

Keppel Pacific Oak US REIT

Acquisitions of
Bridge Crossing
in Nashville, Tennessee
and
105 Edgeview
in Denver, Colorado



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Transaction Overview



Deepening Tech Footprint in Nashville and Denver

Overview	Bridge Crossing	105 Edgeview
Total Acquisition Cost	<ul style="list-style-type: none"> Estimated total acquisition cost of US\$107.1m, comprising: <ul style="list-style-type: none"> - Aggregate purchase consideration: US\$105.1m <ul style="list-style-type: none"> o Bridge Crossing: US\$46.0m o 105 Edgeview: US\$59.1m - Acquisition fee: US\$1.1m - Other fees and expenses: US\$0.9m 	
Independent Valuations⁽¹⁾	<ul style="list-style-type: none"> US\$46.6 million JLL Valuation & Advisory Services 	<ul style="list-style-type: none"> US\$59.1 million JLL Valuation & Advisory Services
Proposed Method of Financing	<ul style="list-style-type: none"> Approximately US\$65.0m of private placement to institutional and other investors Debt facilities drawdown of approximately US\$43.3m 	



Bridge Crossing, Nashville, Tennessee



105 Edgeview, Denver, Colorado

Bridge Crossing, Nashville

Refurbished spaces with quality tenant amenities

Location Nashville, Tennessee

Submarket Brentwood

Land Tenure Freehold

Occupancy 100%

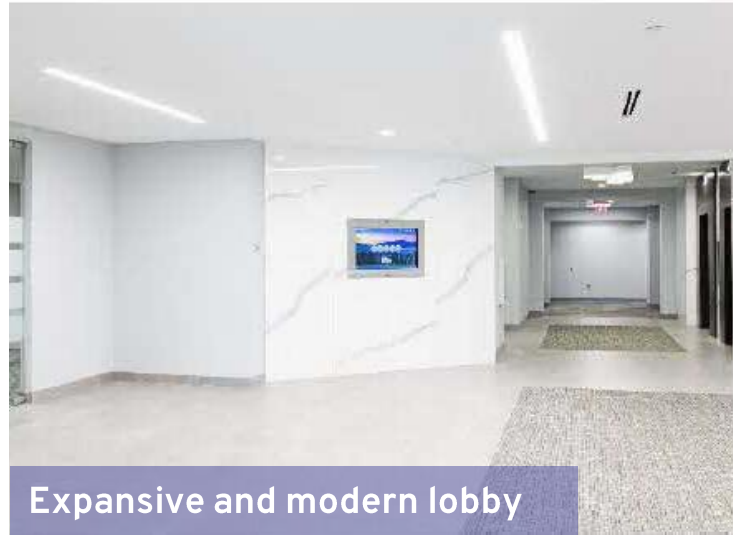
WALE⁽¹⁾ 5.7 years

Net Lettable Area 199,194 sf

No. of Tenants 2

Year Built 2017 (Refurbished)
Built in 1989

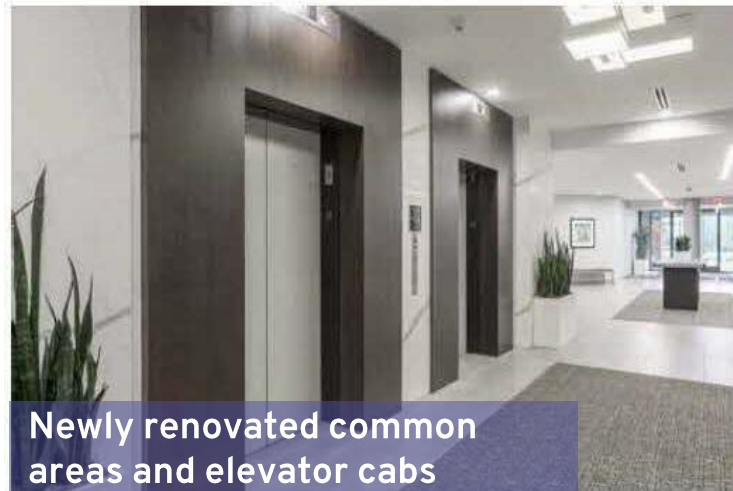
**Pro forma
NPI yield** 7.8%



Expansive and modern lobby



Well-equipped gymnasium



Newly renovated common areas and elevator cabs



Tenant space

105 Edgeview, Denver

High quality Class A LEED Platinum building

Location Denver, Colorado

Submarket Broomfield

Land Tenure Freehold

Occupancy 100%

WALE⁽¹⁾ 6.6 years

Net Lettable Area 186,231 sf

No. of Tenants 8

Year Built 2012

**Pro forma
NPI yield** 6.7%



Electric vehicle charging stations



Tenant space



Solar panels atop building



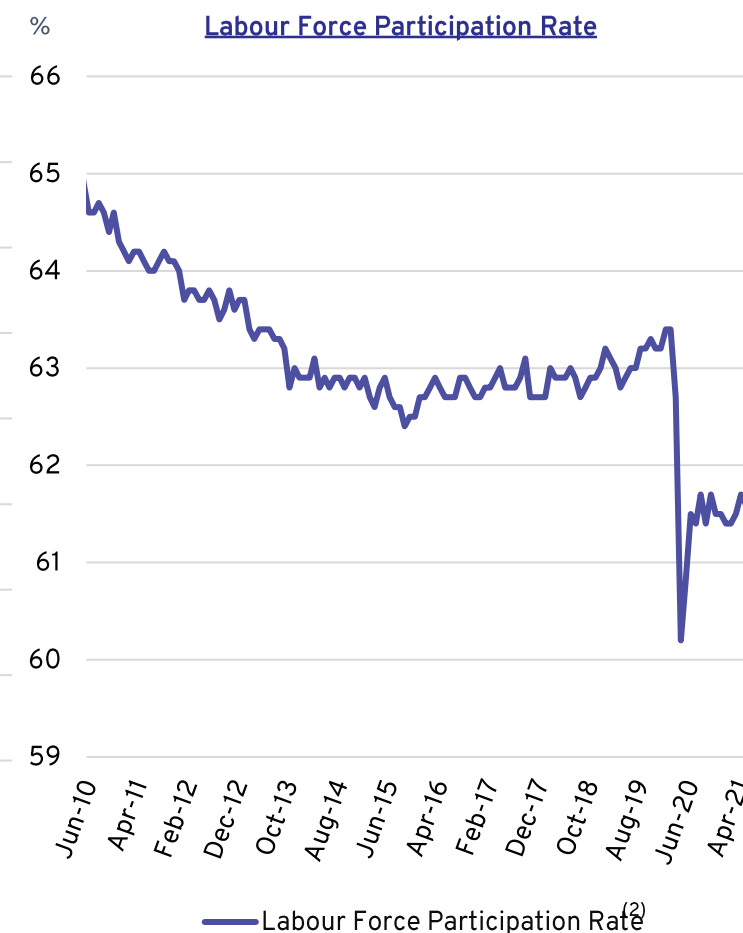
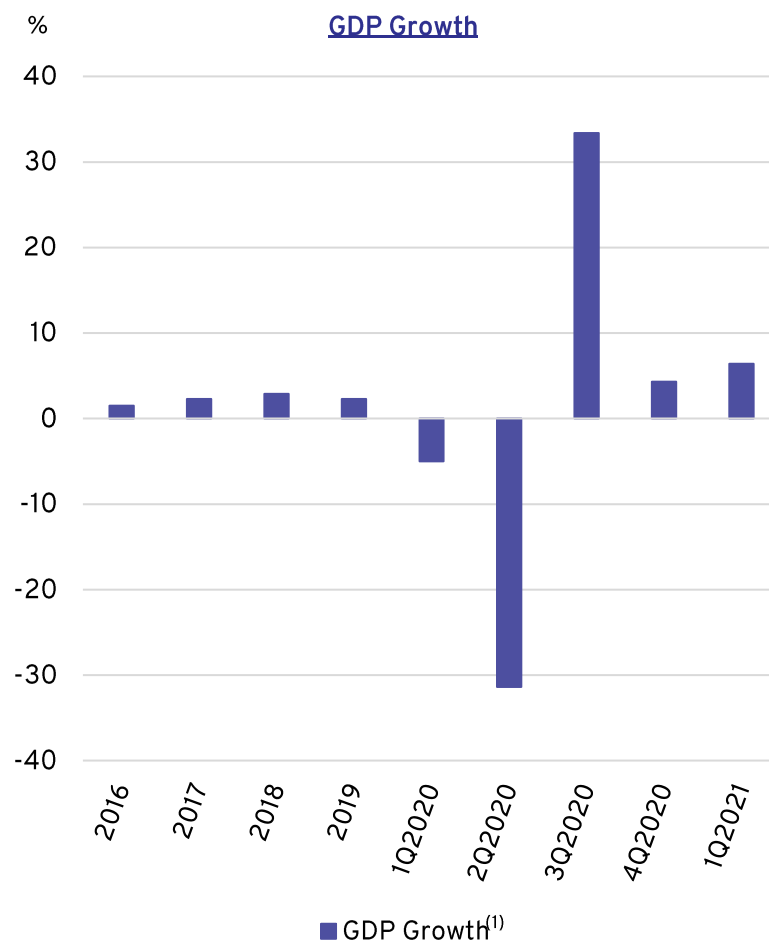
Modern lobby

US Office Market Overview

US Economy: Recovery Apace

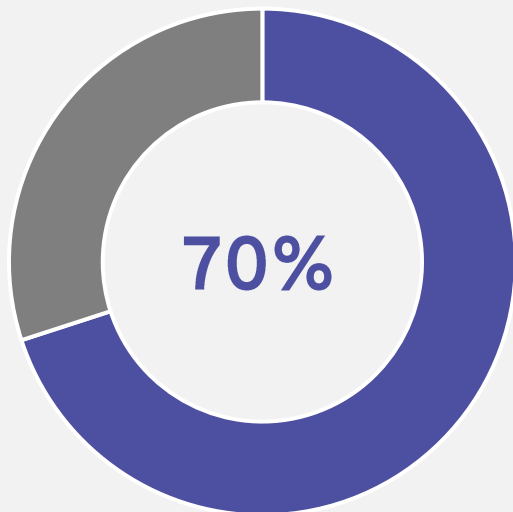
Continued resumption of economic activity in 2021

- US Real GDP increased 6.4% q-o-q in 1Q 2021 reflecting the continued economic recovery, reopening of establishments, and continued government response related to the COVID-19 pandemic⁽¹⁾
- Unemployment rate was 5.9% in June 2021, down considerably from its high of 14.8% in April 2020⁽²⁾
- Labour force participation rate was 61.6% in June 2021, with 6.4m persons seeking jobs and job openings at 9.2m⁽²⁾
- Economy will continue to benefit from the US government's support:
 - US\$1.9 trillion COVID-19 stimulus package announced in March 2021⁽³⁾

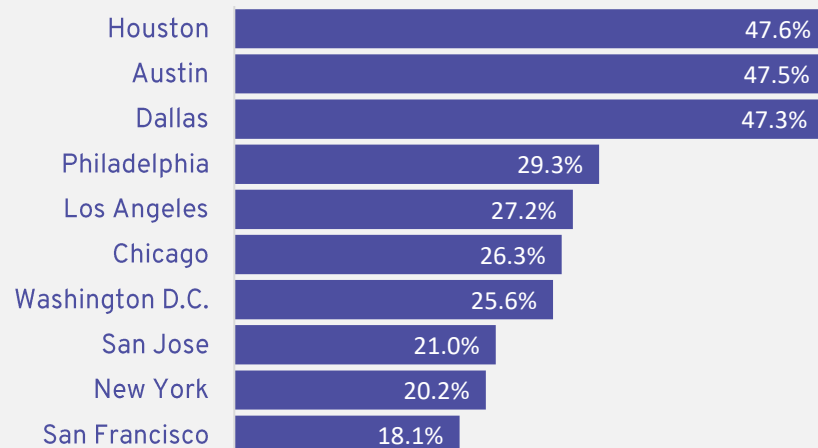


CEOs and Employees want to Return to Offices

Progress in vaccinations and the removal of COVID-19 restrictions are raising confidence and optimism



Top 10 US Cities: Employee Office Visits (as at 7 July 2021)⁽²⁾



People Vaccinated in the US (% of total Population)⁽³⁾

At Least One Dose

56%

Fully Vaccinated

49%

Total Vaccine Doses Administered: 337,740,358

- 70% of CEOs, human resources and finance leaders said they plan to have employees back in the office by the fall of 2021⁽¹⁾

- Texas metro areas are leading in office visits
- These cities rely mostly on cars, rather than mass transit, to get people to work

- COVID-19 deaths in the US remain near their lowest levels since spring 2020, and the number of people vaccinated continues to grow

(1) LaSalle Network, 2021: Office Re-Entry Index.

