

VALUATION REPORT

In respect of:

46 Properties comprising Project Pinot

On behalf of:

HSBC Bank Plc

Date of Valuation: 31 August 2019

Legal Notice and Disclaimer

This valuation report (the "Report") has been prepared by CBRE Limited ("CBRE") for HSBC Bank PLC (the "Client") in accordance with the HSBC Bank plc instruction letter and standard terms of engagement entered into between CBRE and the Client dated 19 September 2019 ("the Instruction"), a copy of which is included at [Appendix 10 of this Report]. The Report is confidential to the Client and any other Addressees and the Client and the Addressees may not disclose the Report unless expressly permitted to do so under the Instruction, or otherwise with the prior written consent of CBRE.

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PART I

VALUATION REPORT

VALUATION REPORT

Report Date	20 September 2019
Addressee	<p>"To: Unite (USAF) II plc as Issuer, HSBC Bank plc as Lead Arranger, HSBC UK Bank plc as Liquidity Facility Provider and Apex Corporate Trustees (UK) Limited (formerly known as Link Corporate Trustees (UK) Limited and Capita Trust Company Limited) as Note Trustee, Issuer Security Trustee and Obligor Security Trustee in their capacities as agents and/or trustees and together each of their successors, transferees and assignees or any other person who becomes a RCF Provider, RCF Agent, a LF Provider, a Hedge Counterparty or agent and/or trustee for any or more lenders or other beneficiaries of any security granted in connection with the Facility Agreement (together the "Addressees" and each an "Addressee")"</p> <p>c/o The Directors HSBC Bank plc Global Banking Level 2, 8 Canada Square London, E14 5HQ</p> <p>For the attention of: Katrina Haley</p>
The Properties	The Properties listed in the Schedule below.
Portfolio Description	Student Accommodation
Instruction	To value the unencumbered freehold and leasehold interests in the Properties on the basis of Market Value as at the Valuation date in accordance with the terms of engagement entered into between CBRE and the addressees dated 19 September 2019.
Valuation Date	31 August 2019
Capacity of Valuer	External Valuer, as defined in the RICS Valuation – Global Standards 2017.
Purpose	You have requested us to carry out a valuation in to assist in the issuance of a tap by the Issuer of Unite (USAF) II plc outstanding £310,000,000 3.921% Commercial Mortgage Backed Notes due 2030, the proceeds of which will be lent to the Client (or persons connected with the Client) pursuant to the Issuer/Borrower Facilities (the Facility Agreement).

Market Value

£1,633,620,000 (ONE BILLION, SIX HUNDRED AND THIRTY THREE MILLION, SIX HUNDRED AND TWENTY THOUSAND POUNDS) exclusive of VAT as shown in the Schedule of Capital Values set out below.

We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.

Our valuation therefore only pertains to the value of the individual property assets and on the assumption that each asset can be sold as a whole with full management control.

In current market conditions, the opportunity to manage the whole Portfolio or significant numbers of assets would be attractive to a number of global real estate investors. The ability to acquire a portfolio of properties in a single transaction, has the potential to save time and overhead costs which would be incurred in assembling single assets. As such, we consider that the sale of carefully 'packaged' parts, or indeed the whole, of the Portfolio may attract a premium over the sum of the individual market values of the Properties.

Where a property is owned by way of a joint tenancy in a trust for sale, or through an indirect investment structure, our Valuation represents the relevant apportioned percentage of ownership of the value of the whole property, assuming full management control. Our Valuation does not necessarily represent the value of the interests in the indirect investment structure through which the Property is held.

Our opinion of Market Value is based upon the Scope of Work and Valuation Assumptions attached – and has been primarily derived using comparable recent market transactions on arm's length terms.

Security

We are of the opinion that the property interests provide suitable security for mortgage purposes and are suitable for securitisation although we have not been provided with the terms of the financing and cannot therefore comment on their suitability having regard to the nature of the Properties.

Compliance with Valuation Standards

The Valuation has been prepared in accordance with the RICS Valuation – Global Standards 2017 (incorporating the International Valuation Standards) and the UK national supplement 2018 (the Red Book).

We confirm that we have sufficient current local and national knowledge of the particular property market involved and have the skills and understanding to undertake the Valuation competently.

Where the knowledge and skill requirements of the Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of the Red Book.

This Valuation is a professional opinion and is expressly not intended to serve as a warranty, assurance or guarantee of any particular value of the subject properties. Other valuers may reach different conclusions as to the value of the subject properties. This Valuation is for the sole purpose of providing the intended

user with the valuer's independent professional opinion of the value of the subject properties as at the Valuation Date.

