56 No. 4a – 23.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *248 m2.*
- 8. Year of construction:** *1996.*
- 9. Number of parking spaces:** *N/A.*
- 10. Number of floors:** *2 floors.*
- 11. Type of construction (structure type):** *The property is built as a porticoed system with masonry walls.*
- 12. Access roads:** *The property is accessed through Carrera 56, an important road of Bogotá's road network.*
- 13. Description of the building:** *The area has two (2) floors: The customer service area in on the first level and the bank office service area on the second level.*
- 14. Description of the sector:** *The property is located in a dividing lot at the Trinidad Galán neighborhood of the Puente Aranda locality. The sector is commercial, but also has residential and service use areas.*

**2.4.1.38. Davivienda – Unicentro Girardot**

- 1. Name:** *Davivienda - Unicentro Girardot Shopping Center.*
- 2. Tenant:** *Davivienda S.A.*
- 3. City:** *Girardot, Cundinamarca.*
- 4. Neighborhood:** *Santa Rita.*
- 5. Address:** *Carrera 7a No. 33-77, Premises 2-25 and 2-26.*
- 6. Use:** *Commercial.*
- 7. Leasable area:** *243 m2.*
- 8. Year of construction:** *2015.*
- 9. Number of parking spaces:** *N/A.*
- 10. Number of floors:** *1 floor.*
- 11. Type of construction (type structure):** *porticoed system with light slabs on the floors.*
- 12. Access roads:** *Unicentro Shopping Center has a strategic location close to Avenida Calle 30, the main road of the city and adjacent to Avenida Kennedy.*
- 13. Description of the building:** *Davivienda's Banking office is located in the Unicentro Shopping Center of Girardot. It is developed in two commercial premises (2-25 and 2-26) on the same single floor, where the customer service and operations areas are located.*
- 14. Description of the sector:** *Girardot is one of the most important cities of Cundinamarca per population, tourists' influx, and floating population.*

## 2.4.2. Commercial Appraisals

Below is a summary of the Commercial Appraisals of the Real Estate Assets making up the Eleventh Tranche:

	Real Estate Assets	Appraisal Value	Appraisal Date
1.	Ideo - Cali	COP 37,340,400,000	03/04/2019
2.	50% Plaza Central <sup>18</sup>	COP 396,198,495,000	10/04/2019
3.	Nutresa Palermo	COP 21,038,000,000	08/03/2019
4.	Nuestro Montería	COP 72,878,710,380	27/03/2019
5.	Hada International	COP 29,235,000,000	20/12/2018
6.	QBE Floor 8	COP 11,359,000,000	22/02/2019
7.	Santafé Shopping Center's comercial premises	COP 28,325,000,000	21/03/2019
8.	CEDI LG Palmira	COP 44,985,000,000	28/03/2019
9.	Davivienda - Avenida Libertador	COP 578,000,000	27/12/2018
10.	Davivienda - Calle 29 Palmira	COP 563,000,000	27/12/2018
11.	Davivienda - Calle 35	COP 5,652,000,000	27/12/2018
12.	Davivienda - Calle 38	COP 1,219,000,000	27/12/2018
13.	Davivienda - Calle 49 Cabellano	COP 1,432,000,000	27/12/2018
14.	Davivienda - Carrera 2 Bocagrande	COP 1,974,000,000	27/12/2018
15.	Davivienda - Carrera 23 Provenza	COP 1,111,000,000	27/12/2018
16.	Davivienda - Cedritos	COP 3,591,000,000	27/12/2018
17.	Davivienda – Chicó Shopping Center	COP 4,644,000,000	27/12/2018
18.	Davivienda – Milenio Plaza Shopping Center	COP 1,073,000,000	27/12/2018
19.	Davivienda – Salitre Plaza Shopping Center	COP 4,659,000,000	27/12/2018
20.	Davivienda – Salitre Plaza 2 Shopping Center	COP 4,911,000,000	27/12/2018
21.	Davivienda - Contador	COP 3,658,000,000	27/12/2018

<sup>18</sup> Corresponds to 50% of PEI's 77% share in this property.

	Real Estate Assets	Appraisal Value	Appraisal Date
22.	<i>Davivienda – Edificio Calle 72 Carrera 11</i>	COP 7,702,000,000	27/12/2018
23.	<i>Davivienda - Edificio del Cafe (Cali)</i>	COP 11,274,000,000	27/12/2018
24.	<i>Davivienda - Edificio Manuel Saenz</i>	COP 519,000,000	27/12/2018
25.	<i>Davivienda - Edificio Pasaje El Liceo</i>	COP 914,000,000	27/12/2018
26.	<i>Davivienda - Edificio Seguros Bolívar</i>	COP 1,199,000,000	27/12/2018
27.	<i>Davivienda - Estrada</i>	COP 833,000,000	27/12/2018
28.	<i>Davivienda - La Soledad</i>	COP 2,887,000,000	27/12/2018
29.	<i>Davivienda - Multicentro Nueva Autopista</i>	COP 801,000,000	27/12/2018
30.	<i>Davivienda – Main Office Ibagué</i>	COP 1,900,000,000	27/12/2018
31.	<i>Davivienda - Santa Isabel</i>	COP 1,332,000,000	27/12/2018
32.	<i>Davivienda - Soluzona</i>	COP 1,023,000,000	27/12/2018
33.	<i>Davivienda - Toberín</i>	COP 1,112,000,000	27/12/2018
34.	<i>Davivienda – Torre Bolívar</i>	COP 36,087,000,000	27/12/2018
35.	<i>50 %Davivienda – Torre CCI<sup>19</sup></i>	COP 69,530,500,000	27/12/2018
36.	<i>Davivienda – Trinidad Galan</i>	COP 1,282,000,000	27/12/2018
37.	<i>Davivienda - Unicentro Girardot</i>	COP 1,802,000,000	27/12/2018
	<b>Total</b>	<b>COP 816,622,105,380</b>	

The commercial value of the Real Estate Assets to securitize under the Eleventh Tranche amounts to COP 816,622,105,380 and corresponds to 100% of the assets listed in the above table, except for *Plaza Central* Shopping Center and *Davivienda - Torre CCI's* commercial, which correspond to 50% of PEI's interest in each property. In case of *Plaza Central's* case, this is equivalent to 77% of the property and in *Davivienda - Torre CCI's* case, it is equivalent to 100% of the property. Ideo *Cali's* value corresponds to 100% PEI's share in the property, i.e, 60%. *Nuestro Montería* Shopping Center's value corresponds to 100% of PEI's share in the property, i.e, 70.294%.

<sup>19</sup> Corresponds to 50% of the commercial appraisal. The asset's whole value is COP 139.061.000.000.

### 2.4.3. Acquisition Price

The purchase value of the Eleventh Tranche's Real Estate Assets, including the charity and registration taxes, capitalizable expenses, and notary expenses is equal to \$6720.543.733.142.

	Real Estate Assets	Purchase Price (COP)	Charity and registration taxes, and Notarial Expenses (COP)	Acquisition Price* (COP)
1.	<i>Ideo - Cali</i>	31,742,911,000	560,914,000	32,303,825,000
2.	<i>50% Plaza Central</i>	342,751,982,500	5,214,009,000	347,965,991,500
3.	<i>Nutresa Palermo</i>	18,951,558,000	471,262,000	19,422,820,000
4.	<i>Nuestro Montería</i>	63,957,562,000	1,090,415,000	65,047,977,000
5.	<i>Hada International</i>	14,336,400,000	239,991,000	14,576,391,000
6.	<i>QBE Floor 8</i>	10,608,488,000	203,377,000	10,811,865,000
7.	<i>Locales Centro Comercial Santafé</i>	24,035,772,000	402,254,000	24,438,026,000
8.	<i>CEDI LG Palmira</i>	40,676,508,000	765,203,000	41,441,711,000
9.	<i>Davivienda - Avenida Libertador</i>	533,000,000	8,922,420	541,922,420
10.	<i>Davivienda - Calle 29 Palmira</i>	557,000,000	9,324,180	566,324,180
11.	<i>Davivienda - Calle 35</i>	5,142,000,000	86,077,080	5,228,077,080
12.	<i>Davivienda - Calle 38</i>	1,203,000,000	20,138,220	1,223,138,220
13.	<i>Davivienda - Calle 49 Cabellano</i>	1,378,000,000	23,067,720	1,401,067,720
14.	<i>Davivienda - Carrera 2 Bocagrande</i>	1,843,000,000	30,851,820	1,873,851,820
15.	<i>Davivienda -Carrera 23 Provenza</i>	1,071,000,000	17,928,540	1,088,928,540
16.	<i>Davivienda - Cedritos Shopping Center.</i>	3,318,000,000	55,543,320	3,373,543,320
17.	<i>Davivienda - Chicó Shopping Center.</i>	4,302,000,000	72,015,480	4,374,015,480
18.	<i>Davivienda - Milenio Plaza Shopping Center.</i>	1,028,000,000	17,208,720	1,045,208,720



	<b>Real Estate Assets</b>	<b>Purchase Price (COP)</b>	<b>Charity and registration taxes, and Notarial Expenses (COP)</b>	<b>Acquisition Price* (COP)</b>
19.	<i>Davivienda - Salitre Plaza Shopping Center</i>	4,554,000,000	76,233,960	4,630,233,960
20.	<i>Davivienda - Salitre Plaza 2 Shopping Center.</i>	4,126,000,000	69,069,240	4,195,069,240
21.	<i>Davivienda - Contador</i>	3,450,000,000	57,753,000	3,507,753,000
22.	<i>Davivienda - Calle 72 Carrera 11 Building</i>	7,151,000,000	119,707,740	7,270,707,740
23.	<i>Davivienda - Edificio del Café (Cali)</i>	10,598,136,777	177,412,810	10,775,549,587
24.	<i>Davivienda - Manuela Saenz Building</i>	537,000,000	8,989,380	545,989,380
25.	<i>Davivienda - Pasaje El Liceo Building</i>	897,000,000	15,015,780	912,015,780
26.	<i>Davivienda - Seguros Bolívar Building</i>	1,212,000,000	20,288,880	1,232,288,880
27.	<i>Davivienda - Estrada</i>	793,000,000	13,274,820	806,274,820
28.	<i>Davivienda – La Soledad</i>	2,628,000,000	43,992,720	2,671,992,720
29.	<i>Davivienda - Multicentro Nueva Autopista</i>	819,000,000	13,710,060	832,710,060
30.	<i>Davivienda – Main Office Ibagué</i>	1,948,000,000	32,609,520	1,980,609,520
31.	<i>Davivienda - Santa Isabel</i>	1,258,000,000	21,058,920	1,279,058,920
32.	<i>Davivienda - Soluzona</i>	936,000,000	15,668,640	951,668,640
33.	<i>Davivienda - Toberín</i>	1,188,520,000	19,895,825	1,208,415,825
34.	<i>Davivienda - Torre Bolívar</i>	32,780,000,000	548,737,200	33,328,737,200

	Real Estate Assets	Purchase Price (COP)	Charity and registration taxes, and Notarial Expenses (COP)	Acquisition Price* (COP)
35.	50% Davivienda - Torre CCI	63,672,500,000	1,065,877,650	64,738,377,650
36.	Davivienda - Trinidad Galán	1,218,000,000	20,389,320	1,238,389,320
37.	Davivienda - Unicentro Girardot	1,685,000,000	28,206,900	1,713,206,900
	<b>Total</b>	<b>708,887,338,277</b>	<b>11,656,394,865</b>	<b>720,543,733,142</b>

#### 2.4.4. Terms of the Lease Agreements

The Lease Agreements' term of the Real Estate Assets making up the Eleventh Tranche is summarized below:

Categories of Assets to Securitize	Annual Income*	Weighted Average Term** of the Agreements (Years)	Weighted Average Annual Increase***
Commercial	62,377,974,443	Miscellaneous	Miscellaneous
Logistics	8,443,194,364	11.0	CPI
Corporate	893,264,400	7.0	CPI + 1.50%
Davivienda Portfolio	22,798,033,615	10.5	CPI
<b>Total</b>	<b>94,512,466,822</b>		

It is estimated that the Eleventh Tranche's Real Estate Assets will generate an annual income exceeding COP 94,500 MM. The average duration of the Lease Agreements for the assets to be securitized is 7.28 years.<sup>20</sup>

---

<sup>20</sup> Corresponds to the weighted average according to the revenues.

#### 2.4.5. Diversification

Below the commercial terms of PEI's Real Estate Assets lease agreements:

Asset Category	Estimated anual revenues according to contractual conditions (COP)*	Lease Agreements' approximate average duration, weighted by estimated annual revenues (years) **	Average annual growth, weighted by estimated annual revenues (rate) ***
Warehouses	81,965,383,225	9	CPI + 0.4%
Corporate	171,085,972,904	8	CPI + 0.5%
Commercial	226,038,459,705	4	CPI + 0.4%
Specialized	14,030,691,606	7	CPI + 0.3%
<b>Total</b>	<b>493,120,507,439</b>		

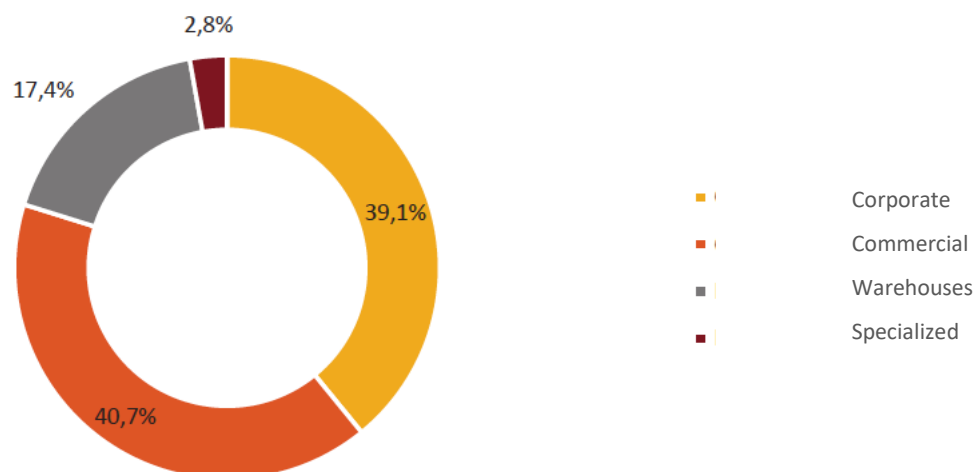
\* Projected values according to contractual conditions and the leasable areas placement's estimates by the Real Estate Manager.

\*\* Weighting by income level. Assets with multi-tenant or multi-concessionaire schemes are not included in this calculation.

\*\*\* The effective annual increases were found for each asset, deflated, and weighted by the income level.

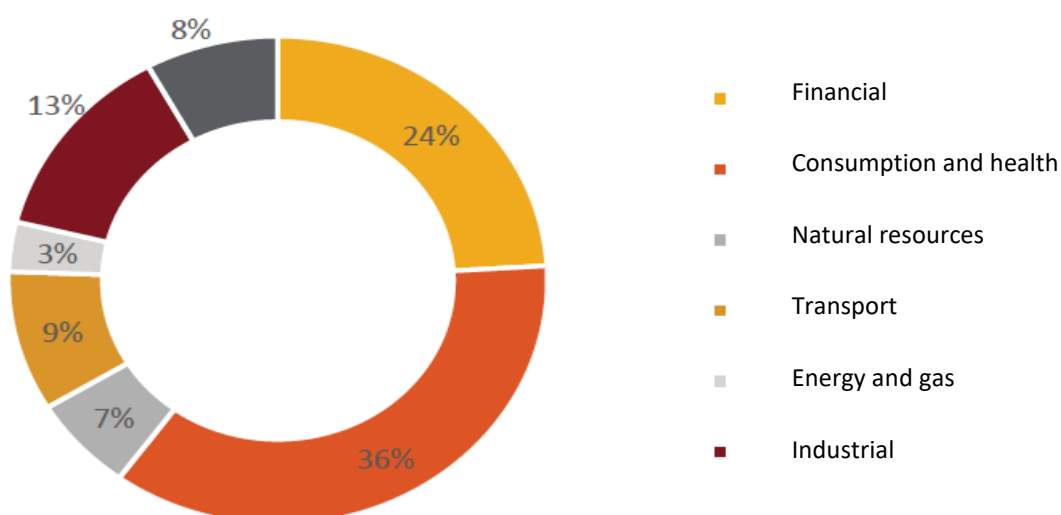
PEI's Real Estate Assets portfolio currently consists of high-specifications and advanced technical characteristics assets.