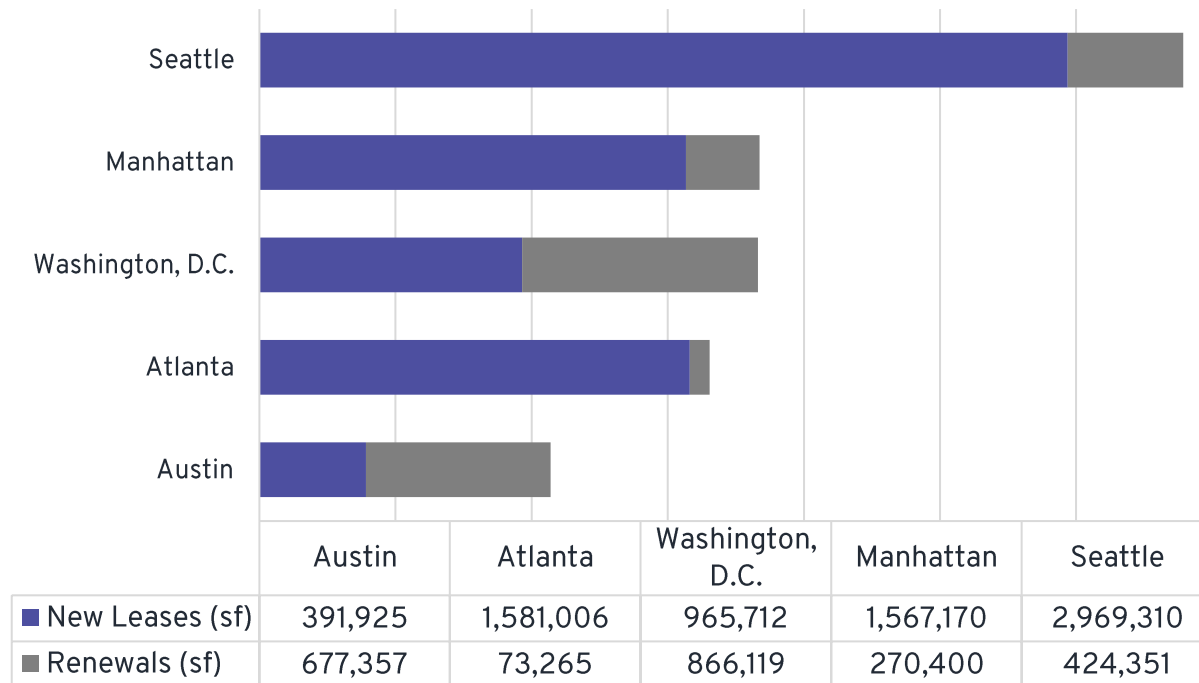
(2) Kastle Systems Back to Office Barometer.

(3) Centers for Disease Control and Prevention (CDC) COVID Data Tracker, as at 15 July 2021.

Tech Continues to Lead in Office Leasing

KORE's focus on the historically fast-expanding tech sector will benefit the REIT

100 Largest US Office Leases by Tech Firms in 2020⁽¹⁾
Markets with Most Square Footage Leased



- The tech sector leased ~26m sf of office space in 2020, accounting for 17% of total office leasing – more than any other industry⁽¹⁾
- Tech giants continued their leasing momentum in 2021:
 - The two biggest leases in 1Q 2021 were signed by Amazon, committing 700,000 sf in Boston and 605,000 sf in Seattle – Bellevue/Redmond⁽²⁾
 - Google announced in May 2021 plans to spend more than US\$7b on office spaces and data centres⁽³⁾
 - In July 2021, Facebook signed an additional lease for 300,000 sf, bringing its space commitment in Bellevue's Spring District to ~1.6m sf⁽⁴⁾

(1) CBRE TechInsights, March 2021.

(2) CoStar Office National Report, 1 July 2021.

(3) <https://www.cnbc.com/2021/03/18/google-to-spend-7-billion-in-data-centers-and-office-space-in-2021.html>

(4) <https://425business.com/facebook-adding-another-bellevue-building-in-spring-district/>



Key Investment Highlights

105

105 Edgeview

Key Investment Highlights

- 1 Deepens presence in key growth markets driven by tech and innovation, which will enhance income resilience
- 2 Prime locations in key submarkets with limited upcoming supply
- 3 DPU-accretive acquisitions that strengthen KORE's distributions and total Unitholder returns
- 4 Augments KORE's green footprint
- 5 Enhances KORE's weightage in current indices and positions for further index inclusions



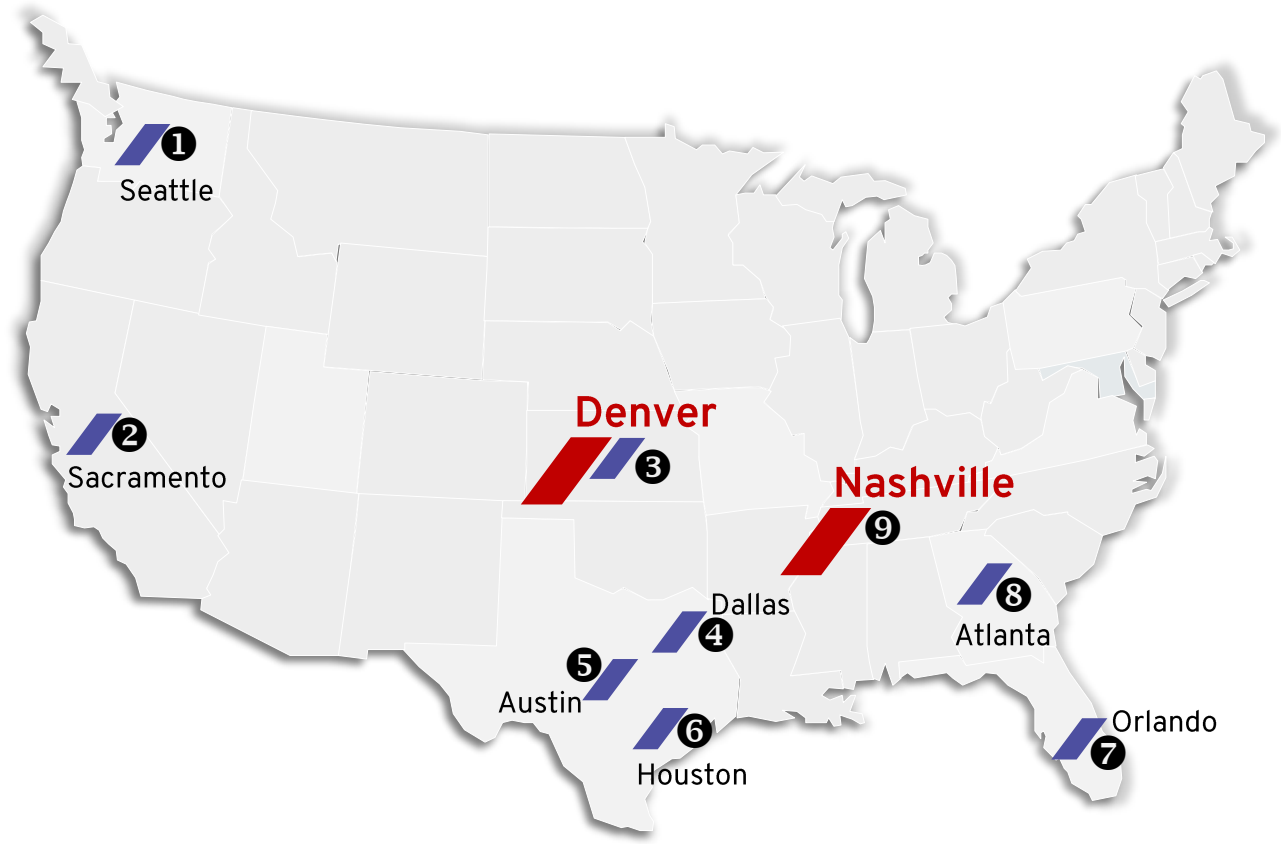
Bridge Crossing



105 Edgeview

1 Reinforces KORE's Focus on the Fast-Growing Tech Sector

Poised to capture growth from population migration and suburbanisation trends



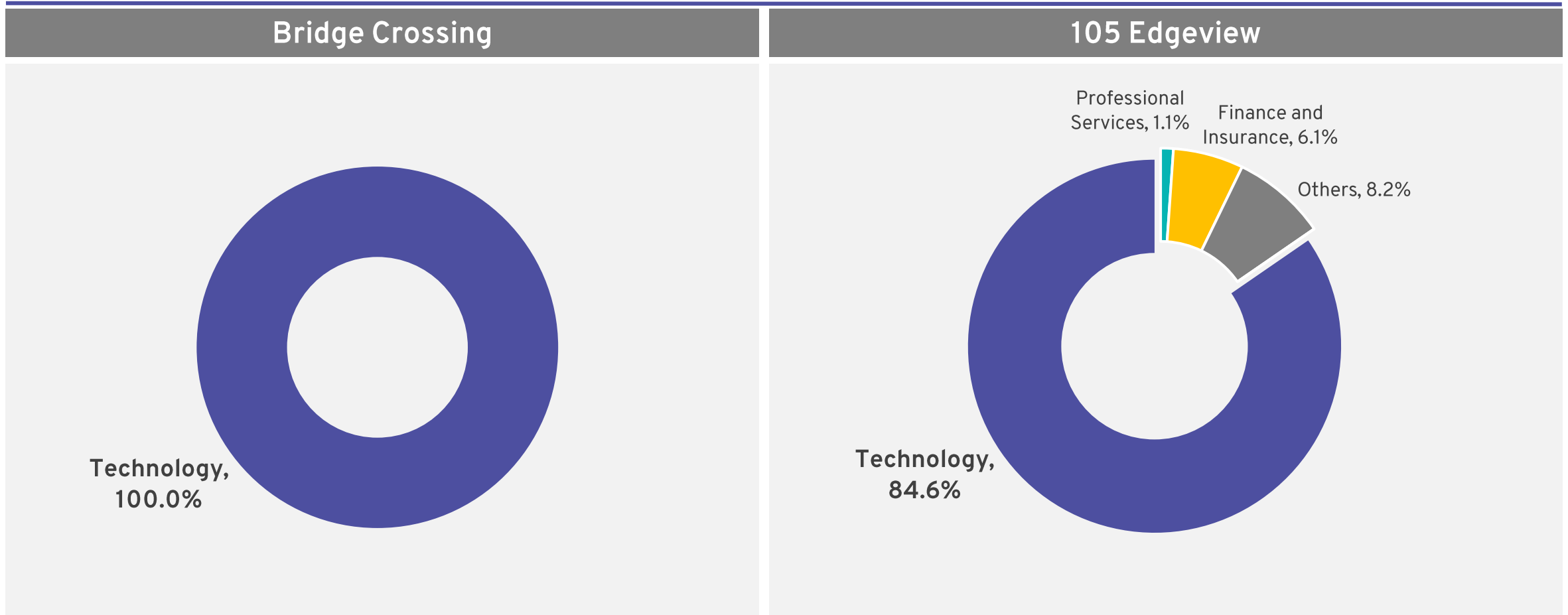
New Acquisitions
 KORE's Existing Properties
 Magnet Cities⁽¹⁾⁽³⁾
 #x Top 20 US Markets to Watch, 2021⁽¹⁾⁽⁴⁾
 Super Sun-Belt Cities⁽¹⁾
 18-Hour Cities⁽¹⁾
 #x Top 20 Best Tech Cities for IT Jobs 2020⁽²⁾⁽⁵⁾