Assumptions

The Property details on which the Valuation is based are as set out in this report. We have made various assumptions as to tenure, letting, taxation, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below.

If any of the information or assumptions on which the Valuation is based are subsequently found to be incorrect, the Valuation figure may also be incorrect and should be reconsidered.

Variations and/or Departures from Standard Assumptions

None.

Verification

We recommend that before any financial transaction is entered into based upon these Valuations, you obtain verification of any third party information contained within our report and the validity of the assumptions we have adopted.

We would advise you that whilst we have valued the Properties reflecting current market conditions, there are certain risks which may be, or may become, uninsurable. Before undertaking any financial transaction based upon this Valuation, you should satisfy yourselves as to the current insurance cover and the risks that may be involved should an uninsured loss occur.

Valuer

The Properties have been valued by a valuer who is qualified for the purpose of the Valuation in accordance with the Red Book.

Previous Involvement and Conflicts of Interest

We confirm that CBRE have previously valued the properties on behalf of USAF for accounts purposes.

We have previously disclosed the relevant facts to you and the other clients involved, and have received everyone's confirmation that it is in order for us to undertake this valuation.

Reliance

A copy of this report may be provided (on a non-reliance basis) (i) where disclosure is required or requested by any court of competent jurisdiction or any governmental, banking, taxation, supervisory or other regulatory authority or similar body, the rules of any relevant stock exchange, listing authority or similar body or pursuant to any applicable law or regulation; (ii) where disclosure is required in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes; (iii) to an Addressee's affiliates, and any of its or their officers, directors, employees, auditors and professional advisors in connection with the loan and hedging transactions under the Facility Agreement; (iv) to any financial institution or other entity in connection with the loan and hedging transactions under the Facility Agreement; (v) to any person to whom such Addressee may potentially assign, transfer or sub-participate all or any of its rights and obligations under any documentation relating to or under the Facility Agreement and to the professional advisors of each such person; (vi) to any rating agency in connection with any securitisation of (or referable to) the Facility Agreement and to investors in such securitisation including

in each case their professional advisers and (vii) otherwise, with our prior written consent.

Publication

Neither the whole nor any part of our report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it will appear.

Yours faithfully



Michael Brodtman FRICS
Executive Director
RICS Registered Valuer
For and on behalf of CBRE Ltd

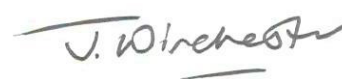
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Yours faithfully



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SCHEDULE OF CAPITAL VALUES

Properties held as an investment

Property	Freehold/Feuhold / Heritable (£)	Long Leasehold (£)	Part Freehold / Part Leasehold (£)	Market Value (£)
Aberdeen, King Street Exchange	12,650,000			12,650,000
Aberdeen, The Old Fire Station	17,720,000			17,720,000
Aberdeen, Spring Gardens	19,420,000			19,420,000
Bath, Charlton Court	40,850,000			40,850,000
Bristol, Blenheim Court	25,790,000			25,790,000
Bristol, Cherry Court	19,820,000			19,820,000
Bristol, Favell House	18,430,000			18,430,000
Bristol, Marketgate	46,110,000			46,110,000
Bristol, Phoenix Court			35,880,000	35,880,000
Bristol, The Rackhay	8,600,000			8,600,000
Durham, Houghall Court			20,140,000	20,140,000
Durham, Rushford Court	39,500,000			39,500,000
Edinburgh, The Bridge House	26,380,000			26,380,000
Edinburgh, Chalmers Street	37,030,000			37,030,000
Edinburgh, The Old Print Works	33,250,000			33,250,000
Exeter, Northfield	21,830,000			21,830,000
Glasgow, Blackfriars	34,450,000			34,450,000
Glasgow, Kelvin Court	39,810,000			39,810,000
Leeds, Sky Plaza	70,250,000			70,250,000
Leeds, The Plaza	99,360,000			99,360,000
Leeds, The Tannery	35,320,000			35,320,000
Leicester, Filbert Village	37,890,000			37,890,000
Leicester, Newarke Point	54,570,000			54,570,000
Leicester, St Martins House		10,510,000		10,510,000
Leicester, The Grange	15,920,000			15,920,000
Liverpool, Arrad House	4,950,000			4,950,000
Liverpool, Cambridge Court	31,350,000			31,350,000
Liverpool, Cedar House	7,180,000			7,180,000
Liverpool, Grand Central	81,320,000			81,320,000
Liverpool, Larch House		2,810,000		2,810,000
Liverpool, Lennon Studios	20,560,000			20,560,000
London, Blitthehale Court	78,370,000			78,370,000
London, Emily Bowes Court	116,310,000			116,310,000
London, Pacific Court	33,490,000			33,490,000
Loughborough, The Holt		14,580,000		14,580,000
Manchester, Kincardine Court		24,730,000		24,730,000
Manchester, Piccadilly Point	75,580,000			75,580,000
Newcastle, Manor Bank	32,130,000			32,130,000
Nottingham, Riverside Point	42,840,000			42,840,000
Nottingham, St Peters Court	56,360,000			56,360,000
Oxford, Beech House	26,530,000			26,530,000
Portsmouth, Greetham Street		70,530,000		70,530,000
Reading, Crown House	16,080,000			16,080,000
Sheffield, Brass Founders	37,390,000			37,390,000
Sheffield, Exchange Works			29,390,000	29,390,000
Sheffield, The Anvil		9,660,000		9,660,000
Total	£1,415,390,000	£132,820,000	£85,410,000	£1,633,620,000

