



ANNUAL
REPORT 2019
LONG-TERM
STABILITY



COLOMBIA'S LEADING
REAL ESTATE INVESTMENT VEHICLE

INTRODUCTION

Pei Asset Management is glad to present this new version of the vehicle's annual management report to Pei's investors. The Investor Relations and Communications team has worked for the last two years in strengthening the tools through which we contact investors and Pei's stakeholders in general.

The dynamics sought to generate through the monthly reports, the quarterly teleconferences, the Investors Assembly, direct contacts, and our website and our LinkedIn profile, among others, also impacts this Management Report.

We wished to revamp how we present the vehicle's results in this version thereof, emphasizing the highlights of the 2019's management in a more modern and closer wording and layout.

We are sure that this step forward will achieve the purpose of highlighting Pei Asset Management's results --as the real estate portfolio's manager-- and main achievements for the benefit of our investors, the communities we impact and, in general, all of our stakeholders.

This management report is the doorway to detailed information on Pei's results and the financial and real estate markets' performance, also available in the different documents, reports, and communication channels enabled for such purpose.

We seek, in short, to continue to foster a closer and stronger relationship with you, and to build a greater mutual knowledge as the cornerstone for the vehicle's consolidation and growth.

We believe you will like it,

Jimena Maya
Investor Relations Manager
Pei Asset Management

TABLE OF CONTENTS

01 LETTER FROM THE PRESIDENT
PAGES 04 . 07

MANAGEMENT 2019
PAGES 10 . 39

VEHICLE'S STRUCTURE
PAGES 35 . 45

LEADING THE MARKET
PAGES 35 . 45

01
LETTER FROM THE PRESIDENT

LETTER FROM THE PRESIDENT

Stability is defined as a body's ability to remain in balance and preserve its qualities over time. Pei's management team and Advisory Committee are responsible for ensuring Pei's stability and honoring its pledges of value as a long-term Real Estate Investment Vehicle in Colombia.

To achieve this, we have strived to focus on maintaining a clear objective, determining a constant and responsible growth rate and, finally, being responsive in the best possible manner to any market changes and situations.

We are proud of having made stability one of Pei's pillars, over the past 13 years. Year after year we have confirmed that our decisions have guided the vehicle toward the right direction.

Since we created Pei, our goal and major added value has been the structuring of pillars that enable us to maintain the long-term profitability projections and continue the portfolio's growth and valuation dynamics.

Furthermore, we have promoted the creation of a diversified portfolio of assets, adjusted to the market's needs and in line with the real estate sector's trends.

Finally, we have reacted to the opportunities identified -- such as the incorporation of new types of properties to the portfolio--, the structuring of alternative mechanisms for the acquisition of properties, and the creation and consolidation of supplementary financial leverage tools such as bonds.

All of the above, preserving the balance and always respecting the features inherent to the vehicle's structure. As a result of this vision and management, in 2019 we ratified our market leadership, offering to our investors stability in their portfolios.

We remain thankful for your trust and will work in 2020 in continuing to strengthen Pei's solid foundations of its long-term stability.

PENDING SIGNATURE

Jairo Alberto Corrales Castro

Pei Asset Management's President

Stability is defined as a body's ability to remain in balance and preserve its qualities over time.

01
MANAGEMENT 2019

In 2019 we focused on stabilizing the portfolio's metrics --such as the vacancy control--, strengthening the processes related with risk analysis, and managing the expiration of the agreements' terms of duration.

BACKGROUND

2019 began with great expectations for growth and an activation of the country's economy given the new government's transition. Though last year was a stabilization period for many industries and economic rhythm improved compared to the prior period, it would be impossible to confirm that the economy performed at the expected levels.

2019 was a positive year for Pei, though with a number of challenges, among them the relocation of spaces and the occupation of assets under stabilization. The vehicle also confirmed its positive performance compared to the market's metrics, and its main stakeholders' trust was ratified in scenarios such as the issuance of Equity Securities and Ordinary Bonds.

MOST RELEVANT FINANCIAL METRICS

SECURITY'S LIQUIDITY

In 2019, the Equity Securities' liquidity amounted to a daily trading volume of

COP 3,297 million

which remains above the one million-dollars figure, for the third year in a row.

This behavior reflects a positive dynamic for Pei, as the capital market's performance was slower than the forecasted.

The business days traded in the Colombian Stock Exchange increased by one percentage point, reaching 97%, with an average amount per transaction of **COP 240 million**.

PROFITABILITY

Pei's profitability has remained stable in recent years, as assets such as **Único Shopping Center** were incorporated to the portfolio and certain periods captured the asset flows' stability and appreciation.

¹ The Dividend Yield Index is a financial ratio that shows the ratio between a company's distributed dividend per share in the last year and such security's price, as a percentage.

The 5-years profitability, at the end of December 2019, was at

11.83%

a figure that is in line with the vehicle's stabilized long-term profitability of CPI + 8%. The 12-month profitability was at **9.8%**, remaining above the weighted average profitability for the market's comparables.