**2.4.5.1 Diversification per type of asset according to the Trust's revenues from the invoices of December 2018:**



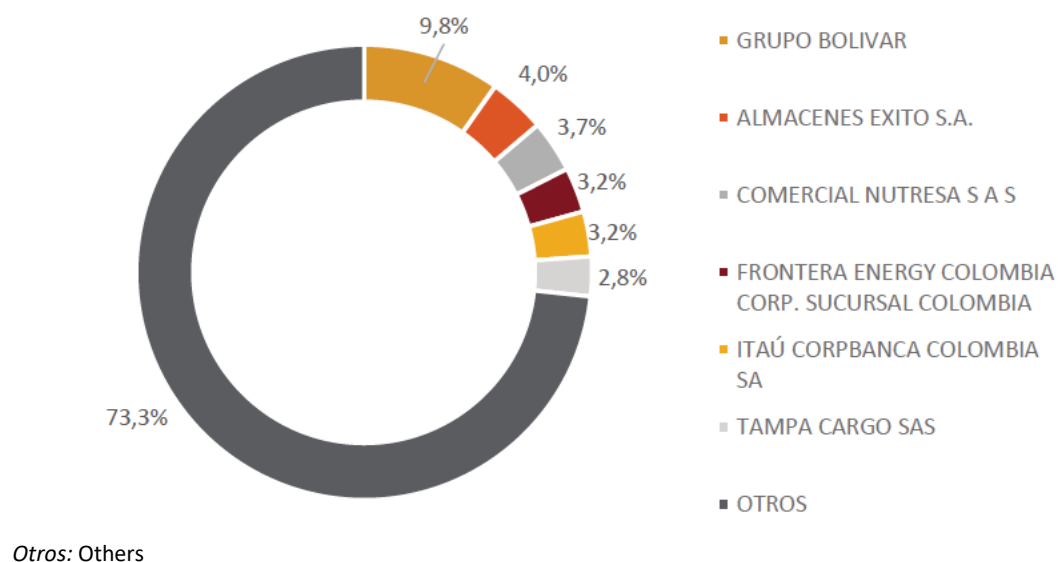
*Calculations: PEI ASSET MANAGEMENT S.A.S., based on invoices of December 2018.*

**2.4.5.2. Diversification per economic sector according to the Trust's revenues from the invoices of December 2018**



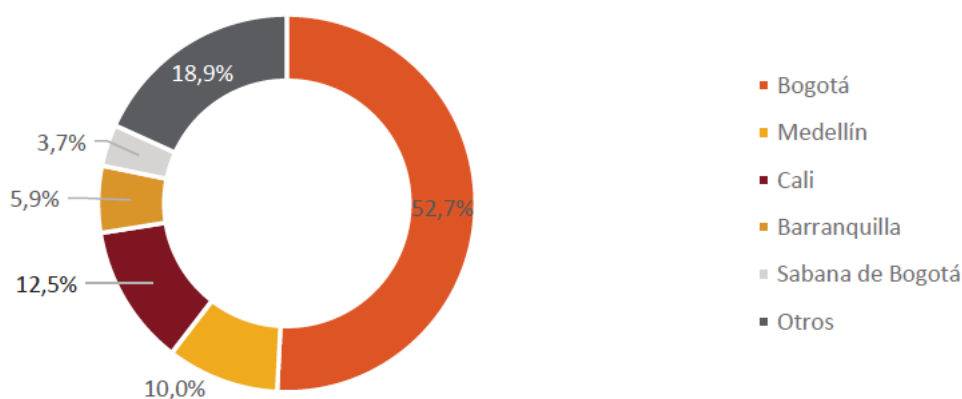
*Calculations: PEI ASSET MANAGEMENT S.A.S., based on invoices of December 2018.*

**2.4.5.3. Diversification per tenants according to the Trust's revenues from the invoices of December 2018:**



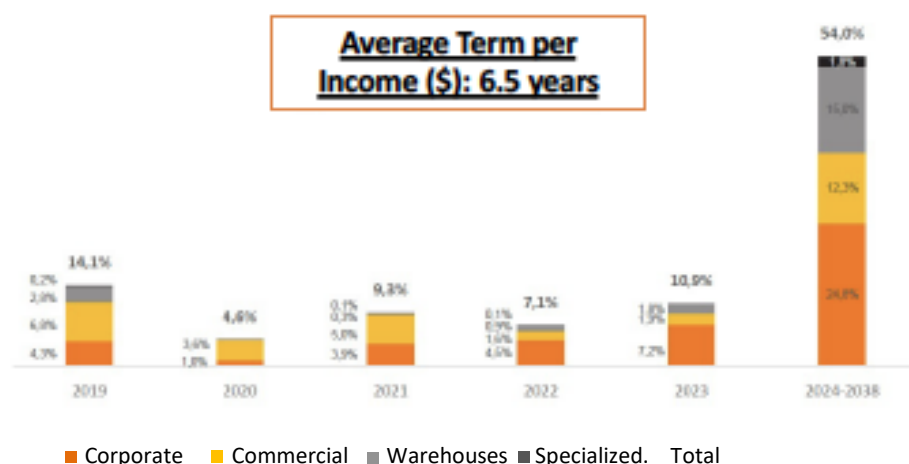
*Calculations: PEI ASSET MANAGEMENT S.A.S., based on invoices of December 2018.*

**2.4.5.4. Diversification per city according to the Trust's revenues from the invoices of December 2018:**



*Calculations: PEI ASSET MANAGEMENT S.A.S., based on invoices of December 2018.*

#### 2.4.5.5. Agreements' expiration over time



*Calculations: PEI ASSET MANAGEMENT S.A.S., based on invoices of December 2018. Duration appears weighted by the expected income's level according to the contractual conditions.*

The Trust's Real Estate Manager efforts have rendered the consolidation of a portfolio with first-rate tenants, properties, and spaces meeting the tenants' requirements; assets with high opportunities for appreciation given their location, specifications, and flexibility to adapt to our tenants' needs.

The portfolio's diversification per type of asset, tenants, sectors, and duration terms remains with the Eleventh Tranche's Issuance, with the agreements reaching an average duration of 6.5 years. It is worth noting that the agreements' average duration, not including those of shopping center, is 8.3 years.

## 2.5. BODIES OF THE TRUST

### 2.5.1. Manager

The manager is responsible for the Trust's assets administration. *PEI ASSET MANAGEMENT S.A.S.* was selected as the Trust Manager based on its knowledge of the real estate sector and the capital market, in the terms of the Real Estate Management Agreement.

The Manager, in its capacity as the Trust's real estate Manager, will act on the Trust's name and behalf to:

1. Carry out any tasks necessary and advisable to permanently manage the Trust's Portfolio, among them:

- Coordinate the execution, renewal, and termination of the Lease, Promises of Purchase and Sale, and Purchase and Sale Agreements, and any others deriving therefrom, and monitor their fulfillment.
- Ensure that the Portfolio's Real Estate Assets remain in good conditions and make any necessary repairs, charged to the Trust's resources.
- Propose to the Advisory Committee an annual strategic real estate plan (the "Strategic Plan") for the management of the Trust's Portfolio.
- Monitor the real estate market's performance to propose formulas that maximize the Trust's performance.
- Submit a monthly report to the Advisory Committee describing the Trust's activities or at any time within the five (5) business days following the Advisory Committee's or Management Agent's request thereof. This information shall be available to the Equity Securities' Investors in the Trust Manager's website. In all cases, the Trust Manager shall ensure the Investors' easy access to the reports.
- In furtherance of its management, monitor the Operating Expenses, Financial Indebtedness, Operation Fund, Reacquisition Fund, and the Trust's guarantees provided for in this Prospectus.
- Carry out any necessary actions so that the tenants timely pay their lease fees and, in case of default, bring the relevant restitution and defaulted fees' collection proceedings.
- Propose to the Advisory Committee the purchase and sale of the Trust's Real Estate Assets, always seeking the greatest benefit for Investors and ensuring that the Portfolio's composition complies with the Investment Policy guidelines.
- Carry out the research diligence of the investment alternatives analyzed for the Trust.
- Structure financing schemes for the Trust's growth, for the Advisory Committee's approval.
- Promote the structuring of new Tranches.

- Recommend to the Advisory Committee the placement agent(s) for any new Tranches of the Issuance Program.
  - Monitor the Commercial Appraisals' preparation and update of the Trust's Real Estate Assets, in accordance with this Prospectus's terms and conditions.
2. Carry out the preliminary promotion of the Securities, in accordance with Article 5.6.3.1.1 of Decree 2555.
  3. Propose to the Advisory Committee any relevant changes to the Prospectus and to the Trust Agreement, for submission to the Investors General Assembly.
  4. Propose the Trust's Liquidation Plan to the Advisory Committee and adopt the necessary steps to carry out the Trust's Liquidation Plan, as approved by the Advisory Committee.
  5. Maintain a web page that shall periodically inform Investors on the Portfolio's performance.

Any act or contract, encumbrance, disposition of, or limitation to the ownership that the Manager carries out in the name and on behalf of the Trust, whose amount is equal to or exceeds in legal currency the equivalent of five hundred (500) current legal monthly minimum wages shall require the Advisory Committee's prior approval.

The Manager's obligations are means (notwithstanding subparagraph 12.3 of the Trust Agreement) and, accordingly, the Manager will do its best efforts in connection thereof but does not guarantee a specific result. The Manager will only be liable for gross negligence or willful misconduct in furtherance of its obligations.

The Manager shall not be liable for any consequences for the Trust resulting from: (i) Acts of God; (ii) Force Majeure, (iii) Market phenomena, including, but not limited to devaluation, revaluation, inflation, securities' depreciations, market fluctuations, freezings, or variations of the interest rates or yields; (iv) Acts of authority; (v) Alterations of public order, stoppages, strikes, riots, civil disturbances; and (vi) The Real Estate Assets' depreciation.

### **2.5.2. Advisory Committee**

The Trust will have an Advisory Committee made up by nine (9) members, which will make the decisions on the Permitted Investments, the Issuance Program, the purchase and sale of Real Estate Assets, and the Trust's Financial Indebtedness, following the guidelines in this Prospectus and the Trust Agreement.



### ***1. Advisory Committee's Composition:***

The Advisory Committee shall consist of the following nine (9) members elected for two (2) year periods;

- The Investors Legal Representative;
- A representative for the Trust Manager;
- The Manager's general director or president; and
- Four independent professionals with an important track record in the business sector and that comply with the Manager and the Investors Legal Representative's criteria.

The Trust Company shall attend all of the Advisory Committee's meetings with voice, but without a vote.

The independent professionals will have the compensation assigned by the Advisory Committee and may be removed thereby whenever the Advisory Committee deems so convenient or necessary. These professionals shall be appointed by the Manager and jointly ratified by the Trust Company and the Investors Legal Representative.

The Advisory Committee will have a chair—who shall be the Manager's representative—and a secretary appointed by the Advisory Committee.

### ***2. Advisory Committee's Powers***

The Advisory Committee is responsible for:

Approving the composition of PEI's Portfolio in connection with the Permitted Investments.

Approving the Strategic Plan for the Trust's management, submitted by the Manager, including the issuance of new Tranches.

Approving any acts or contracts, encumbrances, dispositions of, or limitations to the ownership rights by the Manager or the Trust Company on the Trust's behalf, whose amount is equal to or exceeds, in legal currency, the equivalent of five hundred (500) current legal monthly minimum wages.

Approving the Financial Indebtedness, in accordance with the guidelines provided for in paragraph 2.3.4 of this Prospectus.

Approving provisions to build the Real Estate Assets.

Proposing amendments to the Trust Agreement and the Issuance Program.

Approving the Liquidation Plan submitted by the Manager, informing it to the Investors General Assembly, and obtaining such Assembly's ratification, whenever the Trust is to be liquidated.

Designating the placement agent(s) for new Tranches of the Issuance Program.

Approving the hiring of Commercial Appraisals, whenever the same are not carried out by a Real Property Guild but one of its members, or are certified by such a guild, or by an appraiser registered with the Appraisers National Registry.

Designating, whenever necessary, a new beneficiary entity of the Trust.

Notwithstanding the diligence required from the Advisory Committee and its members, the Advisory Committee and its members' obligations are of means and not of result and, therefore, though the Advisory Committee and its members will do their best efforts, they do not guarantee any specific profitability or financial result to Investors.

The Advisory Committee and its members shall not be liable for any consequence for the Trust resulting from: (i) Acts of God; (ii) Force Majeure, (iii) Market phenomena, including, but not limited to devaluation, revaluation, inflation, securities' depreciations, market fluctuations, freezings, or variations of the interest rates or yields; (iv) Acts of authority; (v) Alterations of public order, stoppages, strikes, riots, civil disturbances; and (vi) The Real Estate Assets' depreciation.

### **3. *Deliberative and Decision-Making Quorums***

The Advisory Committee will deliberate and decide validly with the presence and votes of the majority of its members.

### **4. *Meetings***

The Advisory Committee will meet ordinarily, at least once a month and, extraordinarily, whenever requested in writing by any of its members, at least five (5) days in advance to the date scheduled for the meeting.

The Advisory Committee may also meet without prior notice and in any place, with the totality of its principal members.

The Advisory Committee may also make valid decisions, whenever all of its principal members cast their votes in writing. If the Advisory Committee's members cast their votes in separate documents, such documents shall be received within one month of the first

communication received.

The Advisory Committee's chair shall inform the decision to the members of the committee, within the five days following the receipt of the documents where the votes were cast.

## **5. Minutes**

All of the Advisory Committee's meetings, deliberations, and decisions shall be recorded in a minute ledger. The minutes shall be signed by the officer presiding the relevant meeting and the ad-hoc secretary thereof.

The minutes with the decisions adopted through non-personal meetings or any other decision-making mechanism shall be prepared and recorded in the relevant ledger within the thirty (30) days following the date when the agreement was reached.

## **6. Independent Members' CVs**

### **Sol Beatriz Arango**

Ms. Sol Beatriz Arango joined *Grupo Nutresa* 27 years ago through *Industrias Alimenticias Noel S.A.*, holding the positions of Financial Planning Director, Corporate Planning Unit Director, and Finance and Systems Vicepresident. Afterwards she worked as Corporate Planning Vicepresident for *Inversiones Nacional de Chocolates* –currently *Grupo Nutresa*–, where she served as Corporate Planning Vicepresident, contributing to the transformation of its business architecture, the acquisitions of several companies, and the development of new businesses for the group.

Subsequently, Ms. Arango served for seven years as *Compañía Nacional de Chocolates'* and *Nutresa's* Chocolate Business's President and simultaneously served as Group Vicepresident for the South Region, advancing the Group's internationalization process.

Currently, and since 2013, she is the President for *Servicios Nutresa S.A.S.*, Sustainable Development Vicepresident for *Grupo Nutresa*, and General Director for *Fundación Nutresa*. She is a member of *Protección S.A.*, *Crystal S.A.*, *Corporación Unidad de Conocimiento, Medellín Chamber of Commerce for Antioquia*, and *Estrella Andina S.A.S.'s* (Starbucks Colombia) Boards of Directors. She is also a member of PEI's, *Instituto Universitario Pascual Bravo*, and *Agaval's* Advisory Committees.