SOURCES OF INFORMATION AND SCOPE OF WORKS

Sources of Information We have carried out our work based upon information supplied to us by Piotr Lisowski and Roscoe Chubb of Unite Students, as set out within this report, which we have assumed to be correct and comprehensive.

The Properties Our report contains a brief summary of the Property details on which our Valuation has been based.

Inspection A schedule of the most recent inspection dates is maintained within our working papers and can be made available if required.

Areas We have not measured the Properties but have relied upon the floor areas provided to us by you, as set out in this report, which we have assumed to be correct and comprehensive. We have been advised that these areas have been calculated using the Gross Internal Area (GIA)/Net Internal Area (NIA) measurement methodology as set out in the RICS Code of measuring practice (6th edition).

Environmental Matters We have undertaken an EnviroRisk report for the following eight properties:

- Houghall Court, Durham
- Rushford Court, Durham
- The Bridge House, Edinburgh
- Old Print Works, Edinburgh
- Kincardine Court, Manchester
- Beech House, Oxford
- Greetham Street, Portsmouth
- Brass Founders, Sheffield

We have not carried out any investigations into the past or present uses of the properties, nor of any neighbouring land, in order to establish whether there is any potential for contamination and have therefore assumed that none exists.

Services and Amenities We understand that all main services including water, drainage, electricity and telephone are available to the Properties. None of the services have been tested by us.

Repair and Condition We have been provided with Building Survey Reports prepared by CBRE.

Town Planning We have made planning enquiries only consulting the website of the relevant Councils. We cannot, therefore, accept responsibility for incorrect information or for material omissions in the information supplied to us.

Titles, Tenures and Lettings Details of title/tenure under which the Properties are held and of lettings to which it is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases or other documents is recorded in this report, it represents our understanding of the relevant documents. We should emphasise, however, that

the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of your legal adviser.

We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of purchasers' likely perceptions of the financial status of tenants.

VALUATION ASSUMPTIONS

Capital Values

The Valuation has been prepared on the basis of "Market Value", which is defined in the Red Book as:

"The estimated amount for which an asset or liability should exchange on the Valuation Date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

The Valuation represents the figure that would appear in a hypothetical contract of sale at the Valuation Date. No adjustment has been made to this figure for taxation which might arise in the event of a disposal or costs related to any other event.

No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charge.

No account has been taken of the availability or otherwise of capital-based Government or European Community grants.

Rental Values

Unless stated otherwise rental values indicated in our report are those which have been adopted by us as appropriate in assessing the capital value and are not necessarily appropriate for other purposes, nor do they necessarily accord with the definition of Market Rent in the Red Book, which is as follows:

"The estimated amount for which an interest in real property should be leased on the Valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

The Properties

Items of plant and machinery normally considered as landlord's fixtures such as lifts, escalators, air conditioning, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuation.

Furthermore, a number of items that normally might be regarded as tenant's fixtures and fittings - such as trade appliances, furniture and equipment - as well as soft goods considered necessary to generate the turnover and profit, are included in our valuation of the Properties. The vacant possession valuation assumes that Properties are available for sale including all fixtures and fittings. We understand that fixtures, machinery and equipment are either owned, leased or under contract. We have made no adjustment to reflect the net present value of meeting any existing lease contracts in respect of the equipment. Unless stated otherwise within this report, we have assumed that any such leasing costs are reflected in the trading figures supplied to us, and that all trade fixtures and fittings essential to the running of the Properties as an operational entity would be capable of transfer as part of a sale of the building, and any necessary third party consents obtained.

