

COVID EFFECTS ON COMMERCIAL REAL ESTATE PROPERTIES

Expected Dip in Revenues

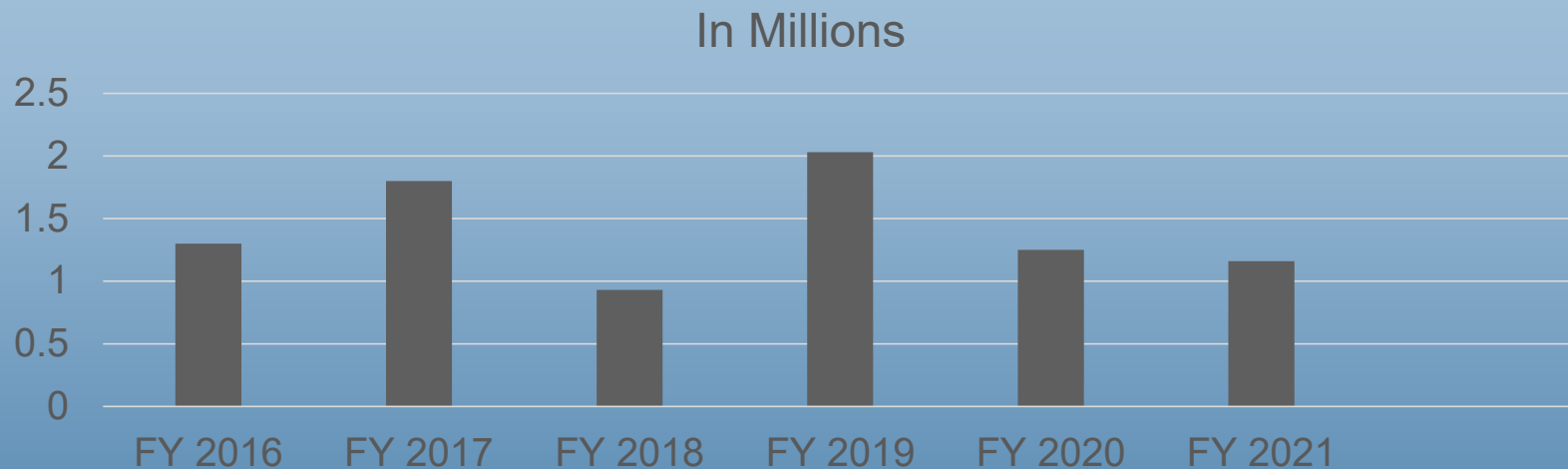
How does Covid affect properties?

- Uncertainty of Economy and Future Business Strength
 - Affects lease renewal and extension negotiations
 - Harder for companies to make long term commitments
 - Reduces our confidence in being able to fill vacated space
- Limited cash availability
 - Requests for rent abatement
 - Requests for delay in rent payment
- Any rebates or delays directly affects how much the LLC will need to cover in Opex and Common Area Maintenance costs, fees or expense
- Types of business operations have varying effects on properties

What actions are we taking?

- Evaluate any requests for rent abatement fully – case by case
 - Require tenant to open their books to us
 - Can they substantiate impact from Covid (i.e. employee furloughs, office closure, payroll reductions)
 - Have they sought assistance through economic relief programs
- Evaluate each case in context of the building finances as a whole
 - Look at long term tenant occupancy
 - Look at immediate and long-term cash flows
 - Evaluate what expenses can be carried by the property
 - Can we recover any abated costs later
 - Seeking types of guarantees
- Additional holdback of funds from distribution to have cash flow necessary for CAMs, OPEX, and TIs

Revenues to the Trust from REMP Properties



FY 2018 June and July revenues not collected until FY 2019