Additionally, she has been a member of other Boards of Directors in Colombia such as *Suvalor*, *Cementos Argos*, *Susalud*, *Fabricato*, *Papelsa*, and *Comercia*. Abroad, Ms. Arango has been a member of the Board of Directors of *Cordialsa Boricua* (Puerto Rico), *Cordialsa Ecuador*, *Nacional de Chocolates Perú*, *Nacional de Chocolates Costa Rica*, *Nutresa Mexico*, and *Tsit Wing China*, among others.

At the level of guilds and NGOs, she was a member of *ANDI's* Food Chamber board of directors and the Chocolates and confectionery committee. She has been a Board member for *Banco de Alimentos de Colombia - ABACO* and *Corporación Antioquia Presente*, and was also a business representative at the United Nations SDG Fund, the Water Mandate, and the World Cocoa Foundation WCF.

Ms. Arango is a Production Engineer from *Eafit* University with a postgraduate degree in Finances from the same University and a postgraduate degree in Strategic Management from Pace University in New York. Additionally, she has coursed undergraduate programs from Kellogg, Harvard University, and Columbia University, among others.

### **Julio Manuel Ayerbe**

Currently, Mr. Ayerbe is a member of Ayerbe Abogados's investment banking practice. He also serves as a member of *Organización Corona S.A.*, *Corona Industrial S.A.S.*, *Homecenter de Colombia S.A.*, *Banco Colpatria & Mercantil Colpatria's* Boards of Directors and as a member of MÁS Equity Partners' investment committee.

Between 1997 and 2004, Mr. Ayerbe served as President for *Organización Corona*, an integrated company engaged in the production of construction materials and supplies, mainly ceramic floors, sanitary ware, faucets, and paints with plants in Colombia, Central America, Mexico, and the United States. Since 1995, the Organization been part of a joint-venture with Chilean company *Sodimac*, for the retail sale of home improvement products at the *Homecenter* stores, as well as department stores under the *Falabella*, *Banco Falabella*, and the *Falabella* Insurance Agency brands.

Previously, Mr. Ayerbe served for 14 years as *Corporación Financiera del Valle's* President, after holding several positions.

Mr. Ayerbe studied at *Universidad de los Andes*, where he obtained his title as Industrial Economist.

### **Ricardo Obregón**

Currently, Mr. Obregón is the Executive Chairman of *Productos Ramo's* Board of Directors and serves as Senior Advisor for private equity fund Victoria Principal Partners and Chairman for *Banco Santander Colombia*. He is also a member of the Board of Directors of *Valorem S.A.*, *Alianza*, *Oncólogos de Occidente* and a member of PEI's Advisory Committee.

Mr. Obregón was President for *Carvajal S.A.* between 2008 and 2012 and previously, from 2001 to 2006, served as *Bavaria S.A.'s* President, when the company merged with *SabMiller* in the country's most important private transaction ever, valued at USD \$7,500 MM. He

previously worked at *Bavaria S.A.*, between 1985 to 1994, as Economic Studies Division Director (during the first two years) and Planning Vicepresident.

From 1994 to 2001 he was President for *SOFASA S.A.*, *Renault* and *Toyota's* assembler. Before that, he worked as Administrative and Financial Manager and General Manager for *Compañía Colombiana de Envases S.A.* and, at the beginning of his career, worked in the National Planning Department.

Mr. Obregón completed his university studies at *Escuela de Administración y Finanzas de Medellín* (EAFIT), where he obtained a Business Management degree. He holds a master's degree in Economic Development from London University, did research in Economic Development at the University of Pittsburgh, and has an Executive MBA from *Universidad de los Andes* in Bogotá.

### **Roberto Holguín**

Mr. Holguín is currently a member of *Banco Davivienda Colombia's* Board of Directors and its credit and corporate risks committees, a member of *Banco Davivienda* in Panama and Miami; *Constructora Bolívar*, and *Grupo Energía de Bogotá GEB's* (formerly *Empresa de Energía de Bogotá*) Boards of Directors and Finance and Investment committees, as well as *Finagro's* (*Fondo para el Financiamiento del Sector Agropecuario*) Corporate Governance committee, and serves as *Universidad de Bogotá Jorge Tadeo Lozano's* Council vicepresident and member of its administrative and financial, audit, and human resources committees. He is also part of *Grupo Bolívar's* investment committee and a member of *Banco Davivienda's* credit, audit, compliance, and risk committees in Panama and Miami.

Additionally, he is a member of PEI's Advisory Committee and *Fondo de Capital Privado Mesoamerica Latam Holdings's* investment committee, where *Grupo Bolívar*, Ontario Teachers Pension Plan, and Central American private investors participate, among others, and an independent member of Haiti's SOGEBANK Board of Directors and audit and compliance committees, on IFC's express recommendation.

He was recently appointed as a member of *Unipalma's* Board of Directors (now retired) and Bogotá's *Única* council.

Mr. Holguin serves as a mentor in the *Emprende País* program of *Fundación Bolívar Davivienda*, *Endeavor Colombia*, and *Fondo Semilla*. He is an active member of YPO.

Mr. Holguín has been a member of *Grupo Bolívar* since 1990, serving as president for *Delta Bolívar Compañía de Financiamiento Comercial* until August 2000, when it merged with *Banco Davivienda*, where he served as the Corporate Credit Vicepresident until November 2015. In this position, he was responsible of a loan portfolio for approximately \$20 billion in both Legal and Foreign Currency, as well as the structuring of syndicated loans. His

responsibilities also included *Banco Davivienda's* affiliate in Panama and the Miami branch's loan portfolios, as well as those operations exceeding the local attributions of the affiliates in Central America: Salvador, Honduras, and Costa Rica.

Prior to joining *Grupo Bolívar*, Mr. Holguín served as the financial and then commercial assistant manager for *Empresa de Energía Eléctrica de Bogotá* and managing partner and founder of *Compañía de Profesionales de Bolsa* (member of the *Bogotá* Stock Exchange). He also held various positions in other banking entities such as marketing and public relations Vicepresident for *Banco de Bogotá* in Colombia, general manager for *Banco de Bogotá* International Corporation Miami, international and commercial Vicepresident and alternate president for *Banco Santander*, *Banco del Comercio*, *Banco de Colombia*, and Vicepresident of the Banking Association of Colombia.

Mr. Holguín has been a member of other boards of directors such as *Corredores Asociados*, *Telecom* (afterwards *Colombia Telecomunicaciones*) –as a delegate for the President of the Republic–, *Interconexión Eléctrica S.A. ISA*, and *Fondo de Pensiones y Cesantías Santander S.A.*

Mr. Holguin is not also a disciplined and rigorous professional with extensive experience in risk and credit issues, but a cheerful and easygoing person with great ease to establish trustworthy interpersonal relationships, quickly and naturally.

## **2.6. TRUST'S INCOME AND EXPENSES**

### **2.6.1. Income of the Trust**

The Trust will have the following revenues:

1. The Lease Fees and/or Monthly Concession Amounts agreed under the Trust's Real Estate Assets Lease Agreements and concession contracts, the Parking Spaces Lease Fees, the proceeds from the provision of Parking Services, Entry Premiums, Sponsorships.
2. Profits from the disposal of assets.
3. The returns, interest, or any other type of income generated from the Trust's assets.
4. The appreciation of the Trust's assets.
5. The returns from Hedging Transactions.

### **2.6.2. The Trust's Expenses**

The Trust bears the following expenses (the "Expenses"):

1. The Trust Company's fee.
2. The tax expenses borne by the Trust.
3. The expenses and costs of the Real Estate Assets' purchase or disposal proceedings.
4. The taxes, fees, contributions, and any other levy affecting or to affect the Permitted Investments.
5. Provisions and amortizations.
6. Insurance.
7. The locative repairs necessary for the Real Estate Assets' maintenance and conservation.
8. The Real Estate Assets' Commercial Appraisals.
9. The Manager's fee.
10. Attorneys' fees, excluding *Brigard & Urrutia Abogados'* legal advice, which is included in the Manager's fee referred to in paragraph 6.3; the Advisory Committee's members' fees; and the real estate brokers' fees.
11. The financial expenses derived from the Trust's Financial Indebtedness.
12. Losses in the assets' disposal. When any of the Trust's assets is disposed of and the sale value received is below its book value on the relevant date, the loss shall be accounted for on the same day, in accordance with the accounting principles generally accepted in Colombia.
13. Expenses from Hedging Transactions.
14. The financial entities and stock exchange's fees resulting from financial advice, securities purchase and sale transactions, and the securities' management and custody, whenever indispensable to further the Trust's purpose.
15. Bank expenses from offices network contracts, checkbooks, national deposits, management checks, and other banking fees from the Trust's transactions.
16. Expenses resulting from the acquisition and maintenance of, additions, and changes to systems programs, whenever essential for the Trust's regular operation.

17. Expenses incurred in the provision of information to Investors (excluding the Trust Company's expenses).
18. Arbitration or judicial proceedings' fees, expenses, and costs that the Trust Company may incur in to defend the Trust's assets and interests, whenever the circumstances so require it. Such fees and expenses shall be incurred in and paid pursuant to the agreement between the Trust Company and whoever defends the Trust's interests.
19. Expenses from the use of information systems and electronic transactions necessary to pursue the Trust's purpose.
20. Depreciation expenses to cover the deterioration, obsolescence, or wear and tear of the Trust's assets portfolio.
21. Impairment of the Trust's Real Estate Asset and its Commercial Appraisal.
22. The Investors Legal Representative's fees.
23. The Issuance Program's rating update fees, payable to the Securities Rating Company.
24. Expenses from the calling and meeting of the Investors General Assemblies.
25. The remuneration payable to *DECEVAL*, as Manager of the Issuance Program.
26. Maintenance expenses of the Securities registration with the Securities and Issuers National Registry and *Bolsa de Valores de Colombia S.A.*
27. Expenses from the appointment of any new Management Agent.
28. Any other expenses incurred in connection with the performance and furtherance of the Trust Agreement and the Trust's liquidation.

Any losses shall be distributed among the Investors, pro rata to their investment percentage in the whole of the Trust's Securities outstanding.

### **2.6.3. Issuance Costs**

The following are the issuance costs borne by the Trust (the "Issuance Costs"):

1. Registration with the Securities and Issuers National Registry and the Stock Exchange.



2. The fees charged by the Securities Rating Company in connection with the Issuance Program's rating.
3. The Securities' placement fee, in accordance with the placement agreement entered into for such purpose.
4. The advisory fees for the securitization process's structuring basis of this Issuance Placement, in accordance with the Real Estate Management Agreement entered into for such purpose.
5. The Issuance's marketing and promotion costs, including the advertisements' design and publication and the prospectuses and public offering notices' printing.
6. Any other costs directly or indirectly necessary to carry out the Issues.

The Issuance Costs of the first Tranche, payable before its placement, shall be directly borne by the Trust.

Any other costs and/or expenses incurred in by the Trust, for whatever reason, including but not limited to those arising from changes in the law or related to the exercise of any legal actions required, shall be borne by the Trust or covered as decided by the Investors General Assembly, but in no case shall be borne by the Trust Company and/or the Trustor.

#### **2.6.4. Payment Priority and Provisions**

After the Trust Company, acting as spokesperson for the Trust, carries out the placement of a Tranche and buys and leases the Real Estate Assets referenced subject matter of any Purchase and Lease Agreements, the Trust Company shall allocate the Trust's resources to meet the payments and provisions below, observing the following order:

1. First, to pay the Issuance Costs described in paragraph 2.6.3 of the Prospectus.
2. Second, to pay the Expenses in the order provided for in paragraph 2.6.2 of the Prospectus.
3. Third, to amortize the Financial Indebtedness' principal payments.
4. Fourth, to monthly provision the sums required for the Operation Fund, considering the budgeted Cash Flow and following PEI's Manager instructions.
5. Fifth, to annually provision the sums required for the Reacquisition Fund, considering the budgeted Cash Flow and following the Advisory Committee's instructions.
6. Sixth, to quarterly pay the Distributable Cash Flows to Investors, if applicable.

7. Seventh, to acquire the Permitted Investments, in accordance with the Advisory Committee's instructions.
8. Finally, if any balance remains (the "Liquidity Surpluses") after the payments provided for in subparagraphs (1.) to (7.) above, such surpluses shall be invested in Financial Assets and hedging instruments.

#### **2.6.5. Bank Accounts**

In order to manage the Trust's revenues, the Trust Company shall collect and deposit all of the Trust's proceeds in a checking and a savings bank accounts in pesos, opened with an Acceptable Depositary; however, the Trust Company may open other bank accounts and/or accounting entries with the Advisory Committee's prior written authorization. The Trust Company will manage the resources deposited in the bank accounts through the following accounting separation:

##### **1. Operation Fund Account**

All of the Trust's revenues shall be monthly allocated in this account and will be destined to the Expenses' and Issuance Costs' payment.

##### **2. Reacquisition Fund Account**

The sums required for the Reacquisition Fund shall be annually allocated in this account, in accordance with the Advisory Committee's instructions.

##### **3. Distributable Cash Flow Account.**

The Investors' Distributable Cash Flow shall be quarterly allocated in this account, in accordance with the Advisory Committee's instructions.

##### **4. Liquidity Surplus Account**

If any balances remain after the payments and provisions referred to in subparagraphs 1 to 3 above, such balances shall be allocated in this account.

#### **2.7. TRUST'S APPRAISAL**

The Trust's value as of the first Tranche's Subscription Date, was the amount received from the Investors for the placement of the First Tranche.

The Trust's value shall be determined in accordance with section 6.2.1 of Chapter I of Circular 100 of 1995 of the Financial Superintendency of Colombia and any regulations supplementing or modifying it.

The Trust's value shall be calculated on a daily basis by the Trust Company, which shall daily inform the Investors concerned on the Securities value through the Trust Company's webpage ([www.fiduciariacorficolombiana.com.co](http://www.fiduciariacorficolombiana.com.co)) or a notice posted on a board in the Trust Company's offices.

The most recent Commercial Appraisal plus an appreciation increase, indexed with the CPI, shall determine the Real Estate Assets' commercial value. No Commercial Appraisal may have a validity exceeding twelve (12) months. A same appraiser may appraise the same Real Estate Asset only for three (3) consecutive annual periods, unless no other appraiser in the Colombian market uses the valuation methodologies utilized by PEI when the Commercial Appraisal is to be conducted, case in which this rule will not apply.

The Trust Company shall submit the Commercial Appraisals to the Advisory Committee within the first three (3) months of the year and before the Investors General Assembly takes place.

Commercial Appraisals and their updates shall be directly prepared, according to methods of recognized technical value, by a Real Estate Guild or, prior the Advisory Committee's authorization's, by a member of a Real Estate Guild, or certified by such a guild, or made by an appraiser registered with the Appraisers National Registry, always complying with appraisal techniques accepted under the international financial reporting standards and any regulations modifying, substituting, or supplementing them.

## **2.8. LIQUIDATION OF THE TRUST**

Securities shall be redeemed upon the Trust's extinction.

### **2.8.1. Early Termination**

The Equity Securities shall be redeemed upon the Trust's extinction, for the following reasons.

1. Fulfillment of its purpose.
2. Order of a competent authority.
3. Any of the causes provided for in Article 1240 of the Commerce Code, except for those established in subparagraphs 4, 5, 6, and 11 thereof.
4. Absolute impossibility to carry out its purpose.
5. Decision of the Investors representing at least eighty percent (80%) of the Securities outstanding on the date when the decision is adopted.