1	Seattle, Washington					#6
	<ul style="list-style-type: none"> The Plaza Buildings Bellevue Technology Center The Westpark Portfolio 					
2	Sacramento, California					
	<ul style="list-style-type: none"> Iron Point 					
3	Denver, Colorado					#13
	<ul style="list-style-type: none"> Westmoor Center 105 Edgeview 					#10
4	Dallas, Texas					#4
	<ul style="list-style-type: none"> One Twenty Five 					#2
5	Austin, Texas					#2
	<ul style="list-style-type: none"> Westech 360 Great Hills Plaza 					#1
6	Houston, Texas					
	<ul style="list-style-type: none"> Bellaire Park 					
7	Orlando, Florida					
	<ul style="list-style-type: none"> Maitland Promenade I & II 					
8	Atlanta, Georgia					#11
	<ul style="list-style-type: none"> Powers Ferry Northridge Center I & II 					#8
9	Nashville, Tennessee					#3
	<ul style="list-style-type: none"> Bridge Crossing 					

1 Tech-focused Tenancies Providing Income Resilience

Curated exposure to the fast-growing tech sector which is best placed to benefit from post-pandemic disruption

Tenant Sector Contribution by CRI⁽¹⁾



1 Tech-focused Tenancies Providing Income Resilience

Majority of top 10 tenants are established tech companies

Top 10 Tenants by CRI⁽¹⁾ for Enlarged Portfolio

Top 10 Tenants	Sector	% of CRI
Comdata Inc	Technology	3.3%
Ball Aerospace & Tech	Technology	2.7%
Lear Corporation	Technology	2.6%
Gogo Business Aviation, LLC	Technology	2.6%
Oculus VR	Technology	2.2%
Zimmer Biomet Spine	Technology	1.9%
Spectrum	Media & Information	1.7%
Unigard Insurance Company	Finance & Insurance	1.6%
Bio-Medical Applications of Texas	Medical & Healthcare	1.6%
Auth0	Technology	1.6%
Total % of CRI		21.8%
WALE (by NLA)		5.4 years
WALE (by CRI)		5.4 years

- Low tenant concentration risk: KORE's top 10 tenants contribute only 21.8% of CRI
- Majority of top 10 tenants are established tech companies located in the fast-growing tech hubs of Seattle – Bellevue/Redmond, Denver and Nashville



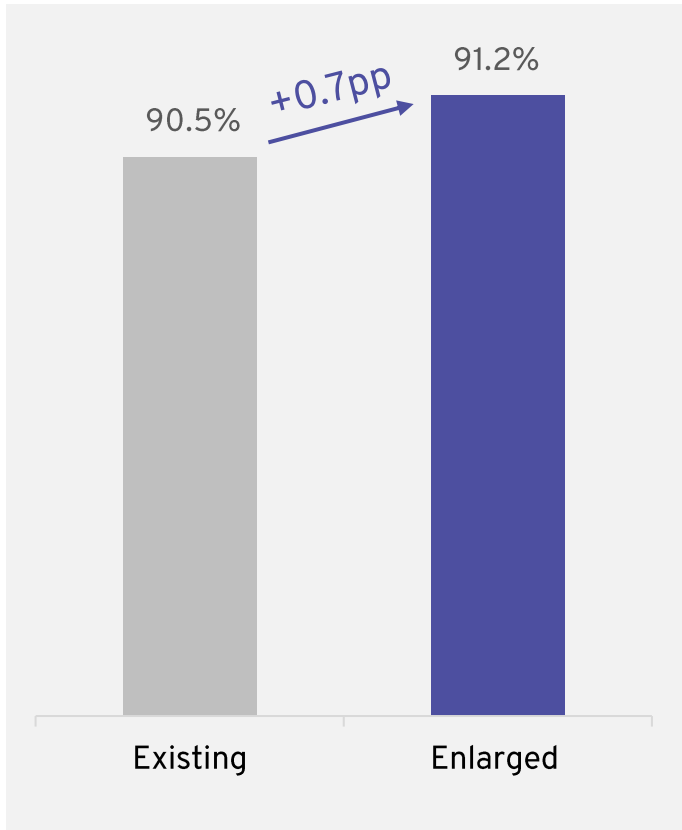
- Anchor tenant at Bridge Crossing, occupying 93.2% of the NLA
- Part of Fleetcor group, a leading global business payment firm, listed on NYSE



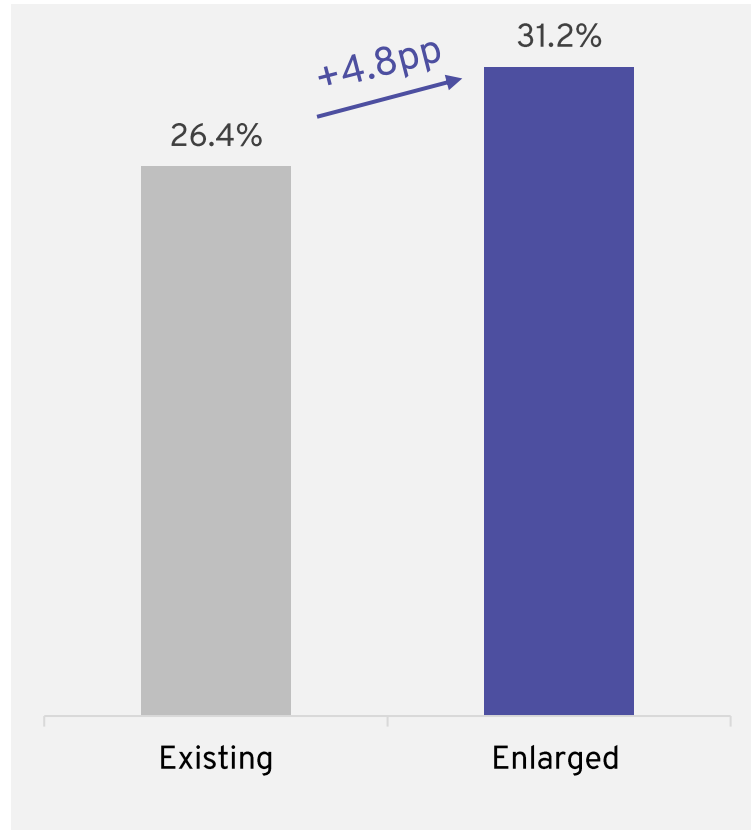
- Anchor tenant at 105 Edgeview, occupying about 66% of the NLA
- Listed on Nasdaq and is a leading global aero-communications service provider

1 Enhances Portfolio Scale and Income Resilience

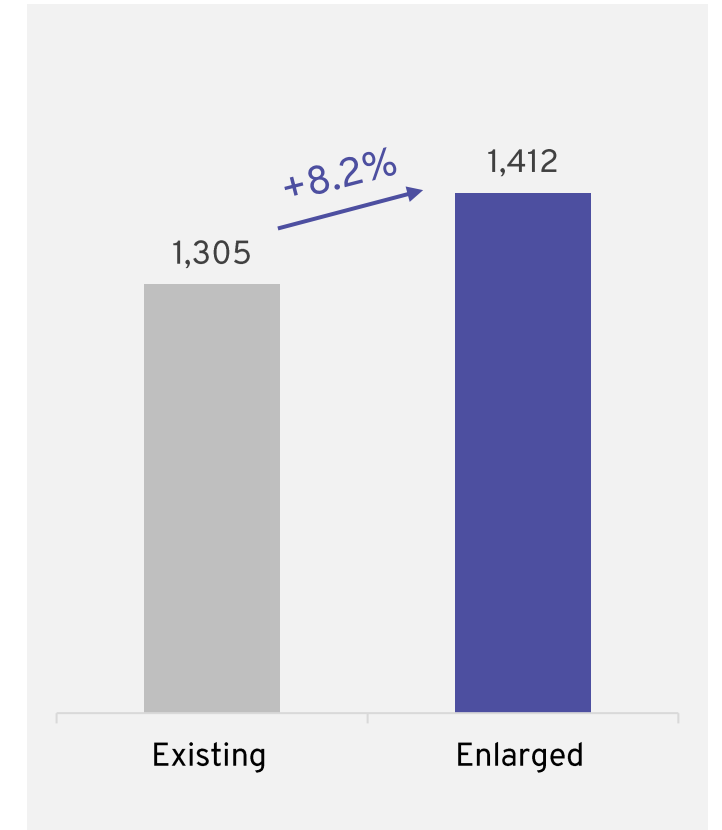
Increases Portfolio Occupancy (%)



Overall Tech-tenancy by CRI (%)