Furthermore, the **Dividend Yield** closed at:

5,25%

58bps above the prior year, as a result of **Único Shopping Center's** incorporation to the portfolio. **Único Shopping Center's** flows were 100% stabilized from the beginning, reflecting the benefits that stabilized properties afford to the vehicle.

REVENUES

2019 experienced a 28% revenue growth, reaching **COP 466,459 million**.

This resulted, mainly, from the acquisitions made in the **last 12 months**, among which stands out the **Unico Shopping Center** portfolio, contributing **59,1%** of the additional revenue generated during this period.

The additional income's **remaining 32,9%**, is explained by the increase of the existing lease agreements and the portfolio's organic growth, which was **8%**.

The NOI¹

registered a 26% growth with **COP 385,408 million**.

It is important to highlight that the 2019's Operational Margin closed at 83%, reflecting the vehicle's operational expenses' efficiency, in spite of having experienced an additional appreciation tax cost for COP 3,005 million in 29 portfolio properties.

¹ NOI is the acronym for Net Operating Income.

Distributable Cash Flow

							Total	Decrease	Increase
Operational Income	Operational Expenses	Net Reimbursable Expense	NOI	Portfolio's Expenses	EBITDA	Net Financial Expense	Cash Flow Ex. Financing and CT	Financing and Work Capital	FCD

1. Includes: revenue from leases, hedging, and other income.
2. includes: Property tax, appreciation tax, insurance, appraisals, specialized operators' fees, management fees, maintenance and repairs, parking fees, and other expenses.
3. includes: Capex, working capital investments, amortizations.

Figures in thousands of millions.

In 2019, the largest TEIS Equity Securities issue in history --for COP 816,500 million--, was made.

RELEVANT PLAYER IN THE CAPITAL MARKET

CAPITAL STRUCTURE

In connection with the capital structure, it is worth referring to Pei Asset Management's strategy, designed for the vehicle to achieve a stable debt in the long term, promoting the debt service's optimization.

This has enabled Pei to benefit from low rates and **improve its investors' Dividend Yield**.

CORPORATE DEBT

During the first years, one of Pei's main financing sources to acquire the properties was debt, generally short-term debt that was prepaid later through the investors' capital, following the issuance of Equity Securities.

In 2018, Pei became the first real estate vehicle to carry out an ordinary bond issue with the stock market. Also, in 2019, the bond program's ceiling was increased to a total COP 1,5 billion, so in November of the same year a second issue --with particular features--, was conducted. Through this second issue, for **COP 500,000 million**, the vehicle completed a total 1 billion pesos in ordinary bonds in the Colombian capital market.

The second issue was offered in three sub-series: two, at a fixed rate with 5 and 10 years-terms, and one, at the CPI with a 25-year term. The vehicle completed therewith, 180 bondholders. The issuance obtained excellent results, with over-subscriptions for COP 644,950 million, exceeding by 1,61 times the amount offered.

With this second bond issue, Pei managed to reduce the capital maturities' concentration during the next 4 years, with an aim at reducing the vehicle's refinancing risk in the medium term.

Additionally, the portfolio's exposure to the fixed rate increased from 42% to 53%, taking advantage of the low rates' situation in the market, and the obligations' average maturity increased by 4 years --from 5,27 to 9,3 years--, enabling a higher debt average maturity compared to the lease agreements' average expiration periods.

A SOLID AND PROFITABLE PORTFOLIO

Over the last 12 years, Pei has consolidated a portfolio of properties with high operation standards and appreciation projections, becoming the country's largest owner of professionally managed operational real estate.

In connection with the portfolio's real estate management, it is worth noting that the period ended with **COP 6,2 billion** in assets under management and a leasable area of **982 thousand m2** represented in 2,123 lease agreements.

OCCUPANCY

In terms of occupancy, 2019 was challenging, prompting our commercial team to work even harder to close the year with positive metrics compared to those of the Colombian real estate market. The portfolio's average physical vacancy stood at 5,8% and the average economic vacancy at 5,4%.

The increase, compared to the 2018, resulted from specific events during the year, including the return of the area occupied by Itaú in *Edificio Corporativo* at *Calle 27* in Bogotá and Redetrans's return of five warehouses rented in different municipalities of the country.

In spite of these returns, the period ended with the re-placement of the 12,000 m² of *Edificio Corporativo* at *Calle 27* and three of Redetrans' warehouses. Even so, the year closed with vacancy levels substantially lower than those of the market in all categories where Pei has assets. We attribute this to the year's management, where agreements for **100,945 m²** --equivalent to **COP 4,410 million in monthly revenues** were renewed-- and to the lease of 43,787 m² under the 4 asset categories, though the most representative of the year were corporate and warehouses.

AGREEMENTS' TERM OF DURATION

The average duration of all the portfolio's agreements in 2019 was **6,3 years**, considering that the most recent acquisitions focused on the commercial category whose contracts, by their very nature, tend to have terms around 4 years compared to those of the corporate category --which usually exceed 7 years-- and the logistics category -- which typically exceed 8--. If the agreements' terms of duration is analyzed excluding the commercial portfolio, the figure stands at **9,07 years**.