6. The Trust Company's legal disappearance, insolvency, dissolution, liquidation, takeover, or closure shall not be considered as causes for the Trust's termination. In any of the aforementioned events, the Trustor, with the Investors Legal Representative's prior approval, may designate a new trust company, to which the Trust Company shall assign the Trust Agreement, charged to the Trust's resources.
7. *Centro Rural Sofía Koppel de Pardo's* liquidation will not be a cause for the termination of PEI. Given such a liquidation, *Asociación Santa Cruz* shall succeed *Centro Rural Sofía Koppel de Pardo*, in its capacity as the Trust's beneficiary, in the same terms and conditions set forth in the Trust Agreement. The Advisory Committee shall be required to designate, whenever necessary, a replacement for the Benefit Holder of the Trust's Foundation.
8. The Originator's liquidation shall not be a cause for the Trust's liquidation.
9. The liquidation of the Trust Manager shall not be a cause for PEI's termination. If liquidated, the Trust Company will convene the Investors General Assembly to choose another Trust Manager that complies with all the conditions established in the Real Estate Management Agreement.
10. The Issuance Program Manager's dissolution shall not be a cause for the Trust's termination. If dissolved, the Trust Company will choose another centralized securities deposit to act as Issuance Program Manager, provide that it complies with all the conditions established in the Depository and Administration Contract with *DECEVAL*. If the Trust Company fails to find another centralized securities deposit for this purpose, the Management Agent, charged to the Trust's resources, shall issue the physical securities and the Issuance shall become materialized.
11. Unilateral Termination: The Trust Company, in the cases provided for in the law and preserving the rights of bona fide third parties, may unilaterally terminate the Trust Agreement and, consequently, proceed to its liquidation, whenever it deems, in its discretion, that the Trustor is or has engaged in any Money Laundering conducts.

### **2.8.2. The Trust's Liquidation**

Once any of the causes for the Trust's early termination is incurred in, the Trust shall be liquidated in accordance with the following procedure:

1. An expert appointed by the Advisory Committee shall appraise the Trust's assets at the time of the liquidation. In the case of Real Estate Assets, the expert will conduct a Commercial Appraisal. The expert shall be member of a Real Estate Guild, will be certified by such guild, or shall be an appraiser registered with the Appraisers National Registry.

2. Once the updated value of the Trust's assets is available, the Manager will submit to the Advisory Committee's approval a plan for the Trust's liquidation (the "Liquidation Plan"). The Liquidation Plan will detail the sale process of all of the Trust's assets in order to maximize their value within a period of time deemed sensible. In any event, the Liquidation Plan will include the sale of the Real Estate Assets necessary to cover the costs and expenses of the liquidation.
3. The Trust Company will proceed to liquidate the Trust in accordance with the parameters set forth in the Trust's Liquidation Plan, following the procedure below:
  - The Trust Company shall inform the Investors about the Trust's liquidation, through a notice published in a nation-wide circulation newspaper, indicating the term that the Investors have to appear at the Trust Company's headquarters (in *Bogotá*) to redeem their Securities. This term will not be less than ten (10) calendar days, nor exceed thirty (30) calendar days counted from the publication date.
  - The Trust Company shall pay all of PEI's external outstanding obligations, depending on the cash's availability. If the cash's availability is insufficient, the Trust Company will sell any Trust assets required to meet the expenses, liquidation costs, and Trust's external obligations, in accordance with the Trust's Liquidation Plan.
  - Once all of the Trust's external obligations are paid, the Trust Company will proceed to sell all of the Trust's assets and distribute all the relevant proceeds among the Investors, pro rata to their interest in the Trust; and *DECEVAL* shall proceed to cancel the corresponding interest of the Investors in the Macro-certificate.
  - If one or several Investors fail to redeem their Securities within the period established, the Trust Company shall deposit the relevant amounts in favor thereof before an entity legally authorized to receive legal deposits, understanding that payment is made through the corresponding deposit.
  - If any Trust's assets are not sold within the periods provided for in the Liquidation Plan, the Trust Company shall transfer their ownership pro rata to the Investors registered as such in the Trust Company's ledger.
4. The Trust Company shall convene the Investors and Advisory Committee to a meeting, through a notice published in a nation-wide circulation newspaper, to submit the relevant accounts and statements. This meeting shall not take place before five (5) business days following the publication of the notice have elapsed.

If any of those convened fails to attend the meeting, the Management Agent shall deliver PEI's accounts and statements to the relevant Investors' address registered with the Trust Company. The rendering of accounts shall be deemed approved if it is not objected by the

Legal Representative or the Advisory Committee within the ten (10) business days following the delivery thereof.

5. Following the ten (10) business days term's expiration, a second meeting shall be held where the final minutes will be signed by those present or the Trust Company (if applicable). These minutes will formalize the Trust's final liquidation.
6. If any of those present at the second meeting does not agree with the accounts or the liquidation, he/she may leave any relevant observations for the record, but this shall not prevent the liquidation from taking place.

## 2.9. FINANCIAL FORECASTS

The sole purpose of the financial forecasts below is to serve as a reference for those Investors interested in this securitization process and the market in general. Neither the parameters, nor the forecasts or results, bind the parties involved in this real estate securitization process. Therefore, these forecasts are not, in any manner whatsoever, obligations as to the Securities' future yields.

Additionally, because this is an Issuance Program, the Trust will be a dynamic vehicle that may expand its Portfolio with the issuance of new Tranches up to its authorized amount. Therefore, for purposes of this simulation, only the current Permitted Investments and those making up the Eleventh Tranche were considered. However, as new tranches are issued, these results will be updated.

Finally, forecasts are based on the parameters that, on the Eleventh Tranche's Issue Date, were in line with the country's macroeconomic, social, and financial reality. These parameters may be subject to changes that may alter the forecasts and their results, particularly the expected profitability, without such changes binding in any manner whatsoever the parties involved in this real estate securitization process.

### 2.9.1. Initial Financial Statements

The initial balance sheet of the Trust was made up by one million pesos (COP 1,000,000) Colombian legal tender and the Purchase Agreements.

Assets		Equity	
Treasury	\$1,000,000	Trust Rights	\$1,000,000
Total Assets	\$1,000,000	Total Equity	\$1,000,000

Figures in Pesos

## 2.9.2. Parameters

The following is an example of a summary of the financial forecasts' main parameters for a 10-year horizon.

**Macroeconomic Assumptions:** Below are the Macroeconomic Assumptions used for the financial model.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Internal Inflation	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Internal Financial Rate EA	7.25%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%	7.62%
CMMLW	828,116	869,522	912,998	958,648	1,006,580	1,056,909	1,109,755	1,165,242	1,223,504	1,284,680

**Financial Statements:** The figures used as initial balances for the preparation of the financial model correspond to *Estrategias Inmobiliarias Trust's* Financial Statements, as issued by the management agent as of December 31, 2018. These statements may be consulted at [www.pei.com.co](http://www.pei.com.co) clicking on *Inversionistas/Informes/Estados Financieros*.

**Income:** The revenue from PEI Portfolio's management is projected based on the lease agreements, concession contracts, or any currently agreed contract type likely to generate income, assuming an automatic renewal at market prices for any contracts expiring during the projection period.

**Vacancy Rate:** Is projected as a rate stabilized over time on the potential rental and reimbursable income. The vacancy levels projected to 10 years appear below.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
% Lease Revenues										
Vacancy	6.5%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

**Issuance Costs:** The Issuance Costs described in subparagraph 2.6.3 of this Prospectus were calculated in accordance with the rates in force on the date of the SINR, the BVC, the rating company, and the conditions agreed in the placement and structuring contracts.

**Expenses:** The Expenses described in subparagraph 2.6.2 of this Prospectus may be classified into three categories:

1. Expenses related to the Issuance, which were projected according to the current rates scheme, annually increasing with the CPI or the CLMMW's variation. Among these expenses is the Management Agent's fee, the update of the registration with the SINR, the rating's review, the maintenance of the Securities listing with the BVC, and the Investors Legal Representative and *DECEVAL's* fees.
2. The expenses related to the Real Estate Assets, Trust Rights whose underlying assets are Real Estate Assets, and taxes were projected in line with the legal rates. These

expenses include notary fees, the tax and registration duties, the financial transactions tax, and the ICA. For those items related to the Real Estate Assets and Trust Rights whose underlying assets are Real Estate Assets involving both the buyer and the seller, commercial standards were used to allocate the expenses between the parties.

3. Finally, the other Expenses were projected in line with that provided for in this Prospectus, the current figures for 2019, and the historical behavior of the Real Estate Assets and Trust Rights' whose underlying assets are Real Estate Assets. Among these expenses are the property taxes, insurance, locative repairs, commercial appraisals costs, real estate management, etc.

### 2.9.3. Projected Cash Flow

The following is a brief summary of the projected financial statements and resulting Cash Flow. It is important to mention that the projected financial figures only consider those Assets currently part of PEI's portfolio. The detailed financial model is included in Annex 8.3.3.

### Profit and Loss Statement

#### Estrategias Inmobiliarias Trust

Millions of Pesos	31-dec-19	31-dec-20	31-dec-21	31-dec-22	31-dec-23	31-dec-24	31-dec-25	31-dec-26	31-dec-27	31-dec-28
<b>Income</b>										
Lease Income	465,145	486,274	518,328	531,808	552,287	573,498	596,888	619,312	644,283	670,400
Management Income	23,510	24,721	25,798	26,912	28,057	29,231	30,438	31,666	33,304	34,400
Other Income	24,712	32,667	25,538	26,291	27,889	25,578	25,628	26,189	27,888	28,100
Vacancy	-31,498	-25,788	-25,806	-27,837	-29,617	-30,142	-31,336	-32,558	-33,879	-35,000
Appreciation Income	323,001	351,370	375,792	388,503	392,888	318,718	331,433	346,827	362,753	379,000
<b>Net Income</b>	<b>804,870</b>	<b>752,368</b>	<b>691,639</b>	<b>646,603</b>	<b>661,295</b>	<b>595,863</b>	<b>652,433</b>	<b>691,833</b>	<b>1,033,548</b>	<b>1,077,000</b>
<b>Expenses</b>										
Operating Expenses	-105,792	-107,935	-113,300	-114,268	-118,777	-125,185	-130,855	-136,758	-142,979	-149,000
<b>NOI</b>	<b>375,077</b>	<b>413,948</b>	<b>421,547</b>	<b>442,825</b>	<b>458,819</b>	<b>473,188</b>	<b>489,147</b>	<b>508,858</b>	<b>527,888</b>	<b>548,000</b>
Management Expenses	-72,648	-74,577	-77,863	-81,311	-84,911	-88,711	-92,689	-96,803	-101,114	-105,000
<b>EBITDA</b>	<b>302,429</b>	<b>338,471</b>	<b>343,684</b>	<b>361,514</b>	<b>373,788</b>	<b>384,469</b>	<b>397,458</b>	<b>411,255</b>	<b>426,694</b>	<b>443,000</b>
Depreciations	-28	-28	-14	-10	-7	-5	-4	-3	-2	-2
Total Operating Expenses	-179,468	-182,831	-191,177	-195,589	-204,688	-213,821	-223,348	-233,586	-244,895	-255,000
Operational Profit	625,402	699,829	628,462	651,013	670,519	701,182	728,887	758,879	789,445	822,000
Financial Income & Non-Operating Income	7,679	7,916	7,966	8,078	8,444	8,772	9,872	9,387	9,788	10,000
Financial Expenses & Non-Operating Expense	-97,128	-87,845	-87,055	-87,066	-87,877	-87,378	-87,673	-87,885	-87,896	-87,000
<b>Net Profit</b>	<b>635,952</b>	<b>620,799</b>	<b>541,372</b>	<b>572,025</b>	<b>591,077</b>	<b>622,584</b>	<b>650,286</b>	<b>679,781</b>	<b>711,455</b>	<b>745,000</b>



**Placement Prospectus**  
**Estrategias Inmobiliarias Trust**

**General Balance Sheet**  
**Estrategias Inmobiliarias Trust**

Millions of Pesos	31-dec-19	31-dec-20	31-dec-21	31-dec-22	31-dec-23	31-dec-24	31-dec-25	31-dec-26	31-dec-27	31-dec-28
<b>Assets</b>										
Liquidity Surplus	74,432	74,432	74,434	74,435	74,435	74,436	74,435	74,435	74,435	74,435
Accounts Receivable	31,385	34,085	34,992	36,448	37,841	39,142	40,629	42,186	43,866	45,659
Structuring Commission	1,827	1,827	1,827	1,827	1,827	1,827	1,827	1,827	1,827	1,827
Operating Assets	33,822	35,712	36,619	38,574	39,488	40,769	42,255	43,813	45,513	47,286
Lands	1,253,378	1,414,754	1,475,913	1,545,962	1,616,583	1,688,382	1,765,995	1,848,883	1,929,883	2,017,319
Constructions	4,410,186	4,658,703	4,804,973	5,131,178	5,387,774	5,618,940	5,881,785	6,152,879	6,436,421	6,732,997
Gross Fixed Assets	5,763,564	6,183,456	6,383,686	6,677,160	6,983,865	7,308,322	7,647,780	7,999,962	8,366,223	8,750,316
Ongoing Constructions	16,969	16,969	16,969	16,969	16,969	16,969	16,969	16,969	16,969	16,969
Investment Properties	5,780,473	6,125,365	6,488,795	6,694,868	7,000,774	7,325,231	7,664,689	8,015,871	8,383,132	8,767,225
Property, Plant and Equipment	78	50	36	25	18	13	9	7	5	3
Reacquisition Fund	0	0	0	0	0	0	0	0	0	0
<b>Total Assets</b>	<b>5,887,897</b>	<b>6,238,559</b>	<b>6,511,883</b>	<b>6,806,883</b>	<b>7,114,885</b>	<b>7,448,448</b>	<b>7,781,388</b>	<b>8,134,126</b>	<b>8,503,885</b>	<b>8,888,949</b>
<b>Liabilities</b>										
Financial Liabilities	1,087,282	1,142,425	1,142,562	1,142,785	1,142,852	1,148,693	1,155,665	1,159,831	1,151,881	1,151,176
Operating Liabilities	87,784	83,508	82,807	80,582	80,176	81,918	84,629	87,345	90,234	93,288
<b>Total Liabilities</b>	<b>1,154,995</b>	<b>1,225,933</b>	<b>1,225,369</b>	<b>1,223,367</b>	<b>1,223,028</b>	<b>1,230,611</b>	<b>1,235,294</b>	<b>1,238,177</b>	<b>1,241,235</b>	<b>1,244,462</b>
<b>Equity</b>										
Capital	1,406,236	1,406,236	1,406,236	1,406,236	1,406,236	1,406,236	1,406,236	1,406,236	1,406,236	1,406,236
Contributions Share Placement Premium	1,774,877	1,774,877	1,774,877	1,774,877	1,774,877	1,774,877	1,774,877	1,774,877	1,774,877	1,774,877
Accumulated Profits	1,004,778	1,256,062	1,562,419	1,844,386	2,141,829	2,448,468	2,759,633	3,103,889	3,453,748	3,819,651
Period's Profits	345,313	325,363	341,162	356,818	367,721	375,466	383,546	409,147	425,188	441,523
Accumulated Issuance Costs	-80,214	-88,214	-88,214	-88,214	-88,214	-88,214	-88,214	-88,214	-88,214	-88,214
Accumulated Results Convergence Process to IFRS	-282,814	-282,814	-282,814	-282,814	-282,814	-282,814	-282,814	-282,814	-282,814	-282,814
<b>Total Equity</b>	<b>4,733,862</b>	<b>5,014,627</b>	<b>5,286,514</b>	<b>5,583,238</b>	<b>5,891,863</b>	<b>6,211,837</b>	<b>6,546,092</b>	<b>6,895,948</b>	<b>7,261,858</b>	<b>7,644,487</b>
<b>Liabilities + Equity</b>	<b>5,887,897</b>	<b>6,238,559</b>	<b>6,511,883</b>	<b>6,806,883</b>	<b>7,114,885</b>	<b>7,448,448</b>	<b>7,781,388</b>	<b>8,134,126</b>	<b>8,503,885</b>	<b>8,888,949</b>

**Securities' Value**  
**Estrategias Inmobiliarias Trust**

Millions of pesos	31-dec-17	31-dec-18	31-dec-19	31-dec-20	31-dec-21	31-dec-22	31-dec-23	31-dec-24	31-dec-25	31-dec-26
Security's Value Accounting Method	11.01	11.85	12.30	12.99	13.71	14.45	15.23	16.05	16.90	17.79
Security's Appreciation		5.7%	5.0%	5.6%	5.8%	5.4%	5.4%	5.3%	5.3%	5.2%