Increases Portfolio Value (US\$m)⁽²⁾

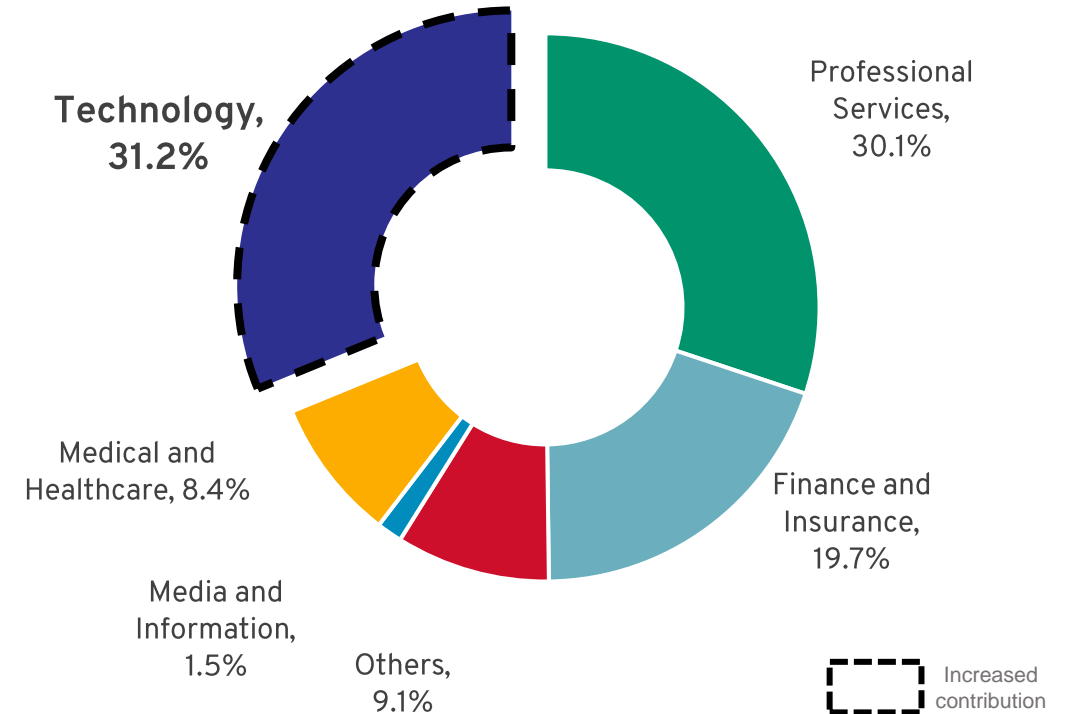
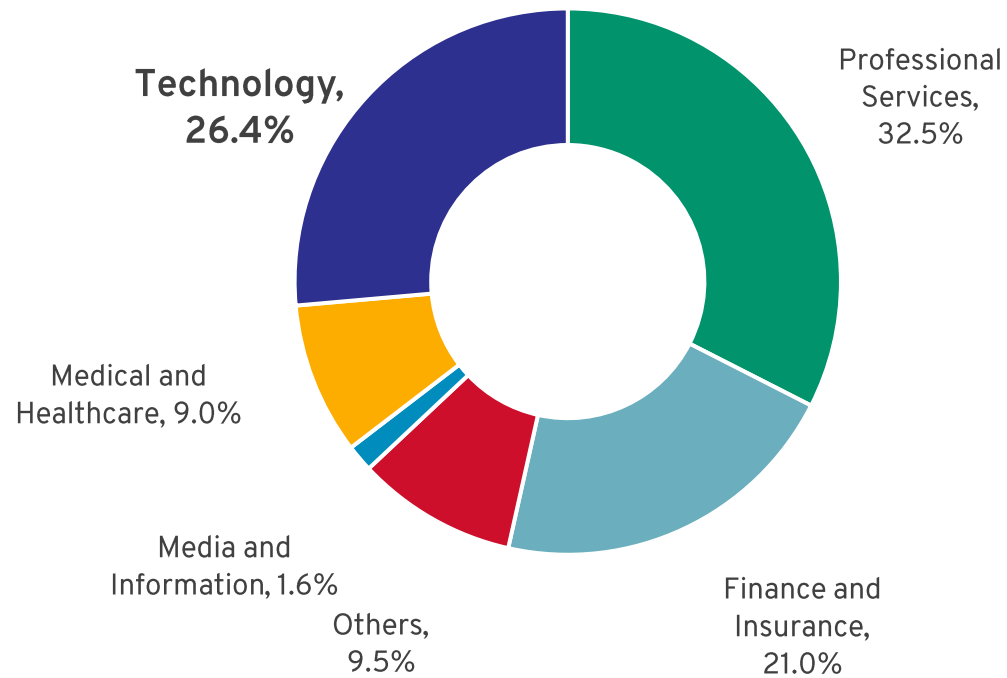


1 Increases Technology Sector Exposure for KORE's Portfolio

Increases KORE's exposure to the fast-growing tech sector from 26.4%⁽¹⁾ to 31.2%⁽¹⁾

Existing Portfolio

Enlarged Portfolio

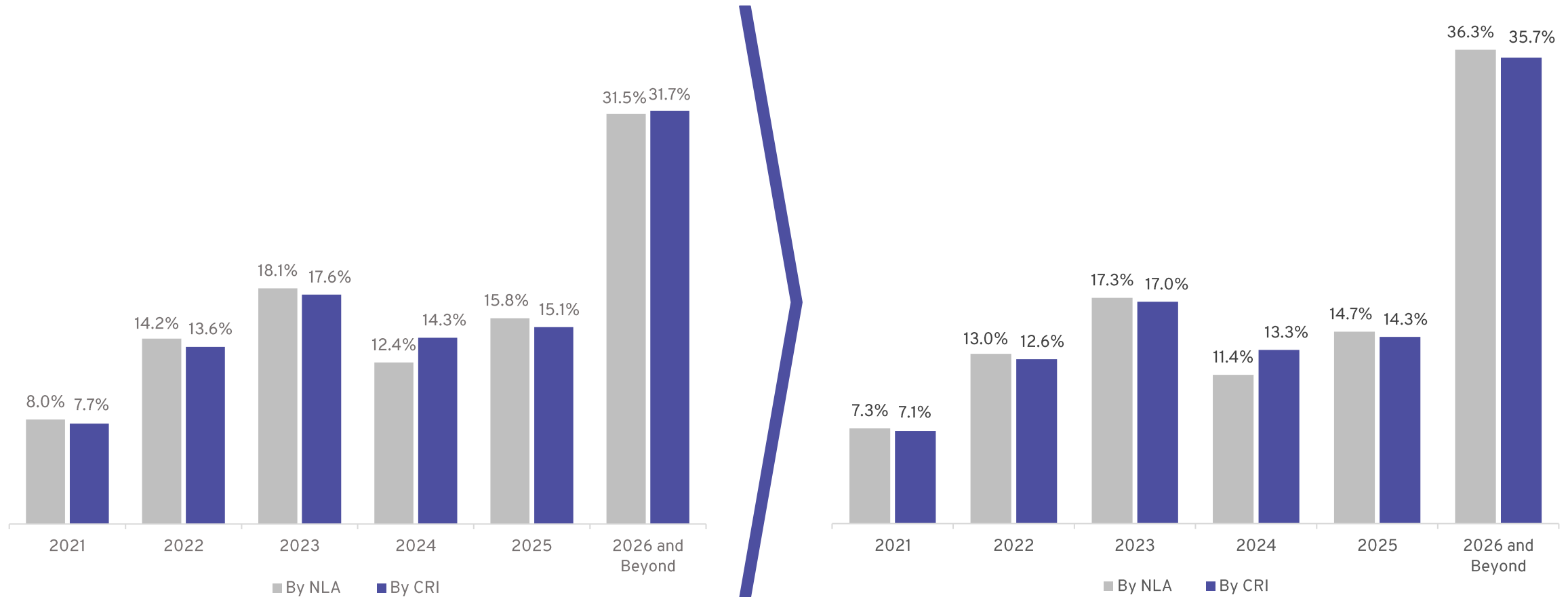


1 Well-Spread Lease Expiry Profile

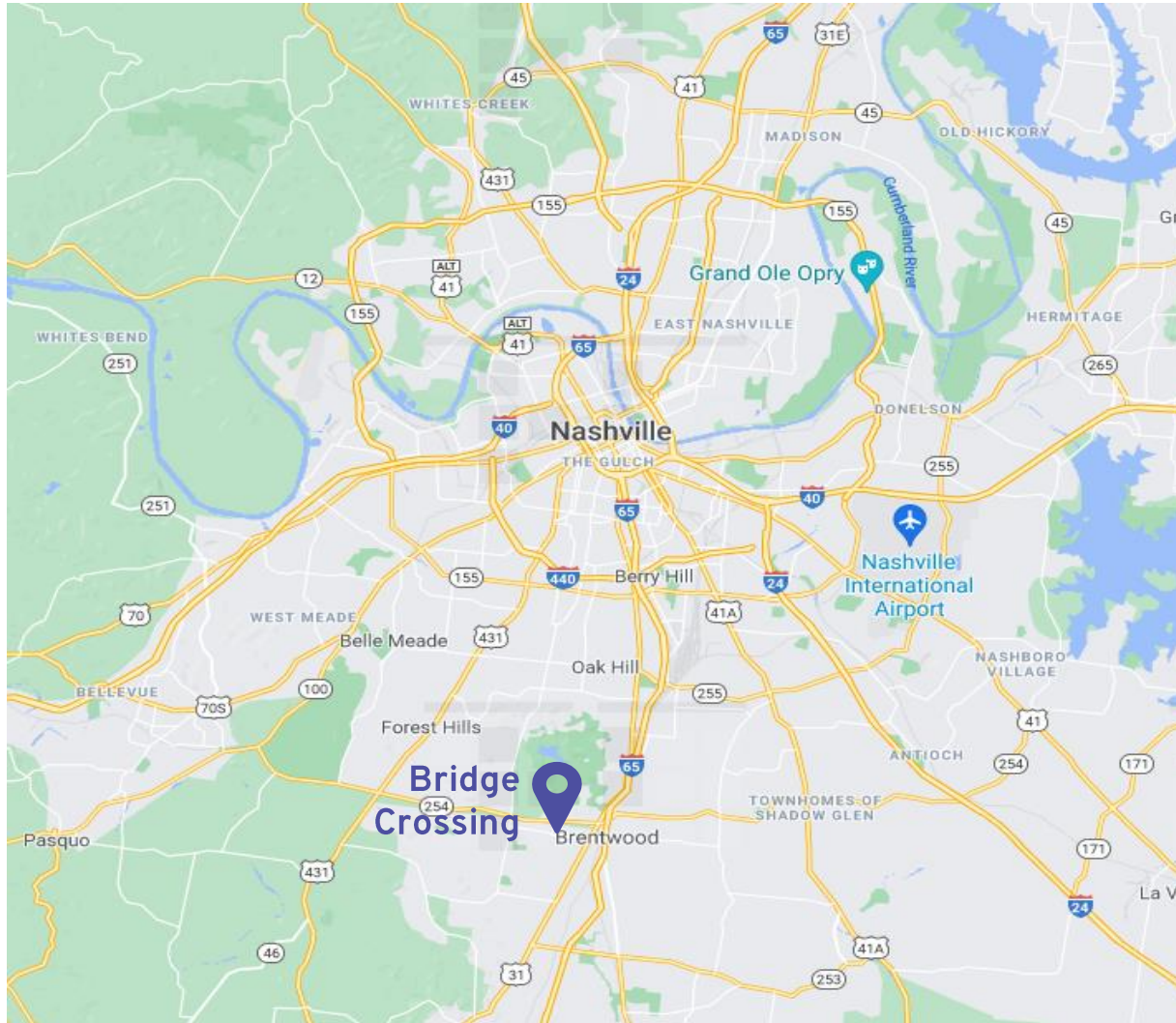
Weighted average lease expiry of 3.7 years by CRI