RETENTION

One of the vehicle's primary management metrics is the tenants' retention, achieved by maintaining active business relationships therewith and permanently offering them services and added values meeting their businesses' real estate needs.

The retention management was positive in 2019, achieving an **80% composite** tenants' general retention rate. In the corporate category this rate stood at 18,1%, in the commercial category at 94,9%, warehouses at 88,2%, and specialized at 100%.

The agreements' average term of duration in 2019 was 6,3 years.

MAINTAINING AND PRESERVING THE ASSETS' VALUE

The improvement of the real estate assets is one of Pei's permanent activities, aimed at generating value for both the tenants and the portfolio investors.

193 works in assets belonging to the four categories were performed in 2019, amounting to **COP 9,508 million**. The following are the most representative of such works:

Atlantis Shopping Center

The Shopping Center renovated both its facade and interiors throughout the last four years, with an investment close to COP 15,000 million.

The parking lots' carbon monoxide extraction system was modernized, the premises were adapted for the entry of new tenants, and the facade's remodeling was completed in 2019.

CAPEX 2019 | COP 2,202 MM

CITTIUM Industrial Park

The anti-fire network, the elevators in two of the floors, and the perimeter cameras were renewed, and the park was electrically separated in 2019.

CAPEX 2019 | COP 2,232 MM

Total invested Capex in the portfolio in 2019: COP 9,508 million.

Ideo Itagui

As part of the 2019's renovations, Ideo Itagui changed its electrical system and linear led lights in the common areas, built a concrete tank, and adapted the premises for new tenants.

CAPEX 2019 | COP 567 MM

Fijar 93

In 2019, Fijar 93 building's reception and the upper floors' elevator halls were remodeled. Its commercial premises were also adapted, and the bicycle racks installation began. This is expected to be completed in the first months of 2020.

CAPEX 2019 | COP 1,279 MM

CONSOLIDATING THE LARGEST REAL ESTATE PORTFOLIO IN THE COUNTRY

Three (3) acquisitions became part of Pei's asset portfolio in 2019: the first one, a health sector asset in the specialized category; the second one, *Nuestro Cartago* shopping center; and the third one, an additional floor in the corporate category.

One of the vehicle's main focuses has been the diversification of its portfolio in several aspects. Its recent acquisitions confirm that investments in urban centers of Colombian cities with populations below **200,000 inhabitants** are an opportunity to structure modern and comprehensive commercial offerings with development potential and value-added solutions with a regional scope.

SÁNITAS MEDICAL CENTER TEQUENDAMA

Sánitas Tequendama Medical Center in Cali was incorporated to the portfolio in May. This Medical Center is part of a level 1-medical centers portfolio of three, which Pei will acquire between 2019 and 2020 under the 'Built-to Suit' model. In this Medical Center, owned by EPS Sánitas, users will be able to access basic outpatient emergency and clinical laboratory services, and doctor's offices.

M2	3,552 m2
Construction time	12 months
Construction companies	Castañeda Vacca & Cia Construandes
Lease agreement	10 years
Acquisition amount	COP 18,404 million

11TH FLOOR OF ONE PLAZA'S NORTH TOWER

Pei acquired an additional floor in the north tower of the One Plaza building --located in Medellín--, in September. The new tenant is *Sistemas de Colombia S.A.S.* With this purchase, the vehicle completes 14,160 m2 in the property and a 53% stake in its joint ownership, consolidating the north tower's entire ownership.

M2	965 m2
Acquisition amount	COP 6,664 MM

CONTRIBUTING TO THE COUNTRY'S ECONOMIC DEVELOPMENT

NUESTRO CARTAGO SHOPPING CENTER

Nuestro Cartago Shopping Center was incorporated to the vehicle's commercial assets portfolio in October, with a 58% stake by Pei on the total leasable area. The asset began to operate in September with an occupancy exceeding 90% and a commercial mix including commerce, entertainment, and gastronomy.

Currently, *Nuestro Cartago* is the largest shopping center in the North of the department of *Valle* and has arrived at *Cartago* to strengthen the trade's growth in the region.

M2

17,710 m2

Acquisition amount

COP 50,324 MM

PROMOTING SUSTAINABLE CITIES AND COMMUNITIES

ATRIO'S NORTH TOWER

The construction of Atrio's North Tower was successfully completed by the end of 2019. Pei will have a concession stake with the group promoting the project.

In January 2020, the vehicle formalized its interest in Atrio's North Tower, an emblematic building in the country's capital. This architectural icon has a total 63,341 m², of which Pei acquired **21,987 m²**

Pei's final investment amounted to COP 271,093 million, achieving a 33,6% stake and expanding its corporate assets portfolio to 34.

Atrio was designed by Rogers Stirk Harbour and Partners, led by renowned architect Richard Rogers, who has been responsible for some of the most important buildings worldwide in the last decades.