## Cash Flow

### **Estrategias Inmobiliarias Trust**

Millions of pesos	31-dec-17	31-dec-18	31-dec-19	31-dec-20	31-dec-21	31-dec-22	31-dec-23	31-dec-24	31-dec-25	31-dec-26
NOI	375,077	413,848	421,547	442,825	458,619	473,188	490,147	508,058	527,808	548,311
EBITDA	302,429	338,471	343,684	361,514	373,768	384,489	397,458	411,255	426,894	442,890
Investment in Working Capital	17,796	-8,886	-1,810	-3,601	-1,876	438	1,224	1,159	1,189	1,279
CAPEX	-48,980	-78,514	-3,837	-3,785	-3,897	-7,798	-8,025	-4,568	-4,508	-4,884
<b>Operating flow</b>	<b>273,254</b>	<b>263,871</b>	<b>336,437</b>	<b>364,149</b>	<b>367,936</b>	<b>377,168</b>	<b>389,657</b>	<b>408,058</b>	<b>423,374</b>	<b>439,285</b>
+ Financial and Non-operating Income	7,679	7,516	7,668	8,578	8,445	8,772	9,072	9,387	9,709	10,071
- Financial and Non-operating Expenses	-87,128	-87,545	-87,055	-87,866	-87,077	-87,378	-87,673	-87,665	-87,688	-87,712
+ Variation Other Assets and Liabilities	-12,355	0	0	0	0	0	0	0	0	0
+ Variation Debt	-738,089	75,133	138	143	148	3,848	3,975	184	189	175
+/- Variation Structuring Commission	0	0	0	0	0	0	0	0	0	0
+ Capitalizations	785,466	0	0	0	0	0	0	0	0	0
<b>Net Cash Flow</b>	<b>220,837</b>	<b>249,676</b>	<b>258,486</b>	<b>275,384</b>	<b>289,450</b>	<b>302,441</b>	<b>316,031</b>	<b>329,924</b>	<b>345,564</b>	<b>361,820</b>
Reacquisition Fund	0	0	0	0	0	0	0	0	0	0
<b>Distributable Cash Flow</b>	<b>220,837</b>	<b>249,676</b>	<b>258,486</b>	<b>275,384</b>	<b>289,450</b>	<b>302,441</b>	<b>316,031</b>	<b>329,924</b>	<b>345,564</b>	<b>361,820</b>

## 2.9.4. Expected Profitability

Based on the above parameters, the expected profitability for a ten (10) year horizon was calculated assuming, for the base case, a subscription price of ten million three-hundred and ten thousand pesos (COP 10.310.000) Colombian legal tender, a 30% leverage, and a 1.0% actual appreciation of the Real Estate Assets and Trust Rights whose underlying assets are Real Estate Assets. Based on this, the base case yields an annual return for the Eleventh Tranche's Investors ranging between the **CPI + 7.8% and the CPI + 8.3%**.

Expected Average Profitability	
Flow	59%
Appreciation	41%
<b>Annual Return</b>	<b>CPI + 7.8% and CPI + 8.3%</b>

It is worth noting that the 59% expected return comes from the profitability obtained from the Distributable Cash Flow and the remainder from the appreciation profitability.

## 2.9.5. Sensitivities

Sensitivities were applied to the critical factors, to determine their impact on the expected profitability. Among the sensitized variables are the Vacancy Rate, the Real Estate Assets' expected appreciation, the Trust Rights with underlying Real Estate Assets, and the Reacquisition Fund.

### **Vacancy Rate:**

The Base Case contemplates a vacancy rate equal to the one in the table of subparagraph 2.9.2. Currently, a 5% stabilized vacancy rate is assumed throughout the appreciation horizon. A range between 0 and 2.0 times the vacancy rate, was contemplated in the Base Case for the sensitivities.

<b>Vacancy Rate</b>	<b>Expected Profitability</b>
0.0 x	CPI + 8.3% - CPI + 8.8%
0.5 x	CPI + 8.0% - CPI + 8.5%
<b>1.0 x (Base Case)</b>	<b>CPI + 7.8% - CPI + 8.3%</b>
1.5 x	CPI + 7.3% - CPI + 7.8%
2.0 x	CPI + 7.0% - CPI + 7.5%

As noted, a 0.5x increase or decrease of the projected vacancy rates for the Base Case has a positive impact of approximately 0.35% on the expected profitability.

### **Actual Appreciation:**

Though in the long term the Real Estate Assets—whether or not underlying the Trust Rights—tend to appreciate in actual terms due to their high-specifications; a 1.0% actual appreciation was assumed for the Base Case throughout the forecast and sensitivities were applied to  $\pm 0.5\%$  variations.

<b>Actual Appreciation</b>	<b>Expected Profitability</b>
2.0%	CPI + 8.5% - CPI + 9.0%
1.5%	CPI + 8.1% - CPI + 8.6%
<b>1.0% (Base Case)</b>	<b>CPI + 7.8% - CPI + 8.3%</b>
0.5%	CPI + 7.4% - CPI + 7.9%
0.0%	CPI + 7.1% - CPI + 7.6%
-0.5%	CPI + 6.8% - CPI + 7.3%
-1.0%	CPI + 6.5% - CPI + 7.0%
-1.5%	CPI + 6.1% - CPI + 6.6%
-2.0%	CPI + 5.8% - CPI + 6.3%

A zero point five (0.5%) annual variation in the Real Estate Assets' appreciation/depreciation—whether or not underlying the Trust Rights—, has an approximate 0.30% impact on the expected returns.

With these real estate sensitivities, it is observed that the expected profitability could vary between CPI + 5.8% and CPI + 9.0% per year.

## Reacquisition Fund:

No resources are being provisioned for the Reacquisition Fund under the Base Case, because this is a last resort mechanism to provide liquidity, but at a significant discount on the Security's value. Therefore, it is very unlikely to be used.

However, 25% and 50% annual provisions of the Adjusted Operating Flow were sensitized as of 2019 to determine their impact on the Distributable Cash Flow and total profitability.

Reacquisition Fund*	Distributable Yields**	Expected Returns
<b>0% (Base Case)</b>	<b>61.2%</b>	<b>CPI + 7.8% - CPI + 8.3%</b>
25%	49.7%	CPI + 7.5% - CPI + 8.0%
50%	35.9%	CPI + 7.2% - CPI + 7.7%

\* % of the Net Flow provisioned to finance the Reacquisition Fund.

\*\* Profitability from Distributable Yields.

The Reacquisition Fund's main impact is the decrease of the Distributable Cash Flow. If 50% of the Adjusted Operating Flow is provisioned during the following 10 years, the expected return would decrease from CPI + 8.1% to CPI + 7.5%. In this scenario, the Distributable Cash Flow's return would be 35.9% of the expected return.

However, if the Securities are reacquired, their profitability increases as they are acquired at a discount that generates a profit for the Trust.

## Stress Test:

To illustrate the expected profitability under very adverse market conditions, stress tests were performed on these two critical variables, as seen in the table below.

Profitability		Accumulated Actual Depreciation											
		BASE CASE			10%			15%			20%		
Vacancy	Base Case	IRR	IRR Component	IRR	IRR	IRR Component	IRR	IRR	IRR Component	IRR	IRR	IRR Component	IRR
		IRR	Appreciation	IRR	IRR	Appreciation	IRR	IRR	Appreciation	IRR	IRR	Appreciation	IRR
		IPC + 8.1%	59%	41%	IPC + 6.7%	68%	32%	IPC + 6.3%	71%	29%	IPC + 5.9%	74%	26%
		IPC + 7.6%	56%	44%	IPC + 6.1%	66%	34%	IPC + 5.7%	69%	31%	IPC + 5.3%	72%	28%
Vacancy	10%	IPC + 6.5%	50%	50%	IPC + 5.0%	59%	41%	IPC + 4.6%	63%	37%	IPC + 4.1%	67%	33%
	20%												

The results of the sensitivities applied to the critical variables show that the vehicle's characteristics yield attractive returns, even under stress scenarios.

To the extent that PEI has a financial structure that is non-speculative given the source of the revenues, the largest part of the profitability comes from the cash flows under the leases,

concessions, or other contract types; upon sensitizing the vacancy and appreciation of the assets making up the portfolio, even under acid scenarios, the result obtained is an IRR of the CPI + 4.1%. Profitability remains even under adverse scenarios with a 20% vacancy and the assets losing 20% of their value.

To understand the evolution of the IRR in cases of stress, it is important to bear in mind that the base case profitability of the CPI + 8.1% is 59% from the flows under lease, concession, and other contract types and 41% from the Real Estate Assets' appreciation, whether or not underlying Trust Rights. As seen in the table above, to the extent that the Real Estate Assets – whether or not underlying Trust Rights– depreciate, the profitability's flow component increases marginally while, if there is a significant increase of the vacancy, the flow component decreases in a greater proportion.

### **3. MANAGEMENT AGENT**

Under the Irrevocable Business Trust Agreement dated February 2, 2006 (the "Trust Agreement"), *Fiduciaria Corficolombiana S.A.*, a company incorporated through public deed No. 2803 of September 4, 1991, granted before Notary First of *Cali* (Valle), a financial services company with operation authorization certificate issued by the Financial Superintendency of Colombia through Resolution No. 3548 of September 30, 1991 and domiciled in *Cali*, shall act as the Management Agent.

#### **3.1. OBLIGATIONS OF THE MANAGEMENT AGENT**

In furtherance of the management entrusted under the Trust Agreement, the Trust Company, acting as spokesperson for the Trust, in addition to its legal obligations has the following:

1. Furthering any acts necessary to achieve the Trust's purpose, which shall be performed in accordance with the Trust Agreement, the Law, and the instructions generally issued by the competent authorities.
2. Managing and legally representing the Trust. The Trust Company shall inform to any third parties with whom it enters into legal acts or contracts in the Trust's name and behalf, that it does so in such capacity.
3. Executing best efforts placement contracts in connection with the Issuance Program's Tranches, with the placement agents appointed by the Advisory Committee.
4. Issuing the Securities in furtherance of the Issuance Program, following the instructions provided under the Trust Agreement for the first Tranche and by the Advisory Committee

for the following tranches, provided that they are framed within the guidelines foreseen for the Issuance Program under the Trust Agreement and the Prospectus.

5. Offering the Securities in the Primary Market through the placement agents, in accordance with Decree 2555;
6. Entering into a Depository and Management Contract with *DECEVAL*, for the custody and management of the Issuance Program.
7. Processing the Securities' early registration with the Securities and Issuers National Registry.
8. Managing the Trust's Permitted Investments. For these purposes, the Trust Company will enter into a Real Estate Management Agreement with the Manager or the real estate Manager designated by the Investors General Assembly, if an early termination of the Real Estate Management Agreement takes place.
9. after the first Tranche is placed, entering into and executing the Lease and Purchase and Sale Agreements provided for in Annex No. 4 to the Trust Agreement and, with respect to the other Tranches, entering into and executing the Promise of Purchase and Sale, Purchase and Sale, and Lease Agreements directed by the Manager or the Advisory Committee.
10. Allocating the resources received from the first Tranche's placement to the purpose stated in subparagraph 1.2 of this Prospectus and allocating the resources received from the other Tranches' placement in accordance with the Trust Agreement, the Prospectus, and the Advisory Committee's instructions.
11. Investing PEI's resources in accordance with the Investment Policy under this Prospectus, the Trust Agreement, and the Advisory Committee's instructions.
12. Reimbursing to the Trustor one million pesos (COP 1,000,000), upon the Trust's liquidation.
13. Timely paying to *Centro Rural Sofia Koppel de Pardo* or to whomever corresponds, the Foundation Benefit.
14. Paying to the Investors, through *DECEVAL*, the Distributable Returns provided for in this Prospectus and the Trust Agreement.
15. Paying to the Investors, through *DECEVAL*, whatever they're due for the redemption and reacquisition of the Securities.
16. Maintaining the Trust's assets and resources separate from its own assets and resources,

as well as from any others that the Trust Company manages for third parties.

17. Monthly submitting the Trust's financial statements to the Trustor, the Advisory Committee, the securities rating agency, and any competent authorities that may require them.
18. Submitting to the Financial Superintendency of Colombia, the information required under Decree 2555, particularly that provided for in Article 6.16.1.1.2 thereof.
19. Complying with the legal provisions on securitization in the public securities market.
20. Keeping the Trust's accounts in accordance with the accounting principles generally accepted in Colombia and any relevant standards.
21. Refraining from entering into contracts or engaging in acts in the Trust's behalf, for purposes other than those provided for in this Prospectus and the Trust Agreement.
22. Refraining from acquiring in the Trust's name, obligations other than those provided for herein and in the Trust Agreement.
23. Allocating the provisions corresponding to the Operation Fund and the Reacquisition Fund, in accordance with the Advisory Committee's guidelines.
24. Incurring in Financial Indebtedness abiding by the guidelines and policies provided for in this Prospectus and the Trust Agreement.
25. Paying the Trust's Operating Expenses and Issuance Costs.
26. Conducting the Securities and Trust's appraisals, in accordance with the methodology provided for in subparagraph 2.7 of this Prospectus and paragraph 19 of the Trust Agreement.
27. In case of the Real Estate Management Agreement's early termination, as provided for in subparagraphs (i) and (ii) of clause seven thereof, hiring the new real estate manager designated by the Investors General Assembly.
28. Investing in Financial Assets any monies received by the Trust as collateral from the tenants and return them thereto under the terms of each Lease Agreement.
29. Complying with the rules of Decree 2555 (formerly Resolution 400) as to the Real Estate Assets' securitization.

The Trust Company shall engage in any acts necessary to comply with the purpose of the Trust

Agreement, considering that its obligations are of means and not of result.

### **3.2. REMOVAL**

The Investors General Assembly and the Trustor, following the Investors General Assembly's approval through notice delivered to the Trust Company that shall be fully valid as of its receipt, may remove the Trust Company at any time with cause, as provided for in this Prospectus, to: (i) Preserve the Investors' rights; and (ii) Allow the fulfillment of the purpose under this Prospectus, in accordance with the following rules:

#### **3.2.1. Removal Events**

Notwithstanding that provided for in Article 1239 of the Commerce Code, the Trust Company's removal will take place in the following events:

1. The Trust Company's failure to comply with any of its legal or contractual obligations, whether affecting the rights of the Investors, the beneficiary of the Foundation Benefit, or those of the Trustor as the Trust's beneficiary, established in this Prospectus and the Trust Agreement.
2. Any judicial or administrative action brought against the Trust Company, which reasonably allows to infer that such proceeding will negatively impact the investor public's confidence.

The Trust Company acknowledges and accepts that the Trustor or Investors General Assembly's assessment of the above events, in furtherance of this subparagraph, may not be challenged before complying with the Trust Agreement's provisions. This, notwithstanding the Trust Company's right, whenever applicable, to dispute the breach of its contractual rights after having complied with the provisions set forth below.

If the removal takes place as a result of a breach of the Trust Company's obligations, the Trustor or Investors General Assembly may only make such removal after: (i) Having required the Trust Company to comply with such obligations within the three (3) business days term counted as of the relevant notice; and (ii) The above period expiring without the Trust Company's adoption of the necessary corrective measures.

#### **3.2.2. Removal Procedure**

If the Trust Company is removed, it shall immediately and without delay assign its contractual position to the Trust Company designated by the Trustor with Investors General Assembly's prior approval and shall also render the accounts of its management up to the date of the assignment to the Trustor and the Investors General of Assembly. If the Trust Company is removed, the following steps shall be followed:



1. The Trust Company will have a ten (10) calendar days term, counted from the removal's notification date, to submit the Trust's balance sheet to the Advisory Committee. The cut-off date of the balance sheet shall be the submission date thereof. The Trustor will have one (1) calendar month term from the balance sheet's receipt date to approve it or make any relevant observations.