Existing Portfolio

Enlarged Portfolio



② Strategic Entry into the Growing Tech Hub of Nashville

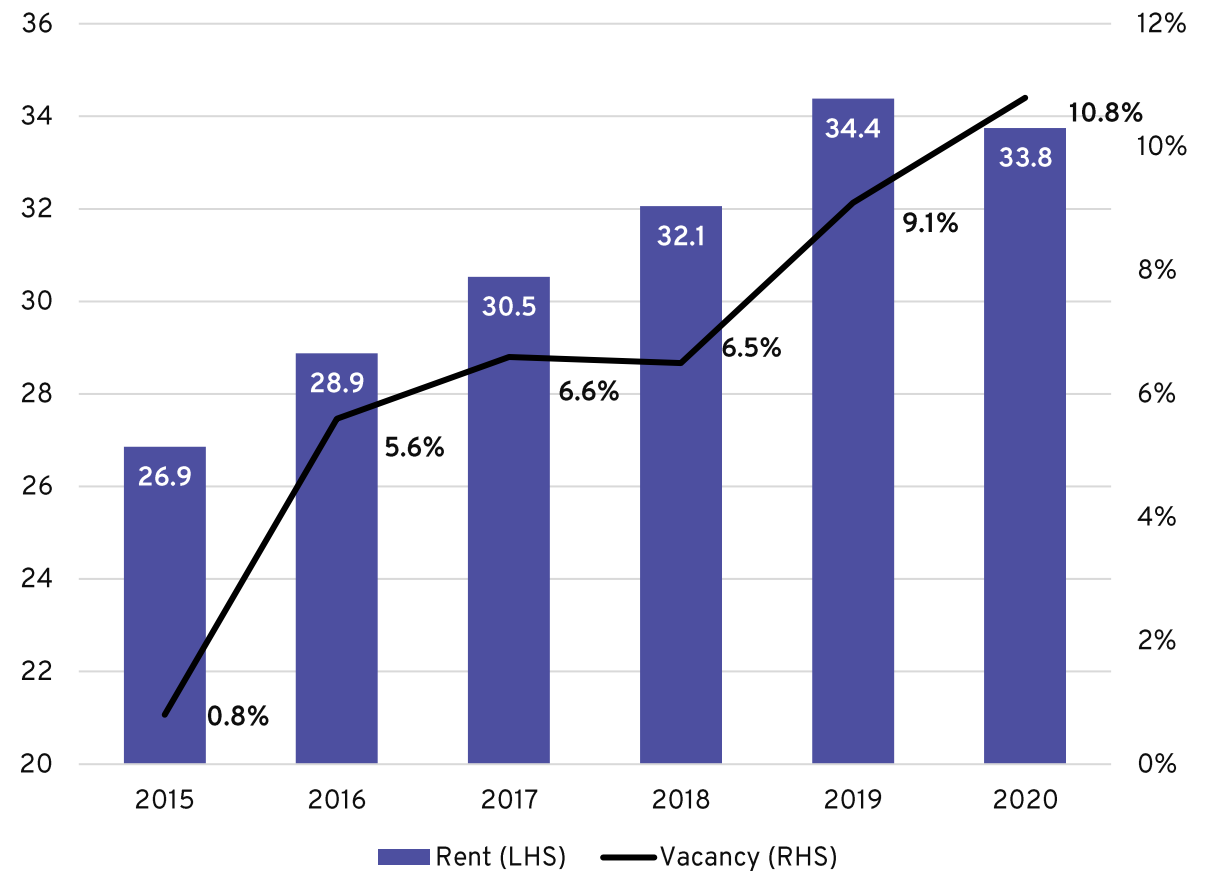


- The Nashville-Davidson-Murfreesboro Core Based Statistical Area (Nashville CBSA) is located on the Cumberland River in north central Tennessee between Knoxville and Memphis and is the largest metro area in the state
- Nashville was ranked as the second hottest job market in 2019 by the Wall Street Journal and according to the Brookings Institute, Nashville has had more job growth in advanced industries since the recession than any other metro area in the country
- Continued in-migration and capital investments from businesses have resulted in commercial real estate reaping the benefits with low vacancy and rising rental rates
- The thousands of new jobs created have lured new residents to the region, making Nashville one of the fastest growing metropolitan areas in the US. Amazon, for example, is investing US\$230m in Nashville and adding 5,000 jobs at its new operations site at Nashville Yards in downtown Nashville
- As new businesses flock to the region, Nashville's national profile was raised and sustained its status as the top performer in Tennessee and leading position among its peer cities

2 Highly Desirable Brentwood Submarket

- Brentwood features some of Nashville’s highest quality properties with the most commercial property positioned between Old Hickory Boulevard and Murray Lane along the I-65 corridor
- The Brentwood submarket is supported by a variety of demand generators, such as desirable “lifestyle” amenities, a highly skilled labor force, and proximity to I-65, Vanderbilt University and the Cool Springs Galleria Super Regional Mall
- Brentwood continues to be one of Nashville's major suburban office nodes and is located on the fast-growing and affluent southern side of the metro
- According to CoStar’s June 2021 report⁽¹⁾, 4- & 5-star rent in the Brentwood submarket has grown by about 25.7% since 2015 with vacancies averaging 6.6% over the same period
- Brentwood office market has historically maintained above average occupancy and rent levels for the Nashville metro area with current occupancy levels above 90%

Brentwood submarket – Asking Rent (US\$ psf) and Vacancy (%)



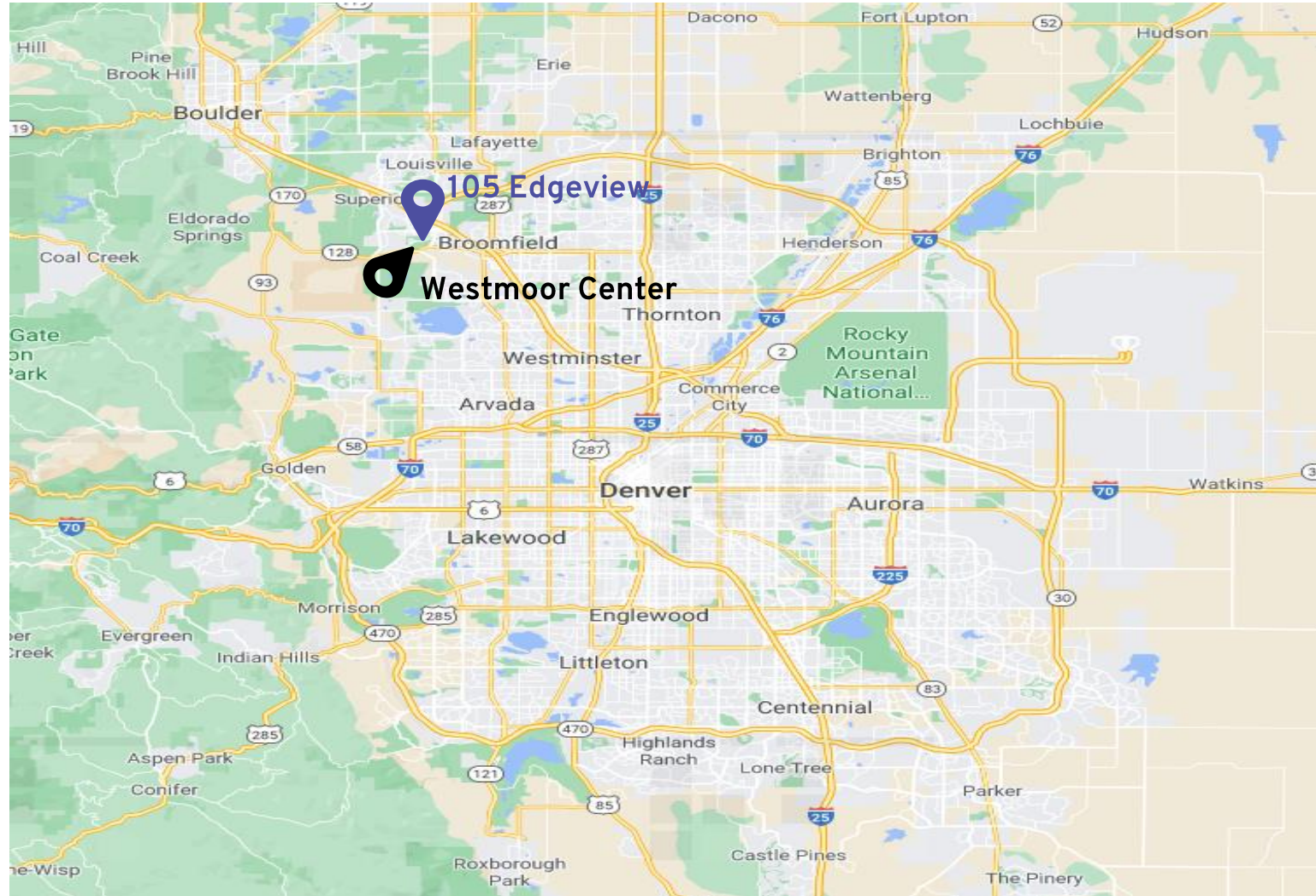
② Bridge Crossing – Amenity Rich Location in Maryland Farms



- Bridge Crossing is located on the south side of Maryland Way, 1.5-miles southwest of the Interstate 65 interchange at Old Hickory Boulevard
- The local area is in the growth stage of its life cycle with stable population and household growth trends, as well as significantly above average household income levels
- Maryland Farms was developed in the early 1980's as a professional office park and has since grown to approximately 5,000,000 square feet including office, hospitality, retail and residential components
- The largest office park in Brentwood, Maryland Farms, is located just south of Old Hickory Boulevard (SR-254) along Maryland Farms Way and Virginia Way and includes several other side streets

② Deepen Presence in Denver with Second Asset

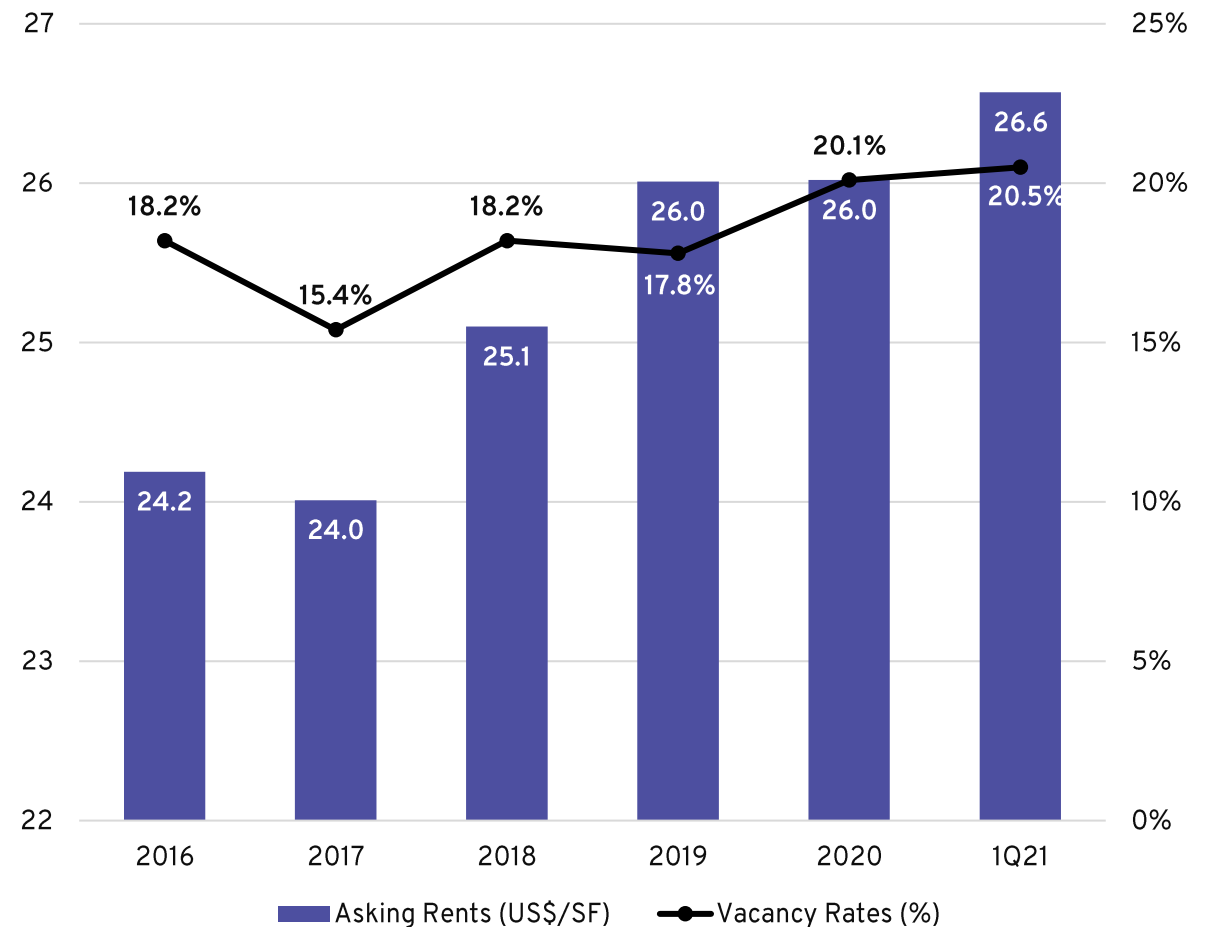
- Denver's growth drivers are mainly attributable to strong infrastructure, high quality of life, favorable demographics and consistent population growth
- The region benefits from a comparatively higher educated workforce and moderate business costs, relative to the nation
- Denver's central location in the western US, the presence of large research universities, and its attractive demographic characteristics helps in attracting new businesses, particularly tech-heavy industries which seek out the area's large and growing pool of talented workers
- Cushman and Wakefield expect continued in-migration of office-using firms and employees in Denver in the near term. The area will continue to benefit from growing tech companies, creating a synergy among office space users



