
Fair Value Valuation report of

a property located in the Kifissia Industrial Zone at
36 Viltanioti Street, area of “Kato Kifissia”,
Municipality of Kifissia, Region of Attica

Critical Valuation Date: 30-06-2019

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1. Description, statutory and legal aspects

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The property was inspected on 03-06-19 by Tassos Angelopoulos.

1.1. Location

The subject property is located in the Kifissia Industrial Zone between junctions 68 (Lykovrysi) and 67 (Kifissia) of the A1 (E75) motorway, which lies in close proximity to the west. Also known as the Athens-Lamia national road and, south of the junction with Acharnon Street, as Kifissou Avenue, the A1 is a "spine" motorway which runs north to south, starting from the area of Piraeus leading up to the border with the former Yugoslav Republic of Macedonia, connecting Athens with Thessaloniki, Greece's second largest city.

In local level, the principal access road to the Kifissia Industrial Zone, Lira Street, lies approximately 300 m to the east of the subject property, whilst junctions 68 (Lykovrysi) and 67 (Kifissia) are approximately 1.1 km and 1.5 km distant respectively. To the west, on the other side of the A1 (southbound carriageway), lies the Metamorfoosi EYDAP sewage treatment works. The immediate area around the subject property is mainly industrial or light industrial in character, although the immediate vicinity is also facilitated with a number of bank branches which have been built to serve the surrounding businesses.

Access to the subject property is easiest by car, especially for daily commuting, since public transport links with the rest of Athens are relatively poor. Kifissia train station on Line 1 of the Athens metro network is c. 2.2 km away, a 30-minute walk or a 13 to 19-minute bus journey (B9 or 543) whilst Metamorfoosi station of the suburban railway line (Athens International Airport-Kiato) lies approximately c.4.1 km from the property, a 30-minute bus journey (604 or B9).

We enclose a General Location Map showing the location of the property in its regional context as Appendix 3.1 below.

1.2. Description

The subject property is situated at No. 36 Viltanioti Street in the Municipality of Kifissia in an area which is characterised by industrial uses. The plot covers a total area of 8,523.65 m² as a result of the sale of a part of the original land which occurred in 2006. Some initial building works were undertaken several years ago and involved site preparation and excavation, but since then there has been no further progress. We understand that there were some problems as part of the excavation collapsed. According to the information provided to us, the total costs incurred up to the valuation date amount to €3,837,949, including the compilation of technical reports and studies, obtaining planning permission and the initial construction works. However, due to the economic recession there are no immediate plans to continue with any kind of works in the short-term.

It is our understanding that the owner does not plan to proceed with the development for the time being and, in any event, will not necessarily adhere to the initial plans. For the aforementioned reasons and for the needs of this valuation we consider the subject property as being vacant land and we value it using the Comparative Method.

We enclose photographs of the subject property as Appendix 3.2 below.

1.3. State of Repair

We cannot include any comments in our report since the suggested building has not yet been developed.

1.4. Public Utility Services

The subject property is not connected to the mains electricity, water supply or sewage for everyday use nor is it connected to the telephone network. In case of commencement of construction works the building site could be connected to the public utility networks for construction purposes only. Upon completion of the construction works, the property could be connected to all public

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utility services.

1.5. Tenure

According to the information provided we understand that the subject property is owned on a freehold basis by Lamda Real Estate SA. This company is in turn owned, in equal shares, by Lamda Development SA and Redding Invest Inc, which acquired the 50% share from Plias SA, with which Lamda has signed a private shareholders' agreement.

For the purposes of the subject valuation we have assumed that the property has clear and marketable titles.

We recommend that your legal advisors should verify matters concerning tenure. Any material discrepancies revealed during their verification should be referred back to us to enable us to amend our Valuation accordingly.

1.6. Planning Status

The subject land plot has a surface of 8,523.65 m². The area where the plot is located lies within the extension of the approved town plan according to the Articles of the Presidential Decree as shown in Government Gazette Volume number 589 D/02-06-05. According to this decree the applicable planning regulations in the area are:

- Minimum Surface for development suitability: 1,500 m² with a minimum frontage of 20 m on a public road
- Site Coverage: 70%
- Building Coefficient: 1.2
- Distance of structures from the plot boundaries: 6 m and 10 m
- Maximum height of the superstructure: 16 m

The allowed land uses are determined in Article 5 of Government Gazette 166 D/87 (Industrial and Light Industrial Use).