Upon the above term's expiration without the Trustor submitting any observations, the accounts submitted by the Trust Company shall be deemed approved and the Trust Company will be released from any liability in connection therefrom, notwithstanding its obligation to compensate the Trustor for any damages arising as a result of any breach of its obligations under the Trust Agreement.

2. If the balance sheets and accounts submitted by the Trust Company are subject to observations within the term provided for in the above paragraph, the Trust Company will have a five (5) business days term to support its accounts or make the appropriate corrections. If the discrepancies persist, the accounts shall be approved exclusively on the points not challenged by the Trustor and the rest shall be subject to that provided for in subparagraph 28 of the Trust Agreement.
3. Once all of the accounts submitted by the Trust Company are approved, the relevant payments shall be made to the Trust Company, charged to the Trust.

The Trust Company's removal shall not release it from its obligation to compensate the Trustor, the Investors, and the Trust for any direct and indirect damages resulting from the breach of its obligations and that its removal are not able to avoid; and said removal does not restrict or exclude the Trustor's right to demand compensation and enforce the penalty clause for breach referred to in subparagraph 34 of the Trust Agreement.

### **3.3. MANAGEMENT AGENT'S RIGHTS**

In addition to the powers granted under the law and this Prospectus, the Trust Company shall be entitled to:

1. Require any reports it may reasonably deem necessary from the Advisory Committee and the Manager, in connection with the Securitized Assets.
2. Request any information it may require as to the Real Estate Assets, the Trustor, and the Investors to comply with the Financial Superintendency of Colombia's regulations on the client's knowledge and assets anti-laundering matters.
3. Receive the remuneration provided for under the Trust Agreement.

### **3.4. TRUST COMPANY'S GENERAL INFORMATION**

#### **3.4.1. General Description**

*Sociedad Fiduciaria Corficolombiana S.A.* is a financial services institution, born as an affiliate of *Corporación Financiera del Valle S.A.* (currently, *Corporación Financiera Colombiana S.A.*), with its registered address in the city of *Cali*, legally incorporated through Public Deed No. 2803 of September 4, 1991, granted before Notary First of *Cali*, authorized to provide trust services through Resolution No. 3548 of September 30 of 1991 issued by the Financial Superintendency of Colombia.

*Fiduciaria Corficolombiana S.A.* has an offices network in *Cali*, *Bogotá*, *Medellín*, *Barranquilla*, and *Bucaramanga*, where their regional managers carry out business activities to promote the execution of trust agreements and support the relevant regional office's management area.

The company's headquarters are currently located in *Bogotá*, specifically at Calle 13 No 26-45 - *Corficolombiana* Building, where the General Management, Legal Management, Business and Trust Management, the Financial, Administrative, and Risks Management, Investment Management, Trust Businesses Management, and Operations Management Offices carry out their operations.

#### **3.4.2. Domicile**

*Fiduciaria Corficolombiana S.A.* has the following Management Offices distributed in the main cities of the country:

General Management:

Located in the city of Bogota at Carrera 13 No. 26-45, Piso 14. Mr. Jaime Alberto Sierra Giraldo, serves as General Manager for the Trust Company since December 20, 2012, and is responsible for the following regional offices:

*Cali*: The Trust Businesses Regional Management Office is located in *Corporación Financiera Colombiana's* building at Calle 10 No. 4-47, Piso 20, under Mr. José Tomás Jaramillo Mosquera's responsibility.

*Medellín*: The Regional Management Office is located at Calle 16 Sur No. 43 A-49 Piso 1, under Mr. Jaime Andrés Toro Aristizabal's responsibility.

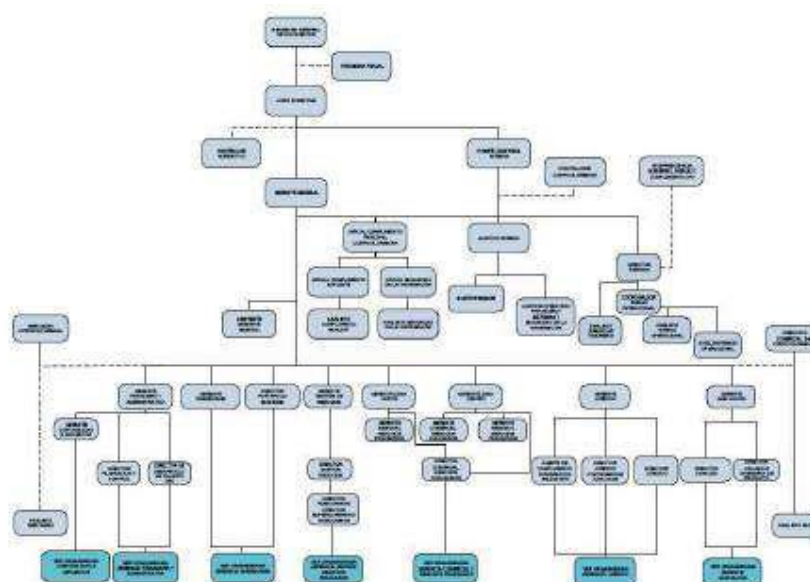
*Barranquilla*: The Regional Management Office is located at Carrera 52 No. 74-56 Oficina 101, under Mr. Jorge Orlando Gómez Pinto's responsibility.

*Bucaramanga*: The Regional Management Office is located in *Edificio Parque 42* at Calle 42 28 - 74 Local 2, under Ms. Ana Milena Arenas Rodríguez's responsibility.

It is worth mentioning that under these Regional Management Offices is a Commercial Advisors staff in charge of customer service and the different business lines.

### 3.4.3. General Organizational Chart

The following is *Fiduciaria Corficolombiana S.A.*'s Organizational Chart:



Organizational Chart as of February 28, 2019.

### 3.4.4. Board of Directors

*Fiduciaria Corficolombiana S.A.*'s Board of Directors, as of December 31, 2018, has following composition:

PRINCIPALS	ALTERNATES
<b>María Lorena Gutierrez Botero</b>	<b>Juan Carlos Páez Ayala</b>
<b>Guillermo Trujillo Estrada</b>	<b>Oscar Campo Saavedra</b>
<b>Pedro Ignacio De Brigard Pombo</b>	<b>Julián Alonso Valenzuela Ramirez</b>
<b>Carlos Alberto Vélez Moreno</b>	<b>Alejandro Sánchez Vaca</b>
<b>Jorge Enrique Camacho Matamoros</b>	<b>Amalia Correa Young</b>

### 3.4.5. Shareholding Composition

The following is *Fiduciaria Corficolombiana S.A.*'s shareholding composition as of December 31, 2018:

CORPORATE NAME	No. SHARES	INTEREST %
Corporación Financiera Colombiana S.A.	29,657,829	94,49999%
Tejidos Sintéticos de Colombia S.A.	262	0,00083%
Colombiana de Licitaciones y Concesiones S.A.S.	87	0,00028%
Estudios Proyectos e Inversiones de los Andes S.A.	87	0,00028%
Valora S.A.S.	1,725,685	5,49862%
<b>TOTAL</b>	<b>31,383,950</b>	<b>100%</b>

### 3.5. COMPANY'S RATING

#### 3.5.1. Rating of the Portfolios' Management Strength

*Fitch Ratings Colombia S.A.* certifies that as of to date *Sociedad Fiduciaria Corficolombiana S.A.* is rated "Excellent (Col), with a stable outlook" as an Investment Assets Manager, a rating classified as the highest in Fitch Ratings' scale. This rating was confirmed by the Technical Rating Committee on October 11, 2018.

An "Excellent (Col), with stable outlook" rating is assigned to asset managers having an investment platform and operating model that Fitch deems superior compared to the local institutional investors' standards.

Notwithstanding the foregoing, the rating may be revised extraordinarily and, if applicable, modified whenever there is any event or situation that may affect the grounds on which the rating was granted or events that, by their nature, may substantially alter the rating granted. The status of the rating may be consulted at our website [www.fitchratings.com.co](http://www.fitchratings.com.co).

#### 3.5.2. Collective Portfolio Valor Plus's Rating

*Fitch Ratings Colombia S.A.*, certifies that the Valor Plus 1 Open Fund, managed by *Fiduciaria Corficolombiana S.A.*, has a National Market Risk Sensitivity and Credit Quality rating of S2/AAAf (col). *Fitch Ratings Colombia's* Technical Rating Committee reviewed this rating on July 11, 2018.

This rating is published and valid as of to date. Notwithstanding the foregoing, the rating may be revised extraordinarily and, if applicable, modified whenever there is any event or situation that may affect the grounds on which the rating was granted or events that, by their nature,

may substantially alter the rating granted. The status of the rating may be consulted at our website [www.fitchratings.com.co](http://www.fitchratings.com.co).

Funds rated 'S''' are deemed to have a very low sensitivity to the market risk. On a relative basis, total returns and/or changes in the asset's net value are expected to show a relatively high stability and a relatively low volatility under a series of market scenarios. These funds or portfolios offer a very low exposure to the interest rates, credit spreads, changed risks and, whenever applicable, to any leverage and/or hedging effects.

The 'AAAf(col)' Credit Quality Ratings indicate the highest underlying credit quality. The assets of the fund are expected to maintain a weighted average rating factor (WARF) in line with 'AAAf(col)'.

### **3.6. FIDUCIARIA CORFICOLOMBIANA'S CURRENT NUMBERS**

#### **3.6.1. Fiduciaria Corficolombiana S.A.'s Financial Structure**

The main numbers of *Fiduciaria Corficolombiana S.A.*'s financial structure are the following:

MAIN NUMBERS	
Assets	COP 70.711
Liabilities	COP 10.683
Equity	COP 60.028
Fiscal Year's Profits	COP 11.732

(Figures in Millions of pesos, as of December 31, 2018)

#### **3.6.2. Distribution of the Trust's Activity**

**Assets Under Trust:**

ASSETS UNDER TRUST	VALUE
Management Trusts	COP 15.740
Collective Investment Funds and Private Capital Funds	COP 3.336.751
Real Estate Assets Trusts	COP 1,825.991
Collateral Trusts	COP 1,368.904
Investment Trusts	COP 149.594
Social Security General System Trusts and Other Resources	COP 3.369
<b>TOTAL ASSETS</b>	<b>COP 22.425.210</b>

(Figures in Millions of pesos, as of December 31, 2018)

### Collective Investment Funds:

COLLECTIVE PORTFOLIOS' AVERAGE VALUE	VALUE
Valor Plus I	COP 1.897.209
<i>Confianza Plus</i>	COP 577.396
Corporate Debt	COP 38.666
<i>Multiplicar</i>	COP 30.662
Capital Plus	COP 14.571
Shares Plus	COP 9.420
Moderate Strategy	COP 8.351
Global shares	COP 4.962
<b>COLLECTIVE INVESTMENT FUNDS' TOTAL AVERAGE BALANCE</b>	<b>COP 2.581.238</b>

(Figures in Millions of pesos, as of December 31, 2018)

### 3.7. GENERAL EXPERIENCE IN TRUSTS MANAGEMENT

*Fiduciaria Corficolombiana S.A.* manages a significant volume of resources within its Collective Investment Portfolios (FICs by its initials in Spanish), whose total average balance as of December 31, 2018, was COP 2.581.238.000.000 pesos.

#### 3.7.1. Trusts Management

The Trust Company has experience managing resources through Trusts such as the P.A. *Bicentenario I* Trust, *Pacífico 1* Trust, *Coviandina* Trust, *Covioriente* Trust, and the *Covimar* Trust, among others.

#### 3.7.2. Securitizations

*Fiduciaria Corficolombiana S.A.* has extensive experience as a management agent for securitizations such as the *Homecenter* Securities Trust, the *Estrategias Inmobiliarias* Trust, and the *Cali* Municipality's Promissory Notes Trust.

### **3.8. ICONTEC Certification**



In December 2004, *FIDUCIARIA CORFICOLOMBIANA S.A.*, obtained the ICONTEC Quality Management Certificate in connection with international standard ISO 9001: 2008 and the international equivalent certificate IQNet. In 2016, ICONTEC renewed the Certification transitioning from international standard ISO 9001: 2008 to ISO 9001: 2015. 2017 and 2018 received ICONTEC's positive observations to maintain the certification as the relevant requirements were fulfilled.

## **4. INVESTORS LEGAL REPRESENTATIVE**

There shall be a single Investors Legal Representative for the Issuance Program and it shall be *Fiduciaria Colmena S.A.* or the legally authorized entity selected by the Investors General Assembly to replace it.

### **4.1. OBLIGATIONS OF THE INVESTORS LEGAL REPRESENTATIVE**

The Investors Legal Representative shall be responsible for carrying out any acts necessary to exercise the rights and defense of the Investors' common interests, including, but not limited to the following activities:

1. Representing the Investors in everything concerning their common or collective interests.
2. Carrying out any management and conservation actions necessary to defend the Investors' common interests.
3. Intervening with voice and vote in the Advisory Committee's meetings and participate with voice, but without a vote in the Investors General Assembly.
4. Convening and chairing the Investors General Assembly.
5. Requesting the Financial Superintendency of Colombia any reports it deems necessary and reviewing the Trust's accounting books and other documents.

6. Informing Investors and the Financial Superintendency of Colombia of any breach of the Trust's obligations.
7. Keeping the Trust's operation confidential, refraining from disclosing or revealing any circumstances or details that it becomes aware of on the Trust or the Trust Company's Businesses, provided that this is not strictly necessary to protect the Investors' interests.
8. Preparing a semiannual report for the Investors on the Trust's situation, performance, and development, the measures adopted to represent and defend the Investors' interests, and any other relevant facts on the Investors' investment. Such report will be made available to the Investors through the information disclosure mechanisms chosen by the Investors Legal Representative.
9. Keeping the Investors General Assembly' minutes ledger.
10. Carrying out any acts of disposal authorized by the Investors General Assembly.
11. Preparing and submitting extraordinary reports, whenever requested by the Financial Superintendency of Colombia or if any important situation that should be known and analyzed by the Investors arises.
12. Delivering to the Management Agent and the Manager, within the ten (10) business days following the Investors General Assembly, the relevant assembly's minutes.
13. Representing the Investors before any national authority and/or public law entity in everything related to their common and collective interests, including their judicial representation. Likewise, represent the Investors before any arbitration court convened to resolve any disputes in connection with the Trust Agreement. The conditions and instructions on the subject shall be provided by the Investors General Assembly.
14. Any other duties and functions assigned thereto by the Investors General Assembly.

#### **4.2. APPOINTMENT AND RESIGNATION**

The Trustor shall select the Investors Legal Representative for an indefinite term; however, the Investors General Assembly may replace it at any time.

The Investors Representative may resign its position in any of following events: (i) Serious reasons, qualified by the Financial Superintendency of Colombia; and (ii) Maintaining the Investors representation of the subject matter of the Legal Representation Agreement implies a serious damage to their interests, pursuant to Decree 2555. Following the Investors Legal Representative resignation, he/she/it shall convene the Investors General Assembly to decide on its replacement and, in any case, shall not cease its functions until the Investors General



Assembly decides on its replacement.

#### **4.3. TERMINATION**

In addition to the grounds provided for in the law, the Investors Legal Representation Agreement will also terminate for the following circumstances: (i) Complete performance of the obligations derived therefrom; (ii) Mutual agreement of the parties to the agreement; (iii) Material breach of any of the parties' main obligations, provided that the other one has fully complied with his/her/ its obligations or agreed to comply therewith, case in which the termination will be valid once the breaching party receives the written communication delivered by the non-breaching party; (iv) Removal of the Investors Legal Representative by decision of the Investors General Assembly; (v) The causes provided for in Decree 2555 or any regulations modifying, supplementing, or replacing it; (vi) Resignation of the Investors Legal Representative in the terms established in subparagraph 4.2 of this Prospectus. The grounds for termination described herein shall always be interpreted and applied, with respect to the Investors General Assembly's preferential rights, according to Decree 2555 or any regulations modifying, supplementing, or replacing it.