② Strong Fundamentals for Northwest Denver Submarket

- Northwest Denver is the fourth largest submarket in Denver with approximately 7.7m sf of rentable office space
- Due to its location between Denver and Boulder, and connectivity through US Highway 36, this submarket is an attractive alternative for tenants looking outside of Denver’s urban core and the pricier Boulder market
- The submarket is supported by a variety of demand generators, such as desirable “lifestyle” amenities and a highly skilled labor force
- Limited new supply in the submarket due to strict growth limits and prohibitive construction costs, which continue to drive demand for existing inventory. There have been no new speculative office properties in the market
- Average asking rents for Class A office in Northwest Denver submarket have increased from \$24.2 psf in 2016 to \$26.6 psf in 1Q 2021

Northwest Denver Submarket – Class A Asking Rent (US\$ psf) and Vacancy (%)



2 105 Edgeview – Prime Location in Interlocken

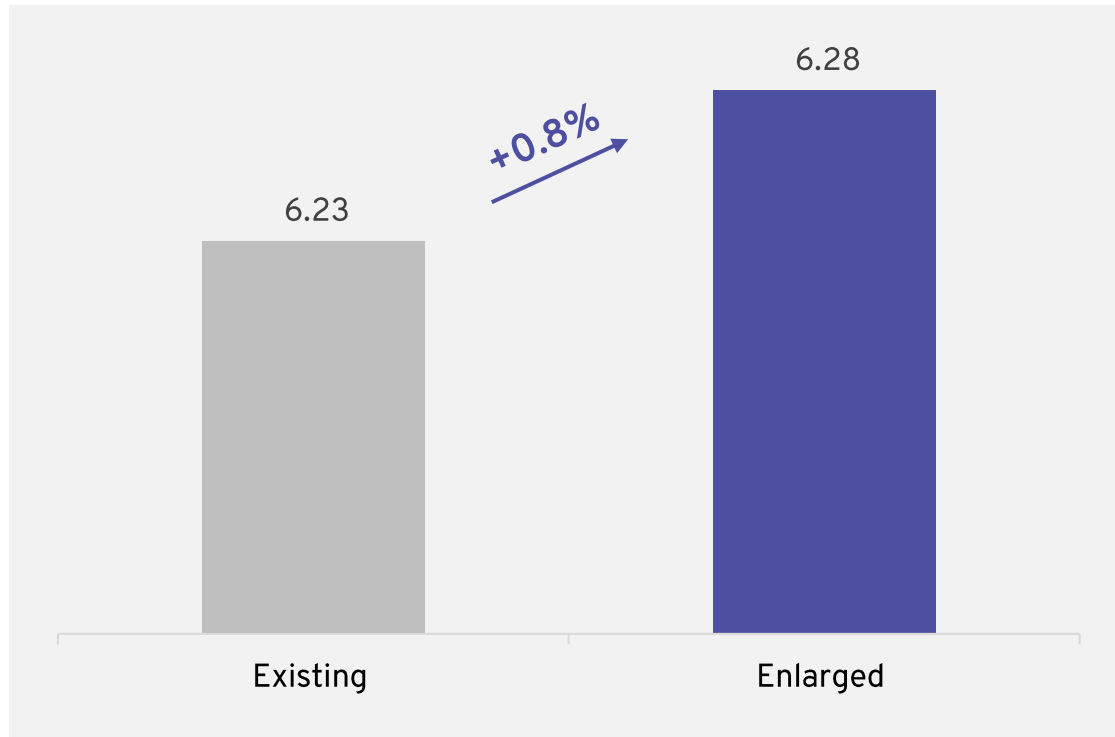


- 105 Edgeview is located within the 963-acre Interlocken Advanced Technology Campus, in the northwest sector of the Denver Metropolitan Area (DMA) in the City of Broomfield, which is approximately 13 miles northwest of Denver CBD
- Interlocken Advanced Technology campus is a premier business park which attracts high-profile tech firms wishing to locate along US Highway 36, between Denver and Boulder in proximity to a strong research and development environment
- The local area is a highly desirable residential community consisting of a high-income neighbourhood with plenty of single family and multifamily options for residents. Flatiron Crossing Mall is located 1.7 miles northwest of the property, offering a variety of amenities
- 105 Edgeview is strategically located 0.5 miles north of Interlocken Loop, a main arterial that intersects the Denver-Boulder Turnpike to the southeast

③ Creates Value for Unitholders through Accretive Acquisitions

DPU-accretive acquisitions with prudent capital structure

Pro forma DPU⁽¹⁾



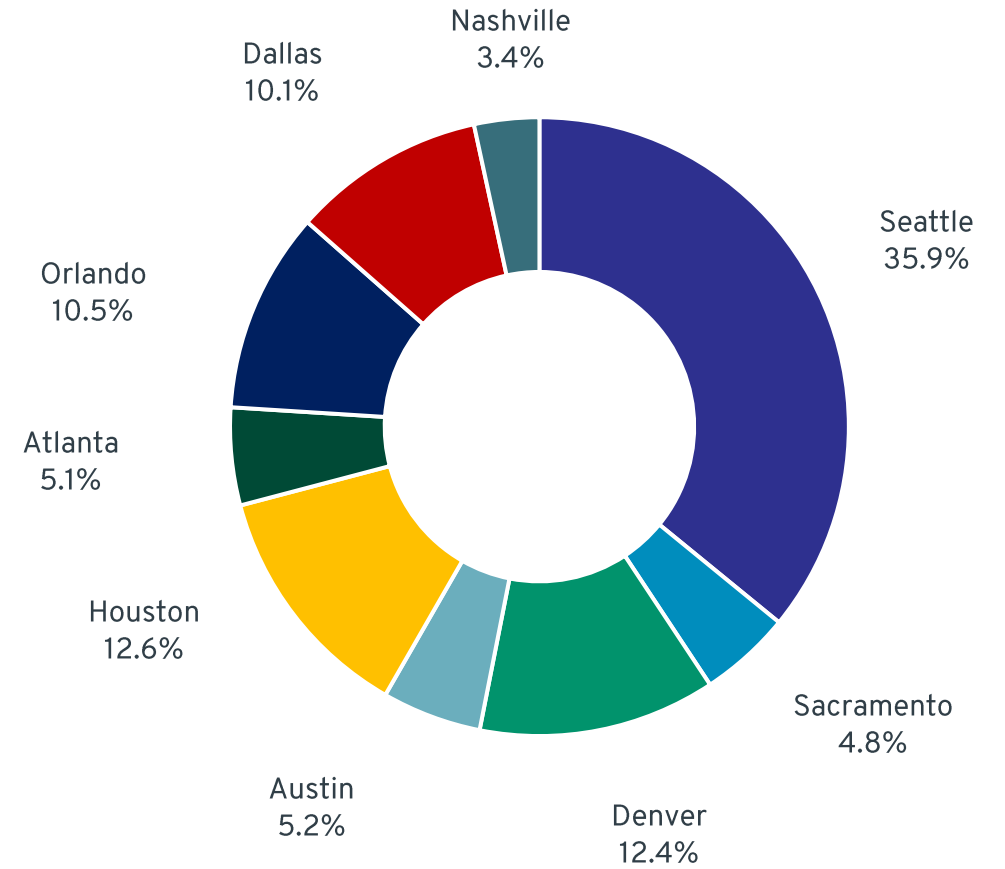
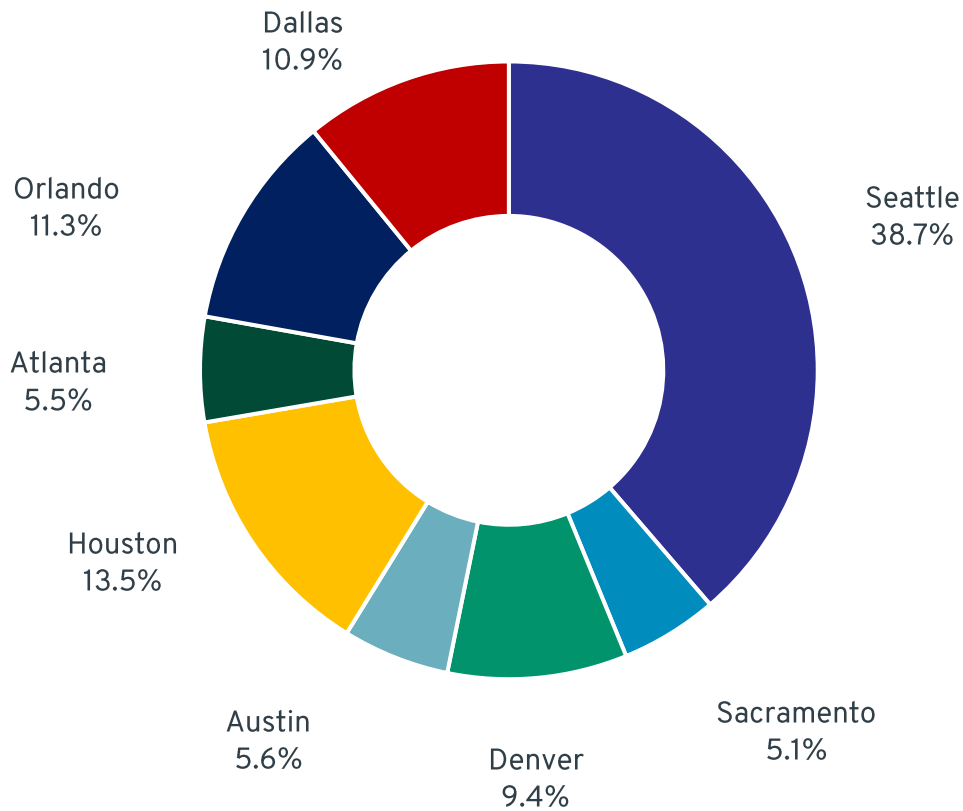
Effects of the Acquisitions

	Before the Acquisitions	After the Acquisitions
Net Property Income (US\$'000)	82,983	90,496
Distributable Income (US\$'000)	58,628	64,730
Issued Units ('000)	943,056	1,032,722 ⁽¹⁾
DPU (US cents)	6.23	6.28
DPU Accretion (%)	-	0.8

(1) Includes (a) approximately 88.9 million New Units issued at the Illustrative Issue Price and (b) approximately 0.7 million New Units issued to the Manager as payment of 100% of the base fees in Units in relation to the services rendered to the Properties for the periods 1 January 2020 to 31 March 2020, 1 April 2020 to 30 June 2020 and 1 July 2020 to 30 September 2020, based on the historical issue prices of management fees paid in Units for KORE for such quarters.