The asset was built under a real estate mixed-use development scheme that includes a set of high-rise buildings configuring a large 10,000 m² public space layout at their feet, a 6,769 m² commercial area, and 56,572 m² of office area.

9,000 tons of steel, 95,000 m³ of concrete, and 10,000 tons of structural steel were required to construct the building.

THE LONG RUN - PROJECTING THE FUTURE

Under Pei's Investment Policy, the vehicle may structure promises for the purchase and sale of assets under construction with particular guarantee schemes granted by their developers, aimed at mitigating any risks associated with the construction and any commercial risks arising during their stabilization stage.

Two (2) binding documents were executed in 2019, for **COP 154,489 million** and the following assets are estimated to enter the portfolio in the medium term:

ADMINISTRATIVE HEADQUARTERS TIGO UNE-RIVANA:

Pei executed a binding document for **COP 140,448 million**, for the first stage of the Rivana Business Center, a **Built to Suit** project in the city of Medellín where Pei's has an 82% stake.

The first stage, which will correspond to Tigo Une's administrative headquarters, will have 21,316 m² of leasable space and capacity for 1,845 workers. In addition, the asset will have a LEED Gold certification and its first floor will be for commerce.

SÁNITAS VERSALLES MEDICAL CENTER

As part of the Sánitas Medical Centers' portfolio, Pei executed a binding document in connection with the acquisition of the new EPS Sánitas medical center in the Versailles neighborhood of Cali, under the **Built to Suit** model, for **COP 14,888 million**.

The asset will have a leasable area of 2,400 m² and will be the third property of Sanitas' expansion plan in Cali.

Pei's acquisition pipeline has binding documents executed before 2019, which include the following assets:

1

NUESTRO
BOGOTÁ:



Pei has a promise for the purchase and sale of a 73% stake in *Nuestro Bogotá* Shopping Center.

The asset will have more than 400 commercial premises distributed in anchors, sub-anchors, commercial, entertainment, and specialized stores. This will be the third asset of the *Nuestro* brand in Pei's portfolio.

3

CASABLANCA
HOTEL:



Pei executed a promise for the purchase and sale of a 60% stake of the *Casablanca Hotel* in the island of Barú, under a co-investments scheme with *Grupo Argos* and *Arquitectura & Concreto*.

The hotel will have 187 rooms under the luxury segment, that Accor will operate under the Sofitel's brand standards.

2

EL
TESORO'S
4TH STAGE:



Pei executed a promise for the purchase and sale of a 26% stake in the expansion of *El Tesoro Shopping Center* in Medellín, namely Stage IV.

This expansion will have more than 50 commercial premises and parking spaces estimated to become part of Pei's portfolio.

4

KOBA
IBAGUÉ:



Pei executed a binding document for the acquisition of *Koba Ibagué*, D1's distribution center in this city.

The asset will have a leasable area of 13,162 m2, destined to meet the needs of the department of Tolima and certain areas bordering Cundinamarca.

D1 is the hard discount retail store brand with the country's greatest positioning in recent years.

CHANNELS AND TOOLS TO MAINTAIN A PERMANENT, OPEN, AND TRANSPARENT COMMUNICATION WITH THE MARKET

WEB PAGE

In order to strengthen access to the information and the alignment with good practices, the vehicle's website was renewed in 2019 to provide a new and complete digital user experience for investors, tenants, and the public in general.

The following are among the website's most important updates:

- Portfolio's interactive map
- Interactive financial statements
- Subscription to reports and the vehicle's information

TELECONFERENCES

Throughout 2019, four (4) teleconferences were held with Pei's investors to discuss the vehicle's results. The teleconferences were attended, on average, by 45% of the equity. Teleconferences were held on a quarterly basis to report on the vehicle's most relevant events and generate a two-way channel to resolve investor concerns.

SPACES FOR INVESTOR RELATION PURPOSES

Visits to assets

01

03

Assemblies

Quarterly teleconferences

02

Meetings

1 to 1

THE STABLE PATH WE HAVE CARVED, HAS ENABLED US TO BECOME LONG TERM-PROJECTION LEADERS

2019 was a positive year for the vehicle, in spite of the challenges faced as managers, among them, the relocation of spaces, the assets under stabilization occupancy growth, and others. 2019 confirmed the benefits of a long-term stabilization and our different stakeholders observed its benefits.

The largest TEIS's issue and the second bond issuance during the year, the acquisitions, the team's growth and strengthening, the search for specialization, and our constant strive to deepen in sustainability issues led Pei to stabilize the operations and improve the processes. With this, the vehicle confirms its position as a leader and pioneer in an industry that continues to grow in the country.

COMMERCIAL CATEGORY

82
properties

Share in area 30%
Share in revenues 42%
GLA
296,717 M2

CORPORATE CATEGORY

33
properties

Share in area 25%
Share in revenues 38%
GLA
259,063 M2

WAREHOUSES CATEGORY

25
properties

Share in area 40%
Share in revenues 18%
GLA
392,243M2

SPECIALIZED CATEGORY

3
properties

Share in area 3%
Share in revenues 33%
GLA
33,861 M2

03

VEHICLE'S STRUCTURE

Because Pei is a real estate investment vehicle, different authorities oversee and supervise it to ensure its operation, transparency, and soundness, so that investors may confidently invest in it.