#### **4.4. INVESTORS' LEGAL REPRESENTATIVE RIGHTS**

The Investors Legal Representative shall be entitled to:

1. Request from the Management Agent, the Manager, the Placement Agents, and the Advisory Committee any reports and documents it deems necessary or advisable to comply with the Investors Legal Representation Agreement;
2. Receive the fees for his/her/its services.

#### **4.5. INVESTORS' LEGAL REPRESENTATIVE GENERAL INFORMATION**

##### **4.5.1. General Description**

*Colmena Fiduciaria* is a company owned by Fundación Social, created on April 9, 1981. It provides products that complement *Banco Caja Social's* financial services offer and support, as a trust instrument, the Organization's businesses and clients. Its work concentrates on the trust businesses management, which leverage lower-income sectors development.

Securities risk rating company *Value and Risk Rating S.A.* awarded *Fiduciaria Colmena* a Triple A Rating (AAA) for its Portfolios Management Efficiency. This is an acknowledgment of *Fiduciaria Colmena's* managerial capacity, technological support, and operating capacity to manage portfolios.

To satisfy its clients' needs, *Fiduciaria Colmena S.A.* has oriented its activity to the efficient

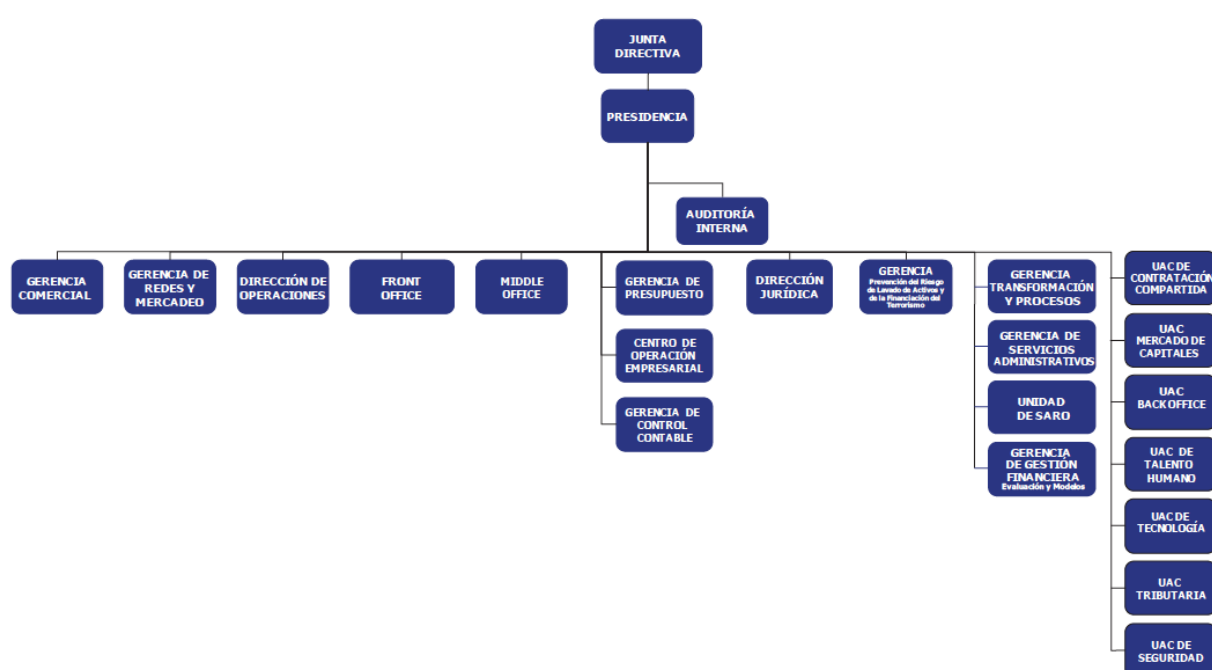
management of resources, either through investment funds, individual portfolios, real estate vehicles, and Management and Payment, guarantee, and Source of Payment Trusts for different types of projects.

*Fiduciaria Colmena S.A.* currently has a Network Use Agreement with *Banco Caja Social*, allowing it to be present in over 70 cities country-wide, through more than 272 offices.

#### 4.5.2. Domicile

*Fiduciaria Colmena S.A.*'s domicile at Avenida El Dorado No. 69C-03 Torre A Piso 7 of Bogota D.C.

#### 4.5.3. General Organizational Chart



#### 4.6. FIDUCIARIA COLMENA'S CURRENT NUMBERS

As of December 31, 2018, *Fiduciaria Colmena S.A.*'s equity is COP 15.660.89 million.

At the end of 2018, *Fiduciaria Colmena S.A.*'s income and expenses amounted to COP 14.479.85 million and COP 11.250.45 million, respectively, for a pre-tax profit of COP 3,229.39 million.

#### **4.7. GENERAL EXPERIENCE**

*Fiduciaria Colmena S.A.* has thirty-eight (38) years of experience managing portfolios and Collective Investment Funds, achieving significant returns over time due to its good, suitable, and professional management.

In general, *Fiduciaria Colmena* serves over 112.000 clients and manages assets for approximately \$2.7 billion pesos. It is recognized in the market for its track-record, prudence, and responsibility managing investment funds and traditional trust businesses. Within this universe of business possibilities, *Fiduciaria Colmena* has supported clients from the trust business in multiple sectors of the economy, either managing their investments, participating in securities issuance processes, real estate developments, or managing guarantees and payment sources, thus meeting its clients' management, savings, and investment needs.

#### **4.8. INVESTORS GENERAL ASSEMBLY**

The Investors General Assembly shall consist of the Investors, with the quorum and under the conditions set forth herein, applicable to all the Tranches of the Issuance Program. The Investors Legal Representative shall attend the Investors General Assembly.

##### **4.8.1. Ordinary Meetings**

The Investors General Assembly may meet ordinarily and extraordinarily. Ordinary meetings shall be held at least once a year within the three (3) months following the end of the calendar year, at the place and time specified in the relevant call. If the Investors General Assembly does not meet after convened or if the relevant call is not made with the anticipation required, the Investors General Assembly will meet by its own right on the first (1st) Business Day of April at ten in the morning (10:00 a.m.), at any place in Bogotá indicated by the Investors Legal Representative. In this case, the Investors General Assembly may validly deliberate and decide with a plural number of Investors, regardless of the Securities represented in the meeting.

##### **4.8.2. Purpose of Ordinary Assemblies**

The Trust Company shall submit to the Investors General Ordinary Assembly's approval: (i) An annual report on the fiscal year's situation; and (ii) The Trust's management report for the prior year. Also, the Advisory Committee shall submit the Strategic Plan for the Investors General Assembly's approval.

If the Trust is to be liquidated, the Investors General Assembly shall ratify the Liquidation Plan approved by the Advisory Committee.

#### **4.8.3. Extraordinary Assemblies**

The Investors General Extraordinary Assembly shall be carried out whenever required by any Trust's unforeseen or urgent needs, through a call made by the Advisory Committee, the Investors Legal Representative, the Trust Company, the Manager, or any Investors representing at least ten percent (10%) of the total securities representing the investors' investment in the Trusts of the date of the assembly's call.

#### **4.8.4. Calls**

##### *1. Ordinary Assemblies:*

The Investors Legal Representative shall call the ordinary assemblies at least eight (8) business days in advance, through a message to each of the Investors that will be delivered to each of their email addresses registered with the Trust Company. To count this term, neither the Business Day when the email is delivered, nor the Business Day where the Investors General Assembly takes place shall be considered.

If an Investor does not have an email address, the call shall be delivered to the address registered with the Trust Company.

##### *2. Extraordinary Assemblies:*

The Investors General Extraordinary Assemblies shall be called through an email addressed to each Investor, delivered to each of their email addresses registered with the Trust Company, five (5) calendar days in advance. The call to extraordinary assemblies shall include the agenda and the assembly will not be able to deliberate and decide on any topics not included therein, unless the majority of the Investors represented therein decide otherwise. To count this term, neither the Business Day when the email is delivered, nor the Business Day where the Investors General Assembly takes place shall be considered. If an Investor does not have an email address, the call shall be delivered to the address registered with the Trust Company.

The call shall include, at least: (i) The name of the entity or entities making the call; (ii) Whether it is a first, second, or third call to the Investors General Assembly; (iii) The place, date, and time of the assembly; (iv) The agenda of the assembly; (v) An indication to the Investors of the need to prove their status directly or through their proxies --with the certificate issued by *DECEVAL*-- to exercise their social rights; and (vi) An indication that the Investors Assembly's decisions are opposable to and mandatory for absent and dissenting Investors.

#### **4.8.5. Place of the Meetings**

The Investors General Assembly will meet in *Bogotá* at the place, day, and time stated in the relevant call. However, the Investors General Assembly may meet and decide validly without prior call, at any place, if all of the Investors are present or represented.

#### **4.8.6. Capacity as Investor**

To participate in the Investors General Assembly, Investors shall evidence said capacity through the Investors Legal Representative's verification of the Global Certificate for the Exercise of Social Rights, issued by *DECEVAL* or any document substituting it, as reported by *DECEVAL*.

Said verification will be made on the relevant Investors General Assembly's date. The Global Certificate for the Exercise of Social Rights shall be issued by *DECEVAL* after the securities trading session closes at the Colombian Stock Exchange for the day immediately prior to that of the Investors General Assembly, unless *DECEVAL* provides otherwise in its rules.

To prove that the person attending the Investors General Assembly is the one registered in the Global Certificate for the Exercise of Social Rights issued by *DECEVAL* or its/his/her proxy, the Investors Legal Representative may request the Investors or their proxies any identification document deemed necessary for such purpose.

#### **4.8.7. Quorum**

The Investors gathered in the assembly will deliberate with a plural number thereof representing at least fifty-one percent (51%) of all the Securities outstanding on the date of meeting. Decisions shall be made with half plus one of the Investors' favorable votes present at the Investors General Assembly.

If on the date and time established to hold an Investors General Assembly the deliberative quorum described in the above subparagraph is not present, the Investors Legal Representative may call a new assembly as provided for in this Prospectus. At such meeting, the presence of any plural number of Investors shall be sufficient to validly deliberate and decide, and this shall be clearly noted in the call's notice. For these purposes, the provision of Article 6 of Resolution 1210 of 1995 of the Superintendency, shall be considered.

#### **4.8.8. Special Quorum**

The Investors General Assembly will require the affirmative vote of any Investors representing at least eighty percent (80%) of all of the Securities outstanding on the date of the meeting, to approve the following:

1. The Trust's liquidation.
2. The Trust Agreement's amendment.
3. The waiver of the Preemption Rights provided for in this Prospectus.

If there is no quorum present to deliberate and decide on these issues at the first call assembly, a second meeting may be convened, where such issues may be validly decided upon with the favorable vote of a number of Investors representing forty percent (40%) of the total Securities outstanding on the assembly's date. The call to this assembly shall expressly mention the quorum required for decision-making purposes.

If there is no quorum present to deliberate and decide at the second call assembly, a new meeting may be scheduled, where the presence of any plural number of Investors will suffice to validly deliberate and decide, circumstance that shall be notified to the Investors in the call.

#### **4.8.9. Minutes**

The Trust Company shall keep the Investors General Assembly minutes in chronological order. The Chair and the Secretary appointed for the relevant assembly shall sign the minutes. The Secretary shall certify in the corresponding minutes that the provisions on the assembly's call were duly fulfilled.

### **5. TRUSTOR**

*Estrategias Corporativas S.A.S.* (in liquidation), incorporated through public deed No. 3206 of October 13, 1992, of Notary 10 of Bogota D.C., will act as Trustor and Originator. For all legal purposes of the irrevocable business trust agreement, the Trustor registered the city of *Bogotá* as its domicile.

Since its inception in 1992, *Estrategias Corporativas* was created with the goal of becoming a leading investment bank in the Andean region, mainly focused on advising companies on mergers, acquisitions, disposals, and the linking of financial and strategic partners.

In 2019, the Originator and Trustor's contractual position under the Trust Agreement, currently held by *Inversiones y Estrategias Corporativas S.A.S.* (in liquidation), will be assigned to *PEI ASSET MANAGEMENT S.A.S.*

#### **5.1. Trustor's Obligations**

The Trustor acquires the following obligations, in addition to any others provided herein:

1. Require the Real Estate Assets' sellers to ensure that the Real Estate Assets did not originate

in any illegal activity. For these purposes, a clause stating the above shall be included in the relevant contracts.<sup>21</sup>

2. Provide to the Trust Company, on a yearly basis or whenever required, the "know your clients" information and documentation to verify the information provided in such connection.
3. Duly maintain its accounting books and supporting documents, in line with the legal requirements and accounting principles generally accepted in Colombia and deliver to the Trust Company all the information it may require on any activities under the Trust Agreement.
4. Those others provided for in the law and this Prospectus.

## **5.2. General Information**

Since its incorporation in 1992, *Estrategias Corporativas* was created with the aim of being a leading investment bank in the Andean region, focused mainly on advising companies on mergers, acquisitions, disposals, and associations with financial and strategic partners.

In the "Merchant Banking" or capital-related activities, *Estrategias Corporativas* leverages on its other areas and relationships with economic groups and sophisticated investors, to invest their own and third parties' capital in corporate and real estate assets. Currently, this area focuses on opportunities and projects in the real estate sector, purposes for which Grupo *Estrategias Inmobiliarias* was created.

Grupo *Estrategias Inmobiliarias* was created in November 2003 to structure new products and provide services to the real estate sector. This group carried out the Trust's promotion and structuring of the and its detailed description appears in the following chapter. In 2008, the group began to operate through a subsidiary called *Terranum S.A.S* (formerly *Estrategias Inmobiliarias EC S.A.S*).

---

<sup>21</sup> This obligation arises because, prior to the first Tranche, the Originator was foreseeing to execute the promise of purchase and sale agreements of the properties subject to securitization. However, the Trust was created before the negotiation of the agreement on the properties corresponding to the first Tranche ended and, accordingly, it was the Trust --through the Trust Company-- who directly executed the contracts with the promisor sellers of the properties of the first Tranche.

Nowadays, pursuant to Clause 10.1(a) of the Trust Agreement, the Trust --through the Trust Company-- continues to execute the contracts related to PEI's acquisitions. The agreements for the acquisition of Assets Under Development, Real Estate Assets and/or Trust Rights whose underlying assets are Real Estate Assets, include provisions on the legal origin of the resources and to prevent the risks of money laundering and terrorism financing, as provided for in the relevant regulations applicable to the entities supervised by the Financial Superintendency of Colombia --such as the Trust Company--, thus ensuring that PEI's real estate assets do not originate in any unlawful activities.

## **6. PEI ASSET MANAGEMENT S.A.S.**

*PEI ASSET MANAGEMENT S.A.S.* is a pioneer in providing investment alternatives for Colombia's real estate sector, managed by an expert group with a modern and strategic vision in real estate assets management, capable of carrying out the structuring and administration of a leading real estate investment vehicle in Colombia, and listed with the Colombian Stock Exchange.

In exercise of its duties as Real Estate Manager, *PEI ASSET MANAGEMENT S.A.S.* is in charge of all tasks related to the Trust's real estate assets portfolio management. Among others, *PEI ASSET MANAGEMENT S.A.S.* is in charge of supporting the due diligence process on the different investment alternatives for the vehicle's growth; preserve and manage the portfolio; and promote, structure, and place any new tranches, which are subject to the Advisory Committee's approval.

In order to achieve high standards within the asset management industry, *PEI ASSET MANAGEMENT S.A.S.* works nonstop to maintain a suitable organizational structure for the growth and management of PEI's portfolio. Thus, its organizational structure was strengthened in 2018 through the new Financial Vice-presidency (formerly the Financial Management Office) in charge of four departments: Financial Planning and Risks, Treasury, Accounting and Taxes, and Procurement and Purchases. Also, in 2017 *PEI ASSET MANAGEMENT S.A.S.*, driven by the firm conviction of the preponderant role investors play in the Trust's proper operation, created the Investor Relations Management Office. At the end of 2017, *PEI ASSET MANAGEMENT S.A.S.* had 43 positions, reaching 54 by the end of 2018, for a 25% growth.