1.7. Environmental Considerations

1.7.1. Informal Enquiries

As instructed, we have not carried out a soil test or an environmental audit. Following informal enquiries, we understand that the property had previously the same use as today. On the basis of these informal enquiries, it would appear unlikely that land contamination exists. We have also observed that there are not any hazardous or potentially hazardous uses near the property. These comments are subject to the extent of the on-site survey and are made without liability.

1.7.2. Assumption

As our informal enquiries have suggested that land contamination is unlikely, we have valued the property on the basis that it has not suffered any land contamination in the past, nor is it likely to become so contaminated in the foreseeable future. However, should it subsequently be established that contamination exists at the property, or on any neighbouring land, then we may wish to review our valuation advice.

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2. Market Commentary & Valuation Advice

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2.1. Generic market commentary

North of the Kifissou Avenue section, alongside the A1 motorway there is a high concentration of major domestic and multinational industrial companies which have corporate headquarters i.e. offices, production, warehouse and/or distribution facilities. In particular, the part of the Kifissia Industrial Zone to the east of the motorway, which is also known as “Kaliftaki”, predominantly consists of light industrial, commercial and warehouse units and is home to important companies. This area was always attracting companies of this nature due to the fact that it is fairly close to many Athens residential areas due to good access offered via the Athens – Thessaloniki National Motorway and Attiki Odos. Before the economic crisis demand for either land plots or properties was high and the respective prices and/or rents were among the highest in Greater Athens for this sort of assets. Even today the situation is better compared to other Athens sub-markets with vacancy rates showing low levels. On the other hand we have not noticed any significant developments over the last 7-9 years and the flow of new players in the area is rather limited, something which has inevitably compressed prices and rents for properties available for letting or sale as well as for land plots which are suitable for development purposes.

2.2. Valuation Approach

In order to calculate the fair value of the subject property we have used the Market Approach (Comparative method). For the application of this method we have used data from the local market.

2.2.1. Market approach

For the application of the Comparative method we have conducted market research for land plots with similar planning regime in the greater area of Kato Kifissia. The following table contains the results of our research:

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Land Plot Sales

s/n	Description	Surface (m ²)	Bldg. Coef.	Price (€)	Price (€/m ²)	Asking	Location	Size	Characteristics	Adjusted price (€/m ²)	Adjusted buildable (€/m ²)
	Subject property				829					599	499
1	Kato Kifissia, within VIOPA area (industrial zone), land plot with a total area of 1,400 m ² , comprising a building coefficient of 1.2 and a site coverage ratio of 70%. Asking Price: €1,200,000	1,400.0	1.20	1,200,000	857	-15%	0%	-15%	0%	619	516
2	Kato Kifissia, within VIOPA area (industrial zone), land plot with a total area of 6,000 m ² , comprising a building coefficient of 1.2 and a site coverage ratio of 70%. Asking Price: €2,100,000	6,000.0	1.20	2,100,000	350	-15%	0%	-5%	0%	283	236
3	Kato Kifissia, within VIOPA area (industrial zone), land plot with a total area of 1,500 m ² , comprising a building coefficient of 1.2 and a site coverage ratio of 70%. Asking Price: €750,000	1,500.0	1.20	750,000	500	-15%	0%	-15%	0%	361	301
4	Kato Kifissia, within VIOPA area (industrial zone), land plot with a total area of 877 m ² , comprising a building coefficient of 1.2 and a site coverage ratio of 70%. Asking Price: €950,000	877.0	1.20	950,000	1,083	-15%	0%	-20%	0%	737	614
5	Kato Kifissia, within VIOPA area (industrial zone), land plot with a total area of 3,276 m ² , comprising a building coefficient of 1.2 and a site coverage ratio of 70%. Asking Price: €2,000,000	3,276.0	1.20	2,000,000	611	-15%	0%	-10%	0%	467	389
6	Kato Kifissia, within VIOPA area (industrial zone), land plot with a total area of 4,087 m ² , comprising a building coefficient of 1.2 and a site coverage ratio of 70%. Asking Price: €4,500,000	4,087.0	1.20	4,500,000	1,101	-15%	0%	-10%	0%	842	702
7	Kato Kifissia, within VIOPA area (industrial zone), land plot with a total area of 900 m ² , comprising a building coefficient of 1.2 and a site coverage ratio of 70%. Asking Price: €1,170,000	900.0	1.20	1,170,000	1,300	-15%	0%	-20%	0%	884	737

From the above matrix with the comparative evidence we understand that the (adjusted) asking prices for land plots in the industrial area of Kifissia range from € 280/ m² up to € 880/ m² approximately depending on their individual characteristics and other external parameters of influence such as accessibility, visibility from main traffic thoroughfares etc. In the above comparative evidence matrix we have applied the relevant adjustments in order to calibrate asking prices, location, size and characteristics elements of each land plot. The average price of the land plots in the area is set in the region of c. € 590/ m².