On the other hand, Pei Asset Management, Pei's real estate manager, has continued to strengthen its structure through new areas and an expert and professional team in charge of managing Pei's portfolio.

ADVISORY COMMITTEE

INVESTORS' REPRESENTATIVE: Colmena Fiduciaria

Investors' Representative: Brigard Urrutia

Real Estate Manager: pei ASSET MANAGEMENT

Independent Members: G-aaa¹

MANAGEMENT AGENT: Fiduciaria Corficolombiana

Control Authority: sfc

REAL ESTATE MANAGER

REAL ESTATE: Brigard Urrutia

INVESTORS: G-aaa¹

Sellers

Resources for Purchase

Pei Issuance Program's Manager I Deceval

Equity Securities: i-AAA²

INVESTORS

Placement Agents

Tenants

Promises for the Purchase and Sale, Purchase and Sale, and Lease Agreements

Resources of the Issue

Bonds Ordinary bonds: i-AAA³

Bondholders' Legal Representative: Itaú

- PFM
- Individuals
- Entities
- Insurance companies
- Others

CONSUMIDORA, CasadeBolsa, Alianza, Valores Bancolombia

CREDIT

Banks: Bancolombia, Davivienda, Banco de Occidente, Banco de Bogotá

Resources of the Issue

1 Portfolio Management Effectiveness Rating

2 Equity Securities Rating

3 Debt Securities Rating

BRC Standard & Poor's

MAIN PLAYERS AND THEIR ROLES

Management Agent

Pei Asset Management S.A.S. is the Management Agent in charge of the responsibilities connected with Pei's real estate portfolio management, such as its conservation and administration, as well as the promotion, structuring, and placement of new tranches submitted to the Advisory Committee's approval. The Management Agent, through its webpage, periodically informs Investors on the securities' performance and any other activities stipulated in the real estate management contract.

Placement Agents

Placement Agents are the stock exchange brokerage companies designated by Pei's Advisory Committee for the placement of any securities issued in the market.

Investors General Assembly

Is the assembly made up by Pei's Securities Investors, abiding by the quorum and conditions provided for in the prospectus.

Ordinary Bondholders General Assembly

Is the assembly where the Ordinary Bondholders validly and legally adopt resolutions on the Ordinary Bonds.

Brigard & Urrutia Abogados

Are the vehicle's legal advisors, in charge of all matters related to Pei's structure, the legal structuring of eligible investments, and any other legal matters connected with Pei.

Colombian Stock Exchange

Is the Colombian Stock Exchange --Bolsa de Valores de Colombia S.A.--, a private entity incorporated to manage the Colombian equity, derivatives, and fixed income securities market.

Advisory Committee

Is Pei's advisory body, which makes decisions on any eligible investments, the Program's compliance, the purchase and sale of real estate assets, and Pei's financial indebtedness, among other matters.

Depósito Centralizado de Valores de Colombia - DECEVAL S.A.

Is the entity acting as manager for the Program and the Ordinary Bonds.

Trustor

Is Inversiones y Estrategias Corporativas S.A.S. under Liquidation.

Investors

Are the individuals and private or public entities, national or foreign, who have acquired Securities.

Investors Legal Representative

Is Fiduciaria Corficolombiana S.A. or the entity selected by the Investors General Assembly to replace Fiduciaria Corficolombiana S.A. The Investors Legal Representative represents Pei's Investors.

Ordinary Bondholders

Are any persons acquiring the Ordinary Bonds.

REAL ESTATE MANAGER

7 Management Offices 87 Employees

Pei Asset Management S.A.S. is Pei's Real Estate Manager. In 2019, through a team that constantly strengthened throughout the year, Pei Asset Management S.A.S. continued to manage Pei's real estate portfolio and perform other functions under the real estate management agreement. The manager ended the year with a team consisting of 87 people, representing a 57% growth and seven management offices that increased compared to the previous year, as a result of the Asset Management Department's restructuring. A new Commercial Management Office stemmed from the Asset Management Department and is responsible for the placement of any relevant areas, the relations with tenants, and market intelligence. Also, it is worth noting that a risk area was structured to assess the tenants' credit risk and that in 2019 the entire treasury operation was insourced.