In the last years, *PEI ASSET MANAGEMENT S.A.S.* has actively participated in the international and national forums on REITs and real estate investment vehicles, among them those held by NAREIT (National Association of Real Estate Investment Trusts) and other associations relevant to the real estate investment vehicle's business in Colombia, such as the *Asociación Colombiana de Fondos de Capital Privado - COLCAPITAL* [Colombian Private Capital Funds Association] and the *Asociación de Fiduciarias - ASOFIDUCIARIAS* [Association of Trusts].

### **6.1. Team**

#### **Carlos Angulo Ladish**

Carlos Angulo is a partner of *Estrategias Corporativas S.A.S. (under liquidation)*, a leading investment bank in the Andean Region, mainly focused on advising private sector companies on mergers, acquisitions, disposals, and associations with financial and strategic partners. At *Estrategias Corporativas S.A.S. (under liquidation)*, he has been involved in transactions over USD 1.5 billion, advising Colombian and international companies with their expansion and/or divestment plans in Colombia and the region. At *Estrategias Corporativas S.A.S. (under liquidation)*, Mr. Angulo was involved in the creation of *Terranum Group*, currently chairs PEI's Advisory Committee, and serves as *PEI ASSET MANAGEMENT S.A.S.*'s Executive Director.



Prior to joining *Estrategias Corporativas S.A.S (under liquidation)*, Mr. Angulo worked with Citibank's corporate banking in *Bogotá* and *Medellín* and for 8 years at Goldman, Sachs & Co. in New York, participating in the structuring of debt and equity issues and the purchase and sale of companies in Latin America. He also worked in debt and equity financing transactions in international markets for companies, governments, and parastatals entities in Brazil, Colombia, Mexico, and Venezuela. Within his experience in the mergers and acquisitions area, he participated in sales, purchases, mergers and joint ventures for mass consumption, telecommunications, oil and energy, industrial, and financial companies.

Mr. Angulo is an economist from *Universidad de los Andes* and has an MBA from J.L. Kellogg School of Management at Northwestern University. He also coursed *Universidad de los Andes's* High Government program, directed to government officials and senior executives.

### **Jairo Alberto Corrales**

Mr. Corrales joined *PEI ASSET MANAGEMENT S.A.S.* in November 2009 and serves as its President since May 1, 2013. From August 2012 and until his appointment as President, he served as PEI's Real Estate Manager and before that, as Asset Administration Manager. Mr. Corrales has significant experience planning, structuring, and developing real estate and other businesses in the real sector, over 20 years of experience in project management, and more than 9 years in asset management. He was involved in the structuring and positioning of *Atlantis Plaza*, one of the most important shopping centers in *Bogotá* --an icon at the north of the city-- and one of the first projects structured under a single-owner scheme in Colombia. Mr. Corrales worked as Director for *Casa Editorial El Tiempo's* Real Estate Management Unit, which involved the management of assets such as the World Business Port office building and the cinema halls of *El Tesoro* Commercial Park.

Mr. Corrales is a Civil Engineer of *Universidad de los Andes* with a specialization in Finances from the same University; he completed an undergraduate program in shopping centers' management and marketing at the International Council of Shopping Centers in Buenos Aires - Argentina.

### **6.2. Brigard & Urrutia Abogados**

Founded in 1934, *Brigard & Urrutia* is one of the firms specialized in business law with the longest history, reputation, and strength in the country. The firm is at the forefront of the legal profession in Colombia and is widely acknowledged for its understanding of the markets and experience in both traditional and highly sophisticated transactional fields.

*Brigard & Urrutia* advises national and international clients in activities such as merger and acquisition transactions, banking and finance, natural resources, mining, oil and gas, infrastructure, project finance, joint ventures, insolvency and restructuring, competition and mergers, environmental law, business transactions, capital markets, litigation/dispute resolution, tax planning, labor law, and financial structuring.

*Brigard & Urrutia* provides advice and comprehensive representation to local and international clients, mainly in the following areas:

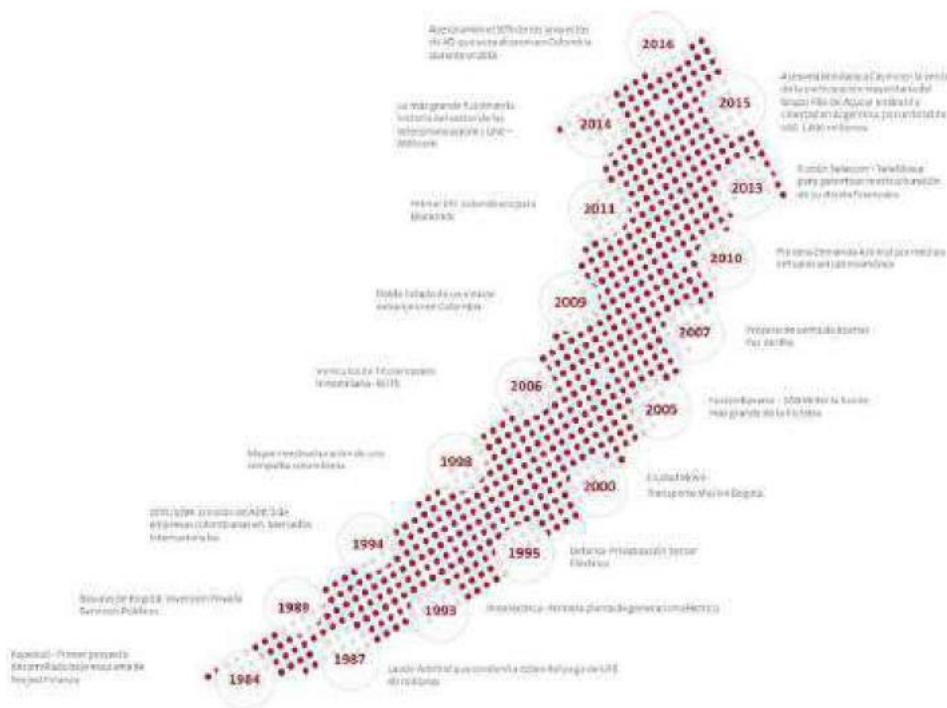
- Customs and International Trade
- Banking and Financial Services
- Foreign investments, Derivatives, and Structured Products/Compliance
- Competition and Mergers
- Corporate and Mergers and Acquisitions
- Estate Management
- Taxes
- Infrastructure and Public Utilities
- Immigrations
- Real estate, urban law, hotels, and agribusinesses
- Labor Law
- Litigation, Arbitration, and Insolvency
- Capital Markets and Securities Regulation
- Natural Resources and Environment
- Insurance and Reinsurance
- Telecommunications, Media, and Technology
- Intellectual Property

Currently, the firm has a multidisciplinary team consisting of 16 partners, 140 associates, and over 90 administrative and support officers. Most lawyers have completed master's degrees and specializations at recognized universities in the United States and Europe, and some have worked as foreign associates at top-tier international firms, being admitted to the New York State bar.

*Brigard & Urrutia* belongs to the most important law firms' global networks, allowing it to offer its clients privileged access to top-level firms in most countries of the world.

The firm has played a key role in the most important financial transactions in the country, representing international financial institutions, as well as some of the most important Colombian companies in the negotiation and restructuring of syndicated loans and issuances of local and international securities. *Brigard & Urrutia* has extensive experience in the structuring of securitizations and writes on this and other stock market issues for publications such as *IFLR*, *La República*, and other highly recognized journals.

*Brigard & Urrutia* is constantly committed to provide its clients with innovative legal solutions, being a pioneer in the design of legal structures that have allowed its clients to achieve their objectives. Some of these transactions are the following:



### 6.2.1. Legal Advice

*Brigard & Urrutia* advises with the ordinary legal matters related to the Trust's management, including the following:

1. *Purchase, lease and sale of the Trust's real estate:* Preparation of the Real Estate Assets' due diligence, drafting of lease and concession, promise of purchase and sale, sale agreements and other related contracts, as well as advice on the regulatory procedures related therewith.
2. *Issuance of Securities:* Advice on the procedures and documentation associated with the Issuance Program and new issues of Securities.
3. *Legal matters related to the Trust's Operation:* Advice on the tax, foreign investments, and business aspects associated with the Trust's management.
4. *Follow-up of Regulatory Issues:* Advice on any regulatory issues affecting the Trust's operation in financial, tax, foreign investment, business, real estate, public securities market, and institutional investors regulation matters.
5. *Negotiation of Contracts:* Advice on the negotiation, drafting, and execution of any Agreements inherent to the Trust's operation.
6. *Financing Mechanisms:* Advice on the structuring of financing mechanisms for the Trust

and related issues.

7. *Investors*: Legal advice in the matters pertaining to the registration of foreign investments, if applicable.

### **6.2.2. Team**

#### **Carlos Fradique-Méndez**

Mr. Carlos Fradique-Méndez is a partner at Brigard & Urrutia and has a well-known reputation in financial and capital market matters due to his extensive experience and knowledge of local and international transactions, which include securitizations, bond issues, syndicated loans, structured finance, mergers and acquisitions, project finance, and financial derivatives.

Mr. Fradique-Méndez was the head of the legal office of the Ministry of Finance and Public Credit - National Treasury Department and an associate at one of the most important law firms in New York.

Mr. Fradique-Méndez graduated with honors as a lawyer from *Universidad del Rosario*, holds a master's degree in International Banking and Finance from Boston University, a master's degree in International Business from University of Ottawa, and a Specialization in Financial Legislation from *Universidad de los Andes*. He is admitted to practice law in Colombia and the State of New York State.

He is a frequent lecturer and author in local and international forums and professor of the subject in postgraduate and specialization programs, among others, at the Schools of Law and Management of *Universidad de los Andes*, *Pontificia Universidad Javeriana's* School of Law, and *Universidad del Rosario's* School of Jurisprudence. He is a member of several Boards of Directors, Advisory and Surveillance Committees at issuers and securities market structures, and was a member of the Disciplinary Court of the Self-Regulating Market Authority for three periods.

## **7. FORMAL REQUIREMENTS OF THE ISSUE**

### **7.1 Approvals and Authorizations**

This Prospectus and the Trust Agreement were approved by *Estrategias Corporativas S.A.S.'s* Board of Directors, at its extraordinary meeting of January 20, 2006, as recorded in Minutes No. 18, included in Annex 8.3.2 hereto.

The Financial Superintendency authorized the Issuance Program, its registration with the Securities and Issuers National Registry, and its corresponding public offering, as the Originator

complied with the procedures established in articles 5.2.1.1.3 to 5.2.1.1.5 of Decree 2555.

## **7.2. Disclaimer**

THE PUBLIC OFFERING'S REGISTRATION WITH THE SECURITIES AND ISSUERS NATIONAL REGISTRY AND AUTHORIZATION THEREOF DO NOT IMPLY ANY CERTIFICATION WHATSOEVER AS TO THE SECURITIES' WORTHINESS OR THE ISSUER'S SOLVENCY.

## **7.3. Originator's Certification**

*Inversiones y Estrategias Corporativas S.A.S.* (under liquidation), identified with TIN 800.176.602-1, formerly *Estrategias Corporativas S.A.S.*, and its statutory auditor certify that, within their competence, they were appropriately diligent upon verifying the contents of the Eleventh Tranche's Prospectus and the same has no material omissions of information that may affect the future investors' decisions.

This certification is issued in Bogotá D.C., on May 3, 2019.

### **ORIGINAL SIGNED**

FEDERICO MÁRQUEZ AGUEL  
Legal Representative

### **ORIGINAL SIGNED**

NESTOR RAÚL CASTILLO PUENTES  
Statutory Auditor

### **ORIGINAL SIGNED**

NESTOR RAÚL CASTILLO PUENTES  
Statutory Auditor

## **7.4. Management Agent's Certification**

The Management Agent, *Fiduciaria Corficolombiana S.A.*, certifies within its competence as Management Agent for the *Estrategias Inmobiliarias - PEI Trust's* Equity Securities Issuance and Placement Program, that it used due diligence to verify the contents of the Eleventh Tranche's Prospectus, which includes truthful information and does not omit any material information that may affect any future investors' decisions.

Because it is not within its duties, the Management Agent, *Fiduciaria Corficolombiana S.A.*, did not independently audit the source information based on which this Prospectus was prepared, in that pertaining to the Originator. Accordingly, *Fiduciaria Corficolombiana S.A.* shall not be

liable for any assertion or certification (explicit or implicit) contained therein.

Also, the Management Agent, *Fiduciaria Corficolombiana S.A.*, because it is not within its duties and rather, because such functions correspond to *Estrategias Inmobiliarias - PEI Trust's* Statutory Auditor, has not audited the source information of the financial statements prepared under the financial accounting information and reporting standards of *Estrategias Inmobiliarias - PEI Trust*.

For purposes of this certification, *Estrategias Inmobiliarias - PEI Trust's* Statutory Auditor audited, in accordance with the international auditing standards accepted in Colombia, the financial statements prepared under the financial accounting information and reporting standards of *Estrategias Inmobiliarias Trust* (3-2-4241), NIT 800.256.769-6, as of December 3, 2018, and issued a report in such connection on February 11, 2019, which has no observations.

The procedures performed by the Statutory Auditor on *Estrategias Inmobiliarias - PEI Trust's* Equity Securities Issuance and Placement Program, were the following:

1. Cross-checking of the amounts and dates in LOGAN and CBRE's appraisals, as provided by the Management Agent, with the information included in paragraph 2.4 "Commercial Appraisals" and the accounting as of December 31, 2018. *Nutresa Palermo, Ideo Cali* and *Plaza Central's* appraisals were updated in 2019; therefore, the values included are being audited.
2. The acquisition price and the charity, registry, and notarial expenses described in paragraph 2.4 "Acquisition Price", were cross-checked against the accounting as of December 31, 2018. These amounts were cross-checked against the deed and the notary, charity, and registry costs' settlement. *Plaza Central's* purchase price was determined on 50% of the acquired and capitalized total.

Cross-checking of the information on the lease agreements described in paragraph 2, "Lease Agreements Terms", with the contracts delivered by the Management Agent, based on the existing agreements' contractual conditions as of December 31, 2018, as well as assumptions on the renewal and placement of new contracts by the Real Estate Manager. The annual lease fee was determined by multiplying the monthly lease fee by 12 months.

The financial, accounting, tax, and extra-accounting information is the Management Agent's responsibility.

This certification is issued for the Financial Superintendency of Colombia, on May 3, 2019, to comply with paragraph 1.3.9.1 of Chapter II, Title I, Part III of External Circular 029 of 2014 issued by such Superintendency (Basic Legal Circular).

< ORIGINAL SIGNED >  
JUAN CARLOS PERTUZ BUITRAGO  
Legal Representative

< ORIGINAL SIGNED >  
GLORIA PATRICIA ULLOA  
Statutory Auditor  
Professional License 84499-T  
Appointed by Ernst & Young Audit S.A.S. TR-530

Complying with Article 2 of Act 43 of 1990, the Statutory Auditor's signature in the certifications is based on the accounting books.

### **7.5. Investors Legal Representative's Certification**

The Investors Legal Representative, *Fiduciaria Colmena S.A.*, certifies within its competence as the Investors Legal Representative, that it used due diligence to verify the contents of the Eleventh Tranche's Prospectus, which includes truthful information and does not omit any material information that may affect any future investors' decisions.

Because it is not within its duties, the Investors Legal Representative, *Fiduciaria Colmena S.A.*, did not independently audit the source information based on which this Prospectus was prepared, in that pertaining to the Originator. Accordingly, *Fiduciaria Colmena S.A.* shall not be liable for any assertion or certification (explicit or implicit) contained therein.

This certification is issued on May 6, 2019.

<ORIGINAL SIGNED>  
LUZ MARÍA ÁLVAREZ ECHAVARRÍA  
Legal Representative