Environmental Matters

In the absence of any information to the contrary, we have assumed that:

a) the Properties are not contaminated and is not adversely affected by any existing or proposed environmental law;

b) any processes which are carried out on the Properties which are regulated by environmental legislation are properly licensed by the appropriate authorities;

c) in England and Wales, the properties possess current Energy Performance Certificates (EPCs) as required under the Government's Energy Performance of Buildings Directive – and that they have an energy efficient standard of 'E', or better. We would draw your attention to the fact that under the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 it became unlawful for landlords to rent out a business premise from 1st April 2018 – unless the site has reached a minimum EPC rating of an 'E', or secured a relevant exemption. In Scotland, we have assumed that the properties possess current EPCs as required under the Scottish Government's Energy Performance of Buildings (Scotland) Regulations – and that they meet energy standards equivalent to those introduced by the 2002 building regulations. We would draw your attention to the fact the Assessment of Energy Performance of Non-Domestic Buildings (Scotland) Regulations 2016 came into force on 1st September 2016. From this date, building owners are required to commission an EPC and Action Plan for sale or new rental of non-domestic buildings bigger than 1,000 sq m that do not meet 2002 building regulations energy standards. Action Plans contain building improvement measures that must be implemented within 3.5 years, subject to certain exemptions;

d) the Properties are either not subject to flooding risk or, if it is, that sufficient flood defences are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value; and

e) invasive species such as Japanese Knotweed are not present on the Properties.

High voltage electrical supply equipment may exist within, or in close proximity of, the Properties. The National Radiological Protection Board (NRPB) has advised that there may be a risk, in specified circumstances, to the health of certain categories of people. Public perception may, therefore, affect marketability and future value of the Properties. Our Valuation reflects our current understanding of the market and we have not made a discount to reflect the presence of this equipment.

Repair and Condition

In the absence of any information to the contrary, we have assumed that:

a) there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the Properties;

b) the Properties are free from rot, infestation, structural or latent defect;

c) no currently known deleterious or hazardous materials or suspect techniques have been used in the construction of, or subsequent alterations or additions to, the Properties; and

d) the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the Properties. Comments made in the property details do not purport to express an opinion about, or advise upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

**Title, Tenure, Lettings,
Planning, Taxation and
Statutory & Local
Authority requirements**

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

- a) the Properties possess a good and marketable title free from any onerous or hampering restrictions or conditions;
- b) the building has been erected either prior to planning control, or in accordance with planning permissions, and has the benefit of permanent planning consents or existing use rights for their current use;
- c) the Properties are not adversely affected by town planning or road proposals;
- d) the building complies with all statutory and local authority requirements including building, fire and health and safety regulations, and that a fire risk assessment and emergency plan are in place;
- e) only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of the properties to comply with the provisions of the Disability Discrimination Act 1995 (in Northern Ireland) or the Equality Act 2010 (in the rest of the UK);
- f) all rent reviews are upward only and are to be assessed by reference to full current market rents;
- g) there are no tenant's improvements that will materially affect our opinion of the rent that would be obtained on review or renewal;
- h) tenants will meet their obligations under their leases, and are responsible for insurance, payment of business rates, and all repairs, whether directly or by means of a service charge;
- i) there are no user restrictions or other restrictive covenants in leases which would adversely affect value;
- j) where more than 50% of the floorspace of the Properties are in residential use, the Landlord and Tenant Act 1987 (the "Act") gives certain rights to defined residential tenants to acquire the freehold/head leasehold interests in the properties. Where this is applicable, we have assumed that necessary notices have been given to the residential tenants under the provisions of the Act, and that such tenants have elected not to acquire the freehold/head leasehold interest. Disposal on the open market is therefore unrestricted;
- k) where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required;
- l) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy; and
- m) Land Transfer Tax (or the local equivalent) will apply at the rate currently applicable. In the UK, Stamp Duty Land Tax (SDLT) in England and Northern Ireland, Land and Buildings Transaction Tax (LABTT) in Scotland or Land Transaction Tax (LTT) in Wales, will apply at the rate currently applicable.