3 Further Diversifies Presence in Key Growth Markets

Extends KORE's portfolio to nine key growth markets across the US



4 105 Edgeview: Augments KORE's Green Footprint



LEED Platinum-certified building

- ✓ One of the newest and highest quality Class A buildings in Northwest Denver
- ✓ Unique sustainable design elements for the building's core and shell that set it apart from its peers



Clean & sustainable energy

- ✓ Wind energy provides 35% of power for the core and shell portion of the building
- ✓ Rooftop solar panels power 7-8% of the building
- ✓ 18 electric vehicle charging stations



Built from Sustainable Materials

- ✓ 35% of building's materials have recycled content
- ✓ Over 24% of materials are locally sourced from within 500 miles
- ✓ Over 29% of installed wood are certified as sustainably harvested



5

Enhances Weightage in Current Indices and Positions for Further Index-Inclusions

Listed on 9 Nov 2017



Portfolio value: US\$0.83b

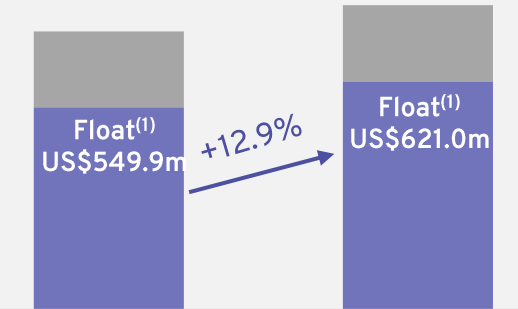
3Q 2021: Strategic Additions of Bridge Crossing, Nashville, and 105 Edgeview, Denver



15 freehold office buildings and business campuses
Portfolio value: US\$1.41b

• 68.7% growth in portfolio value since IPO

Market Cap⁽¹⁾ US\$756.2m → +9.5% → Market Cap⁽¹⁾ US\$827.9m



Existing Enlarged
■ Sponsor & Substantial Shareholders
■ Free Float

• Enlarged market capitalisation, free float and trading liquidity positions KORE well for potential future index-inclusion



Nov 2018: Maiden Acquisition of The Westpark Portfolio, Seattle



Portfolio value: US\$1.02b

2019

Jan 2019: Acquisition of Maitland Promenade I, Orlando
Sep 2019: Acquisition of One Twenty Five, Dallas



Portfolio value: US\$1.26b

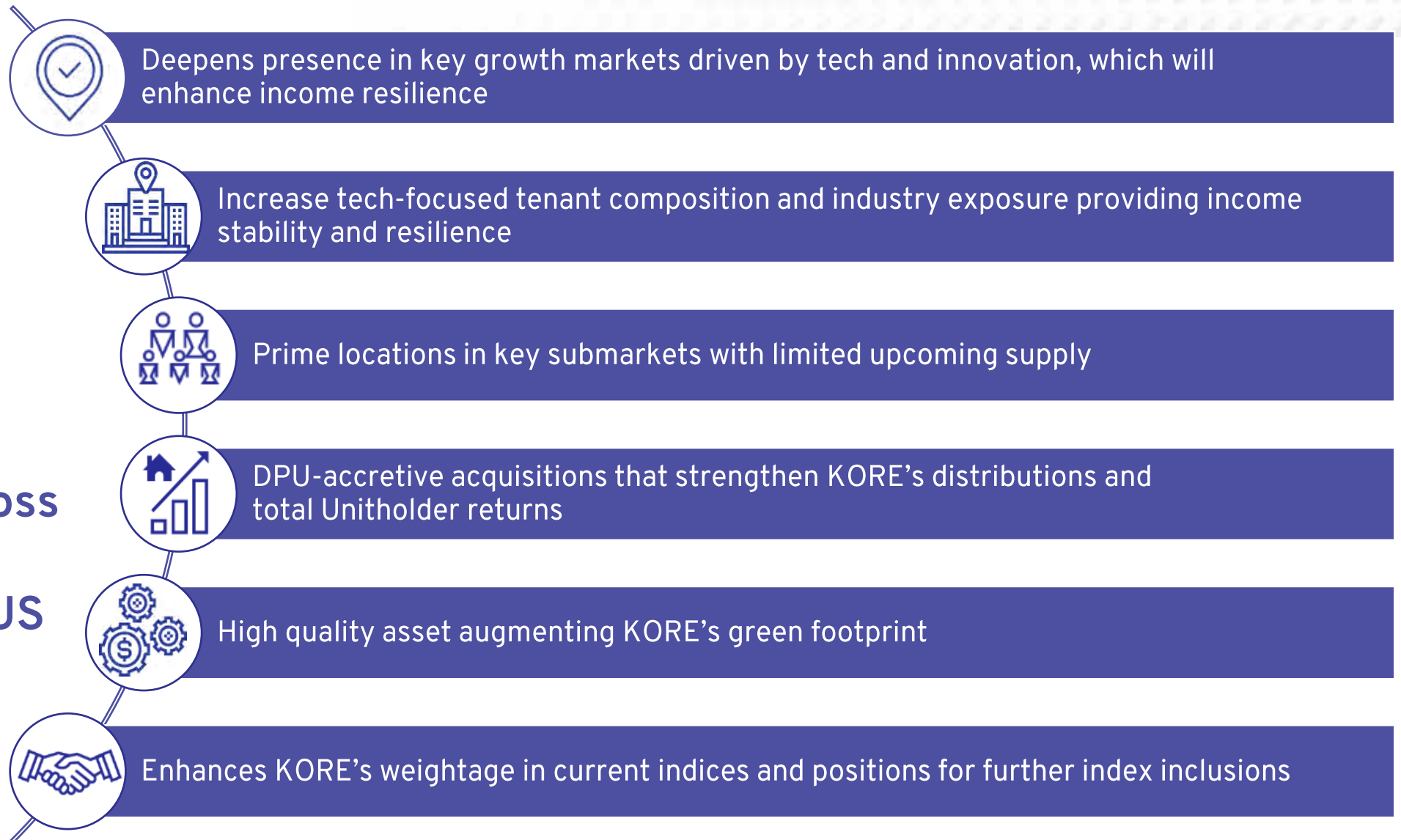
2020

2021

Summary

Strategic Additions of Bridge Crossing and 105 Edgeview

First choice
US office SREIT
focused on the
fast-growing
tech sector across
key growth
markets in the US



Additional Information



Bridge Crossing: Property Snapshot



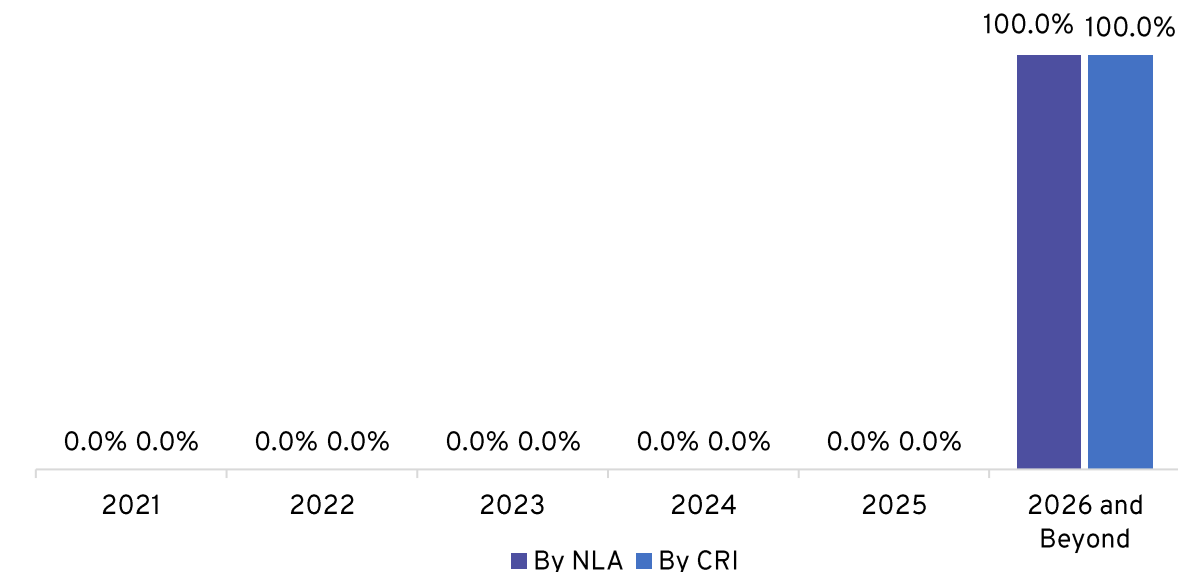
Bridge Crossing

Location	Nashville, Tennessee
Address	5301 Maryland Way, Brentwood, TN 37027
Land Tenure	Freehold
Occupancy	100%
WALE¹	5.7 years
Net Lettable Area	199,194 sf
Year Built	1989 (refurbished in 2017)
Pro forma NPI yield	7.8%

Tenant Composition

Tenant	Sector	Expiration Year	NLA (sf)	NLA %
Comdata Inc	Technology	2027	185,580	93.2%
Cognizant Technology Solutions Corporation	Technology	2026	13,614	6.8%
Total			199,194	100.0%

Lease Expiry Profile



105 Edgeview: Property Snapshot



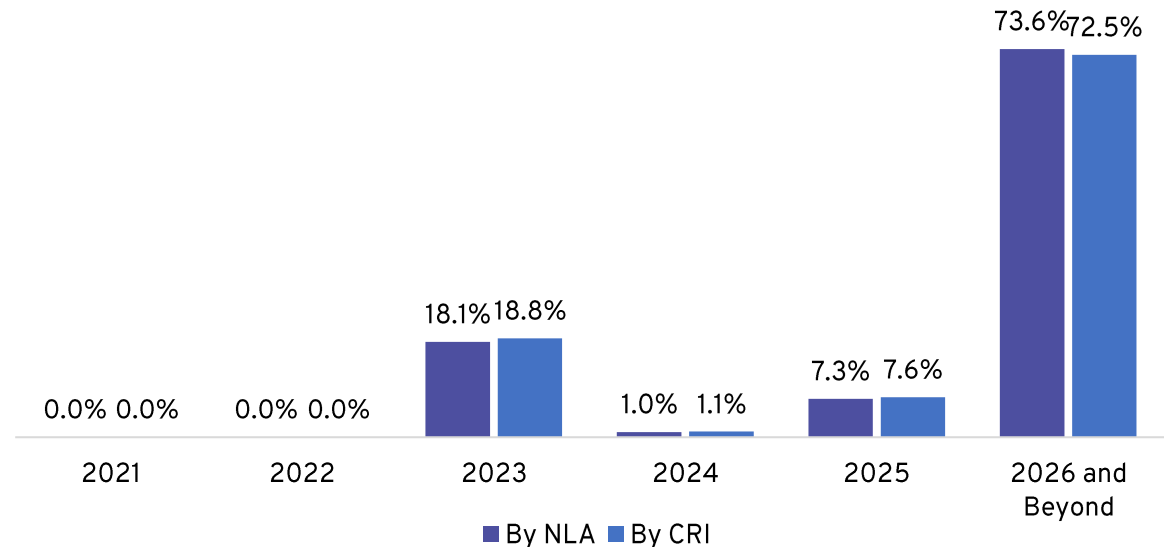
105 Edgeview

Location	Denver, Colorado
Address	105 Edgeview Drive, Broomfield, CO 80021
Land Tenure	Freehold
Occupancy	100%
WALE¹	6.6 years
Net Lettable Area	186,231 sq ft
Year Built	2012
Pro forma NPI yield	6.7%

Tenant Composition

Tenant	Sector	Expiration Year	NLA (sf)	NLA %
Gogo Business Aviation, LLC	Technology	2029	122,127	65.6%
CesiumAstro Inc.	Technology	2026	13,219	7.1%
Blue Horseshoe Solutions, Inc.	Technology	2025	13,608	7.3%
Others	-	-	37,277	20.0%
Total			186,231	100.0%