The Real Estate Manager's administration team is made up by following people:

<p>Jairo Alberto Corrales Castro President Years of experience: +20 Years at Pei: 9</p>	<p>Civil Engineer - <i>Universidad de los Andes</i>. Specialization in Finance - <i>Universidad de los Andes</i>. Diploma in Shopping Centers' Management and Marketing - International Council of Shopping Centers, Buenos Aires, Argentina.</p>
<p>Andrés Felipe Ruiz Vesga Finances and Administrative Vicepresident Years of experience: +16 Years at Pei: 2</p>	<p>Finance Professional - University of North Carolina. Value Investors Program - Columbia University. Executive MBA - Cornell University.</p>
<p>Jimena Maya Muñoz Investors Relations Manager Years of experience: +19 Years at Pei: 8</p>	<p>Industrial Engineer - <i>Universidad de los Andes</i>. MBA - INALDE.</p>
<p>Alejandro Alzate Commercial Manager Years of experience: +12 Years at Pei: 1</p>	<p>J.D. - <i>Universidad Externado de Colombia</i>. Master's in business law - <i>Universidad Externado de Colombia</i>.</p>
<p>Ana Maria Bernal Rueda Legal and Corporate Affairs Manager Years of experience: +14 Years at Pei: 2</p>	<p>J.D. - <i>Pontificia Universidad Javeriana</i>. Specialization in Capital Markets Law - <i>Pontificia Universidad Javeriana</i>. Specialization in Commercial Law - <i>Universidad de los Andes</i>. Master's in public administration - Harvard University. Master of Laws - Cornell University.</p>
<p>Luisa González Buendía Investment Manager Years of experience: +10 Years at Pei: 4</p>	<p>Economist - <i>Universidad de los Andes</i>. MBA - INSEAD in Singapore and Fontainebleau, France.</p>
<p>Maria Alejandra Cardozo Commercial Manager Years of experience: +10 Years at Pei: 4</p>	<p>Professional in Finance and International Relations - <i>Universidad Externado de Colombia</i>. MBA - IE Business School.</p>

SUSTAINABILITY

Pei Asset Management has been working on the issues of sustainability and how to transmit friendly practices toward both the environment and society, to the vehicle. In 2019, Pei's real estate manager subscribed the United Nations Development Program's 6 Sustainable Development Goals (SDGs):

**SUSTAINABLE
DEVELOPMENT
GOALS**

GENDER EQUALITY 5	AFFORDABLE AND CLEAN ENERGY 7
DECENT WORK AND ECONOMIC GROWTH 8	SUSTAINABLE CITIES AND COMMUNITIES 11
RESPONSIBLE PRODUCTION AND CONSUMPTION 12	PEACE, JUSTICE, AND STRONG INSTITUTIONS 16

EQUITY SECURITIES - TEIS

Information on the Issuer

Fiduciaria Corficolombiana – Pei Trust

President: Jairo Corrales

Investor Relations Manager: Jimena Maya

Pei Asset Management

Contact: Ana María Bernal

Telephone: (+ 57-1) 744 8999

Address: Calle 80 # 11-42 Piso 10

City: Bogotá

01 Real Estate Manager's Information

Fiduciaria Corficolombiana S.A.

Contact: Edwin Díaz

Title: Pei's Business Unit Manager

Telephone: (+ 57-1) 3538795 Ext. 2031

Johanna Patricia Alomía

Accounting and Tax Manager

Telephone: (+ 57-1) 3538795 Ext. 2031

02 Management Agent

Fiduciaria Colmena S.A.

Contact: Luz María Álvarez

Title: President

Telephone: (+ 57-1) 2105040

Claudia Pérez

Operations Manager

Telephone: (+ 57-1) 2105040 Ext. 221

03 Investors' Representative

1. International Securities Identification Numbering System
2. Distributable Cash Flow

TECHNICAL SHEET - ESTRATEGIAS INMOBILIARIAS' SECURITIES - TEIS

Type of Security	Estrategias Inmobiliarias' Equity Securities – “TEIS”, fungible, regardless of the tranche under which they are issued.
ISIN1 CODE	COV34PT00013
Term	99 Years as of February 2, 2006, extendable.
Amount of Authorized Program	COP 5,000,000,000,000.00 - COP 5 billion pesos
Amount Issued as of To Date	COP 3,716,684,160,000.00
Last Issue Date	June 25, 2019
Currency	Colombian pesos (COP)
Circulation Rules	Nominative
Securities Outstanding	431,422 Equity Securities
Preemption Rights	Investors appearing as “TEIS” owners in DECEVAL’s entry records ledger on the date of publication of any new tranche’s offer notice, shall have a preemption right corresponding to their total number of TEIS outstanding on such date.
Recipients	The public in general, including pension and <i>cesantías</i> funds
Payment Method	Upon maturity
Amortization of Capital	NO
FCD2 Periodicity	Semiannual (August and February)
Securities Rating Agency	BRC STANDARD & POOR’S
Last report date	April 09, 2019
TEIS Program Rating	"i-AAA"
Portfolio Management Effectiveness Rating	"G-aaa"

DEBT SECURITIES

TECHNICAL DATA SHEET - ORDINARY BONDS

1. Issuer's Information

Name of Issuer **Estrategias Inmobiliarias Trust**
Tin 800,256,769 DV 6 Jairo Corrales - General Manager