PART II

PROPERTY SCHEDULE

Ref	Property (Inspection Date)	Brief Description	Freehold / Feuhold / Heritable (£)	Long Leasehold (£)	Part Freehold / Part Long Leasehold (£)	Market Value (£)
1.1	Aberdeen, King Street Exchange (25 March 2019)	The property was purpose built in 2003 and provides 180 student bedrooms in ensuite cluster flats and studios. All of the rooms are let directly to students on ASTs.				12,650,000
1.2	Aberdeen, The Old Fire Station (25 March 2019)	Part of the property comprises a converted former fire station and part of it was purpose built in 2002. It provides 273 student bedrooms in ensuite cluster flats and studios which are let directly to students on ASTs.				17,720,000
1.3	Aberdeen, Spring Gardens (25 March 2019)	The property was purpose built in 1994 and internally refurbished in 2001. An additional new block with 20 bedrooms was built in 2011. There is a total of 512 student bedrooms in cluster flats and studios. The majority of rooms have shared bathrooms. All of the rooms are let directly to students on ASTs.				19,420,000
2.1	Bath, Charlton Court (29 August 2019)	The property was purpose-built in 2009 and provides 330 student bedrooms in ensuite cluster flats and studios. The 295 en-suite bedrooms are subject to a nomination agreement with Bath Spa University expiring at the end of the 2026/2027 academic year. The remaining 35 studio bedspaces are let directly to students on ASTs.				40,850,000
4.1	Bristol, Blenheim Court (24 November 2017)	The property was purpose built in 2005 and provides 231 student bedrooms in ensuite cluster flats and studios. 105 en-suite rooms are subject to a nomination agreement with the University of the West of England expiring at the end of the 2019/2020 academic year. The remaining 126 are let directly to students on ASTs. The ground floor commercial unit is let to Tesco Stores Ltd for a term of 15 years from September 2005.				25,790,000

4.2	Bristol, Cherry Court (24 November 2017)	The property was purpose built in 2004 and provides 176 student bedrooms in ensuite cluster flats.	19,820,000	19,820,000
4.3	Bristol, Favell House (24 November 2017)	The property comprises a converted former office building which was completed in 1997. There are a total of 234 student bedrooms with shared bathrooms in cluster flats. All bedspaces are subject to a nominations agreement with the University of the West of England expiring at the end of the 2019/2020 academic year. A ground floor commercial unit is let to One Stop Stores Ltd for a term of 25 years from September 1997. A second commercial unit is let to the Malago Surgery Partnership for a term of 10 years from August 2017. A third commercial unit is let to Aqua Italia Ltd for a term of 25 years from July 1998.	18,430,000	18,430,000
4.4	Bristol, Marketgate 28 August 2019	The property comprises a converted former office building which was completed in 2003. There are 490 student bedrooms in ensuite cluster flats and studios. All of the bedrooms are subject to a nominations agreement to the University of the West of England expiring at the end of the 2019/2020 academic year.	46,110,000	46,110,000
4.5	Bristol, Phoenix Court (24 November 2017)	The property was purpose built in 2007 and provides 277 student bedrooms within ensuite cluster flats and studios. 92 bedrooms are let on a Nominations Agreement to the University of the West of England and 185 bedrooms are let directly to students on ASTs. A ground floor commercial unit is let to the City Council of Bristol on a lease expiring in November 2021. The property is held part freehold and part leasehold with approximately 110 years unexpired.	35,880,000	35,880,000

4.6	Bristol, The Rackhay (24 November 2017)	The property comprises a converted former office building which was completed in 1995 and refurbished in 2008. There are 115 student bedrooms within cluster flats with shared bathrooms. All of the bedrooms are subject to a nomination agreement to the University of the West of England expiring at the end of the 2019/2020 academic year.	8,600,000	8,600,000
5.1	Durham, Houghall Court (23 May 2019)	The property opened in 2018 and comprises a converted former college to part. It provides 222 student bedrooms in en-suite cluster flats and studios.	20,140,000	20,140,000
5.2	Durham, Rushford Court (23 May 2019)	The property opened in 2018 and comprises a converted former hospital to part. It provides 358 student bedrooms in en-suite cluster flats and studios. All of the bedrooms are subject to a one-year nomination agreement to Durham University expiring at the end of the 2019/2020 academic year.	39,500,000	39,500,000
6.1	Edinburgh, The Bridge House (12 February 2018)	The property comprises a purpose-built scheme providing 319 non en-suite bedspaces across 57 cluster flats. 150 bedspaces are subject to a one-year nominations agreement to the University of Edinburgh expiring at the end of the 2019/2020 academic year.	26,380,000	26,380,000
6.2	Edinburgh, Chalmers Street (12 February 2018)	The property was purpose built in 2009 and provides 252 student bedrooms in cluster flats and studios. The bedrooms are either ensuite or are provided with one bathroom between two bedrooms.	37,030,000	37,030,000
6.3	Edinburgh, The Old Print Works (12 February 2018)	The property comprises a purpose-built scheme which opened in 2017. It provides 234 student bedrooms in en-suite cluster flats and studios.	33,250,000	33,250,000