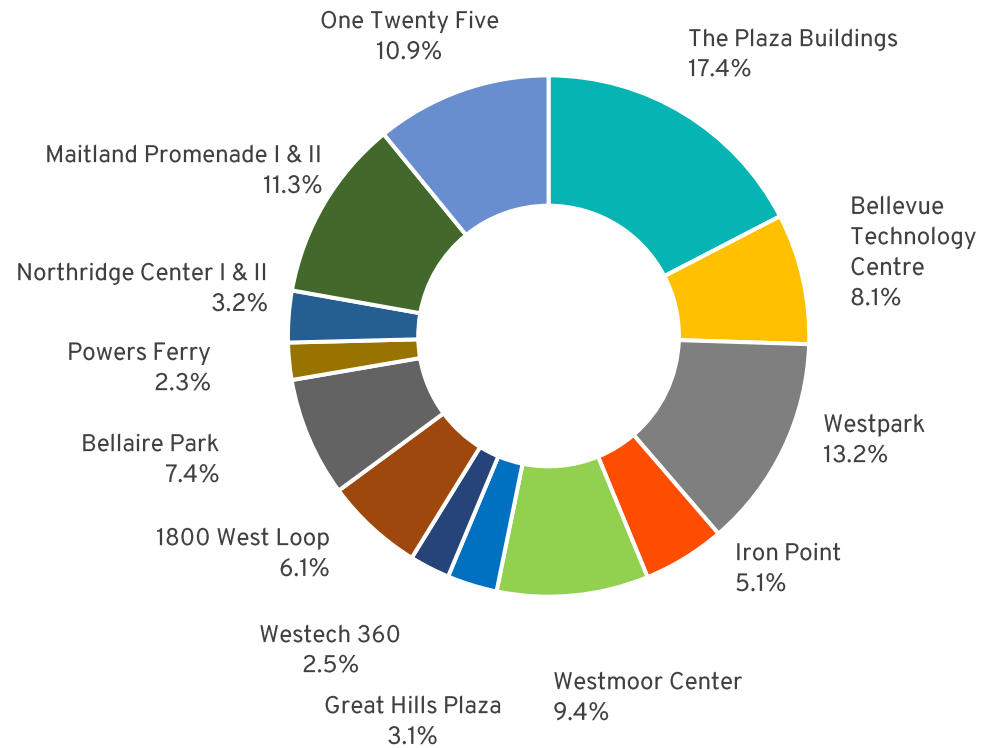
Lease Expiry Profile



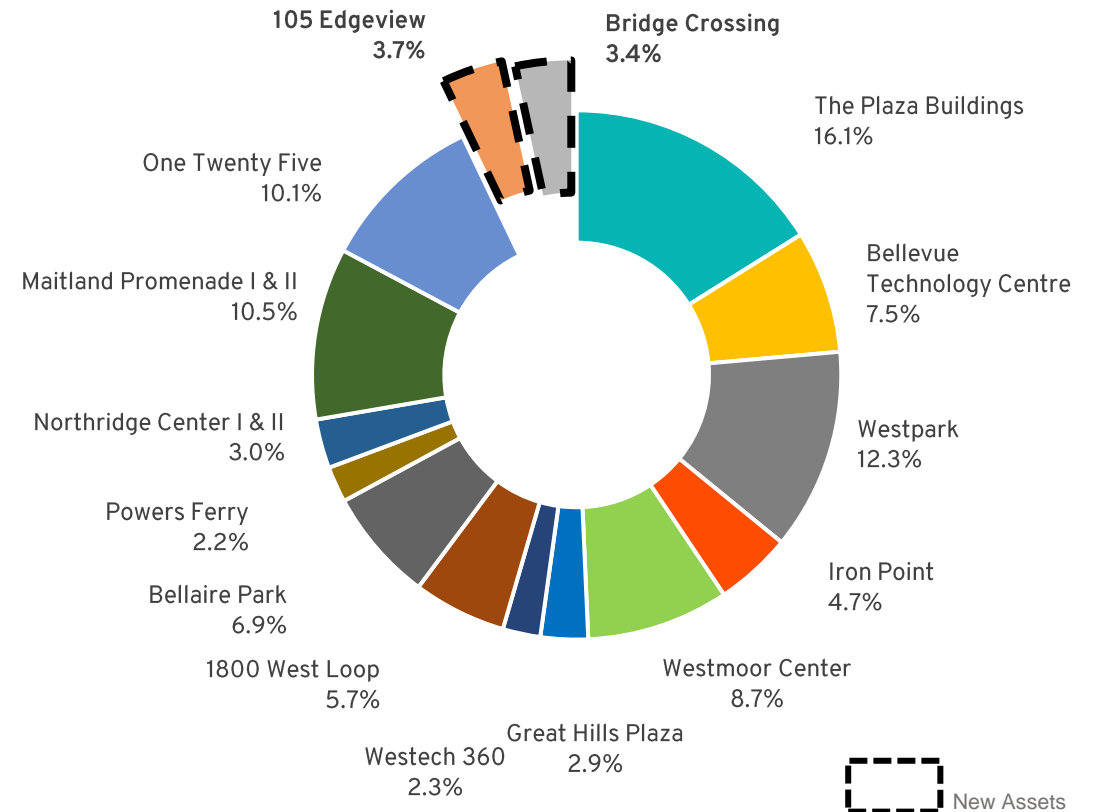
Asset Diversification by CRI⁽¹⁾ Contribution

No single asset contributes more than 16.1% of CRI⁽¹⁾

Existing Portfolio



Enlarged Portfolio



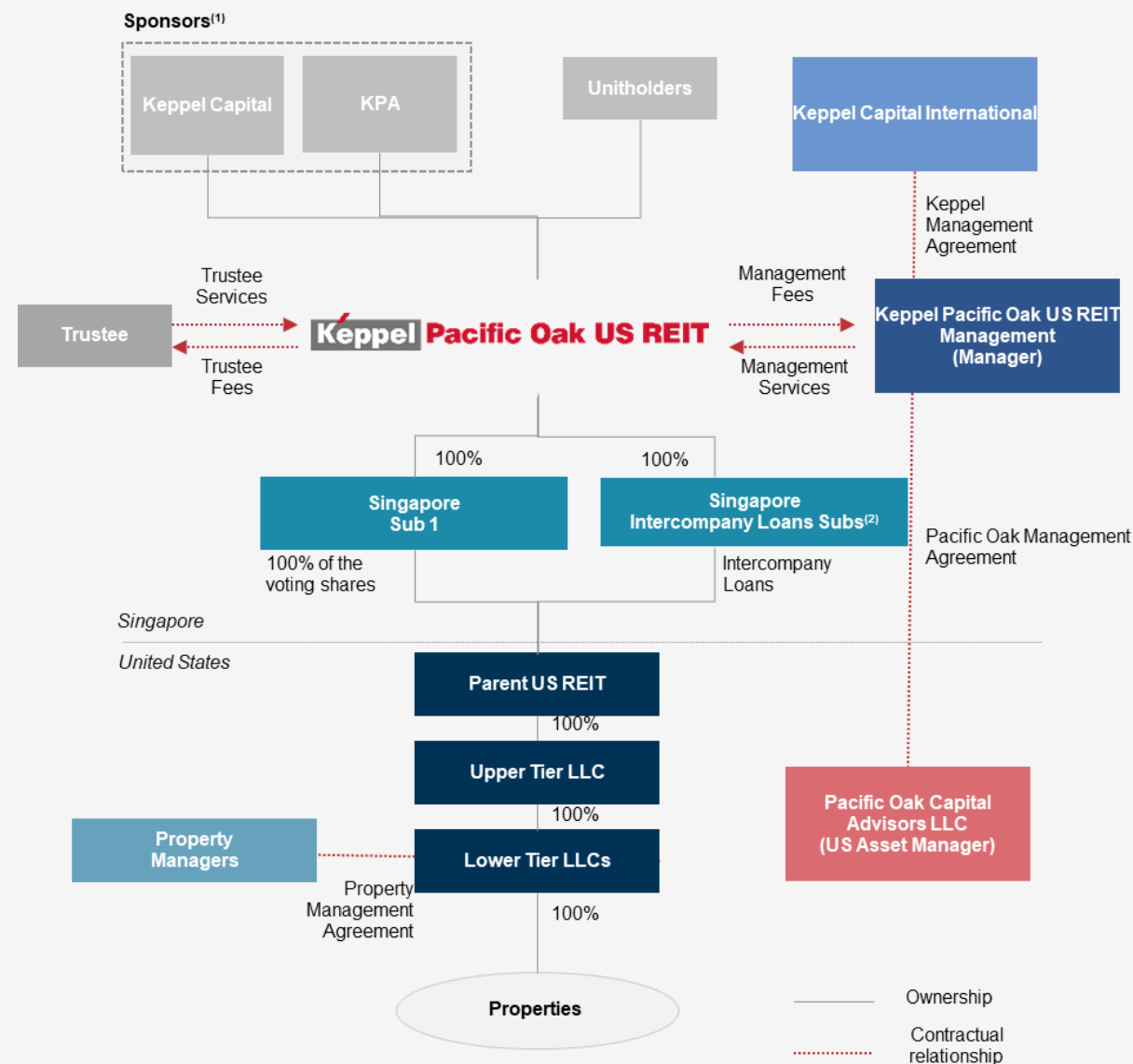
Trust Structure

✓ Tax-efficient structure for holding US properties

- No US corporate tax (21%) and US withholding tax (30%)
- No Singapore corporate tax (17%) and Singapore withholding tax (10%)
- Subject to limited tax

✓ Leverage Sponsors' expertise and resources to optimise returns for Unitholders

✓ Alignment of interests among Sponsors, Manager and Unitholders



(1) Keppel Capital holds a deemed 7.3% stake in Keppel Pacific Oak US REIT (KORE). Pacific Oak Strategic Opportunity REIT, Inc. (KPA entity) holds a 6.8% stake in KORE. KPA holds a deemed interest of 0.5% in KORE, for a total of 7.3%.
 (2) There are three wholly-owned Singapore Intercompany Loan Subsidiaries extending intercompany loans to the Parent US REIT.

Strong Sponsors: Keppel Capital and KORE Pacific Advisors



- **Asset management arm of Keppel Corporation** and a premier manager in Asia
- **US\$28 billion⁽¹⁾**
Global assets under management as at end-2020
- **~40 cities across key global markets**
Diversified portfolio of real estate, infrastructure, data centres and alternative assets
- **17 Funds**
Over 200 professionals managing five listed REITs and business trust and 12 private funds



- Established **commercial real estate investment manager** in the US
- **US\$4.0 billion**
Assets under management as at end-2020
- **Over 20 markets**
High quality office, single-family, multi-family, hospitality real estate portfolio across the US
- **6 Funds**
Proven expertise in managing two public REITs and four private funds

(1) Gross asset value of investments and uninvested capital commitments on leverage basis to project fully-invested AUM.

(2) The co-founding partners of Pacific Oak Capital Advisors are Peter McMillan and Keith Hall, who are partners of KORE Pacific Advisors.

Thank You

For more information,
please visit www.koreusreit.com

Connect with us on: 

OUR SUSTAINABILITY COMMITMENT

We place sustainability at the heart of our strategy and are committed to delivering sustainable distributions and strong total returns for Unitholders.



ENVIRONMENTAL STEWARDSHIP

In line with Keppel's Vision 2030, we will do our part to combat climate change, and are committed to improving resource efficiency and reducing our environmental impact.



RESPONSIBLE BUSINESS

The long-term sustainability of our business is driven at the highest level of the organisation through good corporate governance and prudent risk management.



PEOPLE AND COMMUNITY

People are the cornerstone of our business. We are committed to providing a safe and healthy workplace, investing in training and developing our people to help them reach their full potential, as well as uplifting communities wherever we operate.