City Bogota Jimena Maya - Investor Relations Manager

2. Real Estate Manager's Information

Name of Issuer **Pei Asset Management** Contact Ana Maria Bernal

Address Calle 80 # 11-42 Floor 10 Telephone 744 8999

City Bogota

3. Management Agent

Name **Fiduciaria Corficolombiana S.A.**

Contact Edwin Diaz Johanna Patricia Alomía

Title Pei Manager Accounting and Tax Manager

Telephone 744 8999 3538795 Ext. 2031

4. Ordinary Bondholders' Legal Representative

Name **Fiduciaria Itaú**

Contact Jesus Quintero
Email jesus.quintero@itau.co

Telephone 5818181 Ext. 5143

5. Issue's Information

Type of Security Offered	Ordinary Bonds
Circulation Rules	Registered Bonds
Issuance and Placement Program's Global Ceiling	Up to COP 500,000,000,000
Number of Ordinary Bonds	Five hundred thousand (500,000) Ordinary Bonds
Number of Series	Twelve (12) Series
Par Value Per Bond	A, B, C, D, A-Pr, C-Pr, D-Pr, A-Am, B-Am, C-Am, and D-Am COP 1,000,000
Subscription Price	See paragraph 1.1 of the information prospectus.
Minimum Investment Amount	One million pesos (COP 1,000,000), i.e. one (1) Ordinary Bond, unless a different amount is specified in the relevant Public Offering Notice.
Redemption Terms	All Series have redemption terms from one (1) up to thirty (30) years, counted from the Issue Date.
Stock Exchange	Securities will be listed with the Bolsa de Valores de Colombia S.A.
Issuances Management	This issue will be fully dematerialized and managed by DECEVAL S.A. Consequently, the purchasers of the securities waive the possibility of materializing any Ordinary Bonds issued.
Rights Under the Securities	See section 1.3 of the Information Prospectus.
Ordinary Bondholders' Legal Representative	BRC Investor Services S.A. awarded a long-term debt rating of "AA+" to Pei's Ordinary Bonds Issuance and Placement Program. The full Rating Report is under Annex 1 to the Information Prospectus.
Listing Modality	Normal listing.
Market that the Offer is Addressed to	Primary Market
Validity of the Offer and Placement Term	See paragraphs 2.2 and 2.3 of the Information Prospectus.

SURVEILLANCE ENTITIES

The Financial Superintendency of Colombia is the authority competent to oversee the vehicle. The Superintendency was approached in 2019, to explain it the vehicle's features and needs in light of the capital market mission.

RISK RATING AGENCY

In 2019, BRC Investors Services reviewed the ratings for Pei's Equity Securities and Ordinary Bonds and ratified the i-AAA rating awarded to the Equity Securities Program and the AA+ rating awarded to the Bonds Issuance and Placement Program.

ADVISORY COMMITTEE

Pei's Advisory Committee is responsible for any decisions involving the vehicle's acquisitions, indebtedness, issuances, and performance in general. Pei's Advisory Committee has a mixed composition, consisting of independent members and the Real Estate Manager.

The Real Estate Manager chooses the Independent Members and the Investors Legal Representative, jointly with the Management Agent, ratifies them. The Real Estate Manager considers the business track-record, reputation, and experience as important criteria to choose the Advisory Committee's independent members.

INDEPENDENT MEMBERS

SOL BEATRIZ ARANGO

Servicios Nutresa S.A.S.'s President. Grupo Nutresa's Vicepresident for Sustainable Development, and Fundación Nutresa's General Director. Member of the Boards of Directors of Protección S.A., Crystal S.A., Corporación Unidad de Conocimiento, the Chamber of Commerce of Medellín, and Estrella Andina S.A.S.

JULIO MANUEL AYERBE

Julio Manuel was the President of *Organización Corona S.A.*, he is currently a partner at *Ayerbe Abogados* and member of the Boards of Directors of *Organización Corona S.A.*, *Corona Industrial S.A.S.*, *Homecenter de Colombia S.A.*, Banco Colpatría & Mercantil Colpatría, and MAS Equity's investment committee.

RICARDO OBREGÓN

Executive Chairman of *Productos Ramo's* Board of Directors, Senior Advisor for private equity fund Victoria Capital Partners, Chairman for *Banco Santander Colombia*, member of the Boards of Directors of *Valorem S.A.*, *Alianza*, and *Oncologos de Occidente*.

ROBERTO HOLGUÍN

Member of the Board of Directors of *Banco Davivienda*, *Constructora Bolivar*, *Grupo Energía de Bogotá GEB*; vicechair of *Universidad de Bogotá Jorge Tadeo Lozano's* Board, and member of *Grupo Bolivar's* investment committee.

INVESTORS LEGAL REPRESENTATIVE



The Advisory Committee's Independent Members remained the same in 2019 as in 2018, affording continuity to the follow-up of the vehicle's evolution.

The Advisory Committee's meetings in 2019 were held on a monthly basis, according to the schedule, and had an average attendance of 98%, abiding by the guidelines required for decision-making purposes in connection with the vehicle's investments, indebtedness, securities issues, and others.