Given the current market conditions and the specific characteristics of the subject property we consider that a price in the order of € 590/m² is fair since it is within the adjusted price range, reflects the qualities of the asset and therefore has been applied for valuation purposes.

2.3. Fair Value

The fair value of the property is calculated as follows:

$$8,523.65 \text{ m}^2 \times €590/\text{m}^2 = € 5,028,954$$

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$(8,523.65 \text{ m}^2 \times 1.20) \times \text{€}492/\text{m}^2 = \text{€} 5,028,954$

2.4. Valuation results

Having carefully considered the property, as described in this report, we are of the opinion that the Fair Value of the freehold interest as at the date of valuation is € 5,028,954 which is rounded to **€ 5,050,000 (Five Million Fifty Thousand Euros)**.

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3. Appendices

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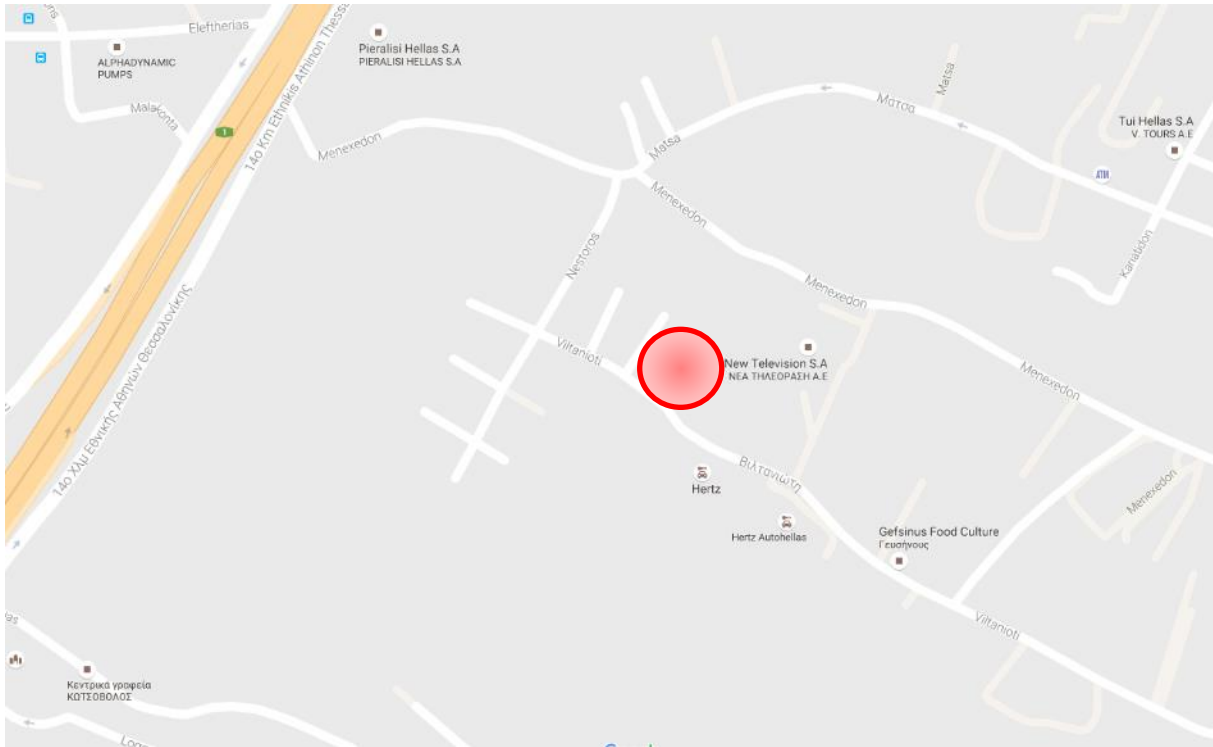


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3.1. Map of the area



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3.2. Photographs



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