7.1	Exeter, Northfields (20 August 2019)	The property was purpose built in 2008 and provides 190 student bedrooms within ensuite cluster flats and studios. 113 bedspaces are subject to a nomination agreement to the University of Exeter expiring at the end of the 2019/2020 academic year. The remaining 77 bedrooms are let directly to students on ASTs.	21,830,000	21,830,000
8.1	Glasgow, Blackfriars (17 April 2017)	Blackfriars I was purpose built in 2005 and provides 298 student bedrooms within ensuite cluster flats and studios. Blackfriars II was purpose built in 2007 and provides 222 ensuite bedrooms. Both buildings are operated together as a single property. All of the bedrooms are let directly to students on ASTs.	34,450,000	34,450,000
8.2	Glasgow, Kelvin Court (18 April 2018)	The property was purpose built in 2012 and provides a total of 477 student bedrooms within ensuite cluster flats and studios. All of the bedrooms are let directly to students on ASTs.	39,810,000	39,810,000
9.2	Leeds, Sky Plaza (8 March 2019)	The property was purpose built in 2009 and provides 533 student bedrooms within ensuite cluster flats, studios and one bed flats. All of the bedrooms are let directly to students on ASTs. The property closed to students for the 2017/2018 academic year to allow for the cladding to be replaced at a cost of £3.7m. The property has reopened for the 2018/2019 academic year. A ground floor commercial unit is let on a lease for a term of 20 years from October 2009.	70,250,000	70,250,000
9.1	Leeds, The Plaza (8 March 2019)	The property was purpose built in 2006 and provides 964 student bedrooms within ensuite cluster flats and studios. 303 bedrooms are subject to a nomination agreement with Leeds Beckett expiring at the end of 2019/2020 academic year. The remaining bedrooms are let directly to students on ASTs.	99,360,000	99,360,000

9.3	Leeds, The Tannery (28 November 2018)	The property was purpose built in 2004 and provides 502 student bedrooms within ensuite cluster flats and studios. 439 bedrooms are subject to a Nominations Agreement to the University of Leeds for a term of 3 years expiring August 2022. 63 bedrooms are let directly to students on ASTs. A ground floor commercial unit is let on a lease expiring October 2020.	35,320,000	35,320,000
10.1	Leicester, Filbert Village (13 July 2018)	The property was purpose built in 2004 and provides 664 student bedrooms within ensuite cluster flats and studios. 600 bedspaces are subject to a short term Nominations Agreement to De Montfort University expiring at the end of 2020/2021 academic year. The remaining 65 bedspaces are let directly to students on ASTs.	37,890,000	37,890,000
10.2	Leicester, Newarke Point (20 August 2019)	The property was purpose built in 2002 and provides a total of 658 student bedrooms within ensuite cluster flats and studios. There is a 25-year Nomination Agreement in place to De Montfort University over a minimum of 300 rooms from August 2002 with a mutual break option in year 15.	54,570,000	54,570,000
10.3	Leicester, St Martins House (13 July 2018)	The property was purpose built in 2003 and provides 148 student bedrooms within ensuite cluster flats and studios. All of the bedrooms are directly let to students on ASTs. The property is held on a lease expiring in April 3001.	10,510,000	10,510,000
10.4	Leicester, The Grange (13 July 2018)	The property was completed in 2003 and provides 220 student bedrooms within ensuite cluster flats and studios. 194 bedrooms are subject to a short-term Nominations Agreement to De Montfort University expiring at the end of the 2020/2021 academic year. A ground floor commercial unit is let to Riley's Sports Bars Ltd on a lease expiring in February 2029.	15,920,000	15,920,000

11.2	Liverpool, Arrad Street (08 June 2017)	The property was purpose built in 2001 and provides 75 student bedrooms within ensuite cluster flats. All of the bedrooms are subject to a short term Nomination Agreement to the University of Liverpool with no guarantee. A ground floor commercial unit is let to a private individual until February 2023. A second commercial unit is let to Keystone bars Ltd until July 2025.	4,950,000	4,950,000
11.3	Liverpool, Cambridge Court (21 August 2019)	The property was purpose built in 1999 and provides 474 student bedrooms within ensuite cluster flats. 100 bedrooms are let on a short-term Nominations Agreement to the University of Liverpool expiring at the end of 2019/2020 academic year. The remaining bedrooms are let directly to students on ASTs.	31,350,000	31,350,000
11.5	Liverpool, Cedar Court (08 June 2017)	The property was purpose built in 1999 and provides a total of 102 student bedrooms within ensuite cluster flats and studios. 74 bedspaces are subject to a Nominations Agreement to the University of Liverpool expiring at the end of 2019/2020 academic year.	7,180,000	7,180,000
11.6	Liverpool, Grand Central (21 August 2019)	The property was purpose built in 2004 and provides 1,236 student bedrooms within ensuite cluster flats and studios. 379 beds are subject to a short-term Nominations Agreement to Liverpool John Moores University expiring at the end of 2019/2020 academic year. The remaining 857 bedrooms are directly let to students on ASTs. The property includes three ground floor commercial units. The first is let to Riley's Sports Bars until January 2026, subject to a tenant break option in January 2021. The second is let to Keystone Bars Ltd until June 2025. The final unit is let to a private individual until February 2026.	81,320,000	81,320,000