REAL ESTATE MANAGER'S MEMBERS

CARLOS ANGULO LADISH

Partner at *Inversiones y Estrategias Corporativas S.A.* Carlos worked for 8 years at Goldman, Sachs & Co. in New York. He was involved in the creation of *Grupo Terranum* and is the current Chair of Pei's Advisory Committee.

JAIRO ALBERTO CORRALES

Pei Asset Management's President (formerly, *Terranum Inversión*) since 2009. Jairo was involved in Atlantis Plaza Shopping Center's structuring and positioning and worked as Director of the Real Estate Management Unit of *Casa Editorial El Tiempo*.

CARLOS FRADIQUE MÉNDEZ

Partner at Brigard & Urrutia, with over 25 years of experience advising numerous companies on Capital Markets, Banking and Finance, Foreign Exchange, Derivatives and Structured Products, and Customs, Foreign Trade and Tax matters.

ANA MARÍA BERNAL RUEDA

Ana María was involved in a number of transactions in the financial sector and the private equity fund industry. She has worked as an associate in the Capital Markets, Banking & Finance, and M&A areas of law firms such as *Philippi, Prietocarrizosa, Ferrero DU & Uría* and *Dentons Cárdenas & Cárdenas*. She also worked with the Financial Superintendency of Colombia.

O4 LEADING THE MARKET

The Colombian real estate market closed 2019 with a stable behavior, according to metrics such as vacancy, asset value, and their performance for the different asset categories and cities of the country.

The Colombian real estate market showed a positive behavior in 2019, compared to 2018; however, high vacancy levels still remain in certain asset categories.

Corporate assets in the city of Bogota behaved positively compared to the vacancy metric. There was a decrease, compared to the previous year, resulting from the absorption growth of type A+ and A buildings. In connection with the prices of the category, type A+ buildings showed an increase in their rental prices, standing around COP 63,000 per m2, while type A buildings decreased their prices throughout the year, going from COP 60,000 per m2 to COP 58,900 per m2. It is important to note that of the total absorption of 2019 (97,900 m2), over 50% corresponded to areas leased by the public sector due to the change of government and Wework, behavior that is not recurrent.

In the case of Medellín, though the last three years showed an increase of the A+ offices inventory, which was quickly absorbed by the market causing the prices to increase beyond COP 58,000 per m2. As to type A buildings, their absorption has been slower leading to an increase of the vacancy, from 5% to 8%, and rental prices around COP 45,000 per m2.

The corporate category in the city of Barranquilla continues to be at elevated levels, beyond 25%. However, throughout 2019, this metric decreased due to a greater absorption of type A+ and A office buildings. Prices in the category have remained stable, standing around COP 40,000 per m2.

The corporate category's vacancy in the city of Cali increased in 2019, due to the entry of type A inventory and a not very dynamic occupation. As a result of the vacancies increase prices have declined, standing around COP 45,000 per m2.

The corporate category's market vacancy stood at 10% of the inventory throughout the year, while Pei's portfolio vacancy in this same category stood, on average, at 4,2%.

The Warehouses category in the plains of Bogotá remained with high vacancy levels, standing around 17%. It is worth noting that prices increased in 2019, reaching COP 14,900 per m2 given the market dynamics and the occupancy of type A+ spaces during the quarter.

In Medellín, vacancies during the last year decreased going from 9,6% to 7,0%, due to the greater absorption of type A warehouses. On the other hand, average prices decreased from COP 16,000 per m2 to COP 15,100 per m2, as a result of the low dynamics of the leases in type B warehouses and Free Trade Zones.

In Barranquilla, during the second quarter of 2019, vacancy returned to 8% levels after reaching peaks, in the first months of the year, close to 10%. The price increased in the same period, from COP 14,800 per m2 to COP 15,200 per m2.

In the last 12 months in Cali, vacancy remained stable at 5% levels, after having reached 11% in the first semester of 2018. This recovery resulted from the lack of new offers and the gradual absorption of the square meters available. Prices have increased during the last year, reaching COP 12,800 per m2.

The vehicle's average vacancy in the commercial category was around 6.5% -- below market levels--, which in 2019 stood at a level close to 13%. Pei's vacancy reduction in this category resulted from a higher occupancy in shopping centers such as Plaza Central and Atlantis Plaza.

The vehicle experienced vacancy peaks throughout the year in this category, due to Redetrans return of its warehouses, most of which were re-placed in the same period, so that the yearly average vacancy stood at 7.8%, remaining substantially below market levels.

In the commercial category, Bogotá showed a stable behavior in terms of vacancy, standing close to 7,2% despite the entry of inventories in 2017.

In Medellín, the commercial category's vacancy recovered, though it closed at the 2018's levels of 5,4%. In 2019, it stood at levels close to 4%. This recovery resulted from the inventory's positive absorption throughout the year.

In Barranquilla, vacancy remained at stable levels in 2019, around 5,9%, although prices have decreased due to certain shopping centers poor absorption. In contrast, the city of Cali showed an increase in vacancy during the last year because considerably large spaces were freed during the year.



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