11.7	Liverpool, Larch House (08 June 2017)	The property was constructed in the 1970s and refurbished in 2000. There are a total of 104 student bedrooms. 99 of the bedrooms are provided with shared bathrooms and the remaining bedrooms are one-bedroom flats. All bedrooms are directly let to students on ASTs. The property is held on a lease expiring in August 2074.	2,810,000	2,810,000
11.8	Liverpool, Lennon Studios (21 August 2019)	The property was converted from a former hospital building in 2001. There are a total of 248 student bedrooms within cluster flats and studios. All bedrooms are directly let to students on ASTs.	20,560,000	20,560,000
12.1	London, Blithehale Court 22 August 2019	The property was purpose built in 2009 and provides 306 student bedrooms within ensuite cluster flats and studios. All of the bedrooms are let directly to students on ASTs. There are three commercial units. The first is let to Gobitree Ltd until February 2021. The second is let to Yum III (UK) Ltd until October 2030, subject to a break option in October 2020. The final unit is let to Account 3 Women's Consultancy Service Ltd for 25 years from March 2009.	78,370,000	78,370,000
12.2	London, Emily Bowes 22 August 2019	The property was purpose built in 2009 and provides 693 student bedrooms within ensuite cluster flats and studios. 224 bedspaces are let on a short term nominations agreement to the University of Arts London. The remaining bedrooms are let directly to students on ASTs.	116,310,000	116,310,000
12.4	London, Pacific Court (27 April 2018)	The property was purpose built in 2008 and provides 142 student bedrooms within ensuite cluster flats and studios. All bedrooms are directly let to students on ASTs.	33,490,000	33,490,000

13.1	Loughborough, The Holt (13 July 2018)	The property opened to students in 2004. The majority of the accommodation is purpose built but some is within a converted period residential building. There are a total of 261 student bedrooms within ensuite cluster flats and studios. There is an informal reservations agreement in place with the University of Loughborough expiring in at the end of the 2028/2029 academic year. The property is held on a lease expiring in August 2103.	14,580,000	14,580,000
14.1	Manchester, Kincardine Court (24 June 2019)	The property comprises a purpose built scheme which opened in 2001. It provides 229 ensuite bedspaces. The property is held on a lease expiring in 2125. All of the bedrooms are directly let to students on ASTs.	24,730,000	24,730,000
14.2	Manchester, Piccadilly Point (24 June 2019)	The property was purpose built in 2007 and provides 588 student bedrooms within ensuite cluster flats and studios. 269 bedspaces are let to University Campus of Football Business (UCFB). The remaining bedspaces are directly let to students on ASTs.	75,580,000	75,580,000
15.1	Newcastle, Manor Bank (17 January 2019)	The property was purpose built in 2010 and provides 527 student bedrooms within ensuite cluster flats and studios. All of the bedrooms are directly let to students on ASTs.	32,130,000	32,130,000
16.1	Nottingham, Riverside Point (27 August 2019)	The property was purpose built in 2006 and provides 484 student bedrooms within ensuite cluster flats and studios. 93 bedspaces are subject to a short term nominations agreement with Nottingham University expiring in at the end of the 2019/2020 academic year. The remaining bedspaces are directly let to students on ASTs.	42,840,000	42,840,000

16.2	Nottingham, St Peters (27 August 2019)	The property was purpose built in two phases in 2002 and 2005. There are 808 student bedrooms within ensuite cluster flats and studios. All 808 bedspaces are subject to a Nomination Agreement with the University of Nottingham for the 2019/2020 academic year. The remaining bedrooms are directly let to students on ASTs.	56,360,000	56,360,000
17.1	Oxford, Beech House (2 November 2018)	The property comprises a purpose-built scheme which opened in 2017. It provides 167 en-suite bedspaces, all of which are subject to a 25-year nomination agreement with Oxford Brookes University.	26,530,000	26,530,000
18.1	Portsmouth, Greetham Street (21 November 2018)	The property comprises a purpose-built scheme which opened in 2016. It provides 836 student bedrooms within en-suite cluster flats and studios. The property has the benefit of a 20-year agreement with the University of Portsmouth, subject to a rolling 3 yearly occupancy confirmation by the University. The property is held leasehold expiring November 2264.	70,530,000	70,530,000
19.1	Reading, Crown House (21 June 2018)	The property was converted to student accommodation in 2008 and provides 99 bedrooms within ensuite cluster flats and studios. 20 bedspaces are subject to a nominations agreement with Cambridge Education Group expiring end of 2020/2021. The remaining bedspaces are directly let to students on ASTs. A ground floor commercial unit is let to Tesco Stores Ltd for a term of 15 years from August 2008.	16,080,000	16,080,000
20.1	Sheffield, Brass Founders (8 March 2018)	The property comprises a purpose built scheme which opened in 2017. It provides 437 student bedrooms within en-suite cluster flats and studios.	37,390,000	37,390,000

20.2	Sheffield, Exchange Works (27 August 2019)	The property was purpose built in 2002 and provides 437 student bedrooms within ensuite cluster flats and a studio. 187 bedspaces are subject to a short term nomination agreement with Sheffield Hallam University expiring at the end of the 2019/2020 academic year. The remaining bedspaces are directly let to students on ASTs. A ground floor commercial unit is let Sheffield Health and Social Care NHS Foundation Trust 15 years from November 2005.. The Leasehold parts of the property are held on leases expiring in 2201 and 2638.		29,390,000	29,390,000	
20.3	Sheffield, The Anvil (6 June 2017)	The property was purpose built in 2007 and provides 163 student bedrooms within ensuite cluster flats and studios. 90 bedspaces are subject to a short term nomination agreement with Sheffield Hallam University expiring at the end of the 2019/2020 academic year. The remaining bedrooms are directly let to students on ASTs. The property is held on a lease expiring in November 2145.		9,660,000	9,660,000	
TOTAL			£1,415,390,000	£132,820,000	£85,410,000	£1,633,620,000

PART III

CONFLICTS LETTER



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Email Joanne.winchester@cbre.com
Our Ref USAF
Your Ref

20 September 2019

HSBC Bank plc
Global Banking
Level 2, 8 Canada Square
London,
E14 5HQ

For the attention of Katrina Haley
HSBC Bank plc as Lead Arranger, HSBC UK Bank plc as Liquidity Facility Provider

USAF BOND ISSUE VALUATION

This is to confirm that CBRE has been the external property valuer to The Unite UK Student Accommodation Fund (USAF) since 2007 providing independent advice. The valuations are provided on a quarterly basis. Tim Pankhurst has signed the USAF reports since September 2017 and Yin Yeung has been the second signatory since September 2014. As part of the reporting process we attend USAF Advisory Committee Meetings on a regular basis to present to the USAF investors with an overview of the property market and the student accommodation market.

For the purposes of advising on the valuation of the properties to assist in consideration of the issuance of bonds by the USAF Finance II Ltd, the valuations have been reviewed by a different signatory to that of the Fund. Jo Winchester, Head of Student Housing Valuation and Advisory, has undertaken a review of the valuation. We can confirm that Jo Winchester has not, to date, been a signatory for the USAF valuation. Michael Brodtman, Executive Director, is also a signatory to the report for HSBC UK Bank plc, and similarly we can confirm that Michael Brodtman has not been a signatory for the USAF valuation since Project Pinot began.

Insofar as the valuations are concerned we are accredited under the Quality Standard ISO 9001 to ensure that all of our work is carried out in a disciplined and rigorous manner. We have registers and forms for every area of our work, and strict audit processes which also identify any conflicts of interest. All of our files are open to inspection by clients and their auditors and to ensure that the highest standards are consistently applied and our procedures are externally audited every six months. We check for conflicts of interest at property and company level, and, if necessary resolve them prior to accepting an instruction. We follow RICS procedures and should a perceived conflict arise we contact clients and get their agreement to a basis upon which we may proceed (e.g. Information Barriers).



In addition, as part of our internal audit process CBRE has policies for valuation work which are set out in our Practice Area Guidelines (latest edition March 2019) whereby valuations may be approved by a Senior or Executive Director who has not been previously involved in the instruction.

All information held by the Valuation & Advisory team in respect of property fund valuations and potential purchases or sales is treated in confidence and is not shared with other service lines. The Valuation team are physically separate from other teams with appropriate secure information barriers, conflict management policies, and confidentiality requirements and separate and secure IT systems which are password protected.


Whilst CBRE Ltd does provide valuation advice in respect of USAF to The UNITE Group plc we confirm, for the purposes of this instruction, that we are not conflicted.

We hope the above is sufficient for your purposes but if you require any further information please contact us.

Yours sincerely,

A handwritten signature in black ink that reads "J. Winchester". The signature is written in a cursive style with a horizontal line underneath the name.

**JO WINCHESTER FRICS
EXECUTIVE DIRECTOR – VALUATION AND ADVISORY SERVICES**

A handwritten signature in black ink that reads "Geraldine Mash". The signature is written in a cursive style.

**GERALDINE MASH
COMPLIANCE DIRECTOR**