



**Q3 2019  
Financial Results  
5 November 2019**

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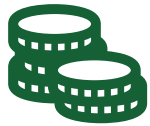
# Key Highlights

# Key Highlights



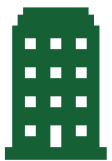
## Q3 2019 Performance Above Forecast

- Distributable Income: **US\$12.8 million**
- DPU: **1.38 US Cents**



## Prudent Capital Management

- Aggregate Leverage: **33.9%**
- Interest Coverage: **5.3x**



## Proactive Lease Management

- Portfolio Occupancy: **97.0%**
- WALE: **4.9 years**



# Financial Performance

*One Washingtonian Centre, Suburban Maryland*

# Distributable Income Exceeded Forecast

For the period 19 July 2019 to 30 September 2019	Actual (US\$'000)	Forecast (US\$'000)	Variance (%)
Gross Revenue	27,128	26,507	+2.3
Net Property Income	17,914	17,425	+2.8
Distributable Income	12,791	12,138	+5.4
Available DPU (US cents) <sup>1</sup>	1.38	1.31	+5.4

1. No distribution for the current financial period was declared. PRIME's first distribution will be for the period from 19 July 2019 (Listing Date) to 31 December 2019, and will be paid on or before 30 March 2020.

# Balance Sheet Data

As at 30 September 2019	US\$'000
Total Assets	1,268,431
Total Loans & Borrowings	424,682
Total Liabilities	476,339
Unitholders' Funds	792,092
Units in Issue and to be Issued ('000)	925,004
NAV per Unit (US\$)	0.86



# Aggregate Leverage Reduced to 33.9%

	As at 30 September 2019
Gross Borrowings	US\$429.7 million <sup>1</sup>
Available Facilities	US\$55.3 million
Aggregate Leverage	33.9%
Weighted Average Interest Rate	3.34% <sup>2</sup>
Interest Coverage	5.3x <sup>3</sup>
Weighted Average Maturity	5.5 Years

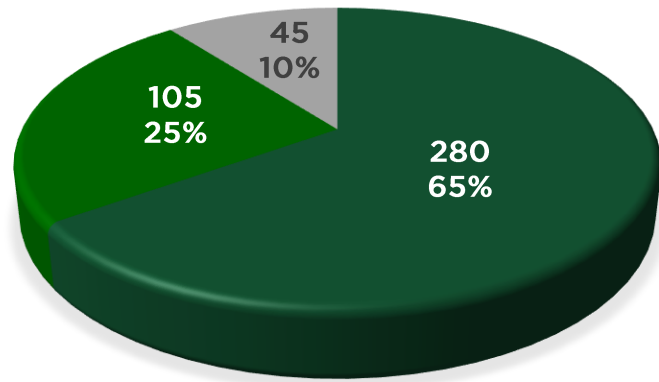
1. Before unamortised upfront debt-related transaction costs.

2. Based on interest expense (excluding amortisation of upfront debt-related transaction costs and commitment fees) on loans and borrowings from 19 July 2019 to 30 September 2019 taking into account the interest rate swaps.

3. Calculated as net income plus tax expense, net finance expense, change in fair value of derivatives and amortisation of lease commissions divided by interest expense and commitment fees on debt for the period from 19 July 2019 to 30 September 2019.

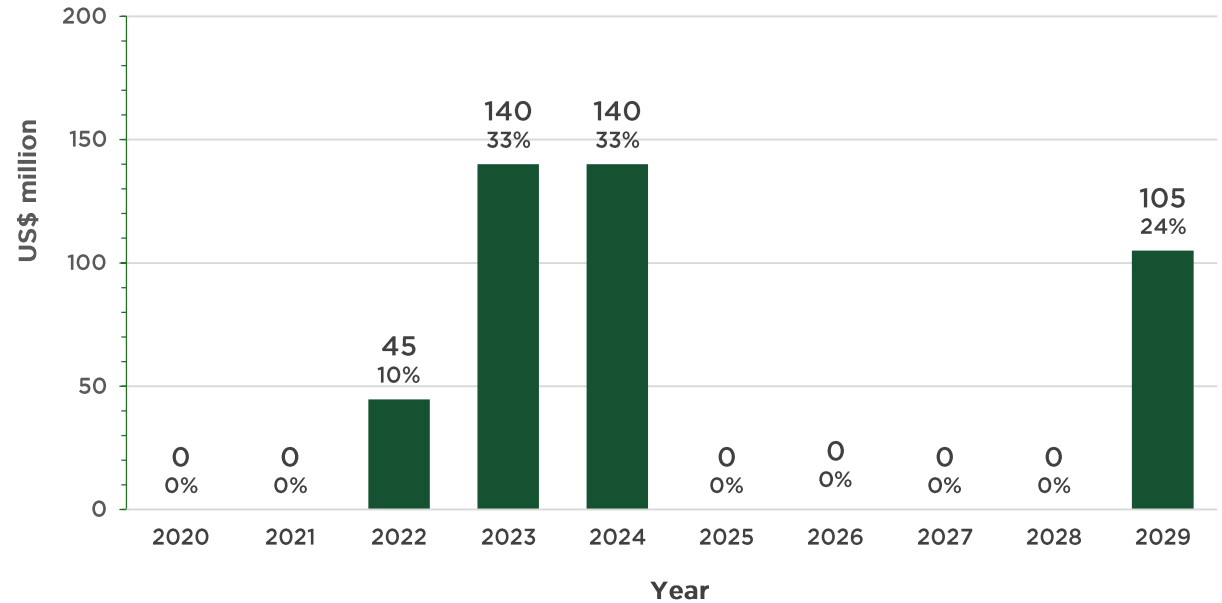
# Prudent Capital Management

Interest Rate Exposure  
(US\$ million)



■ Floating Rate Debt (Fixed Through Swaps)
 ■ Fixed Rate Debt
 ■ Floating Rate Debt (Unswapped)

Debt Maturity Profile

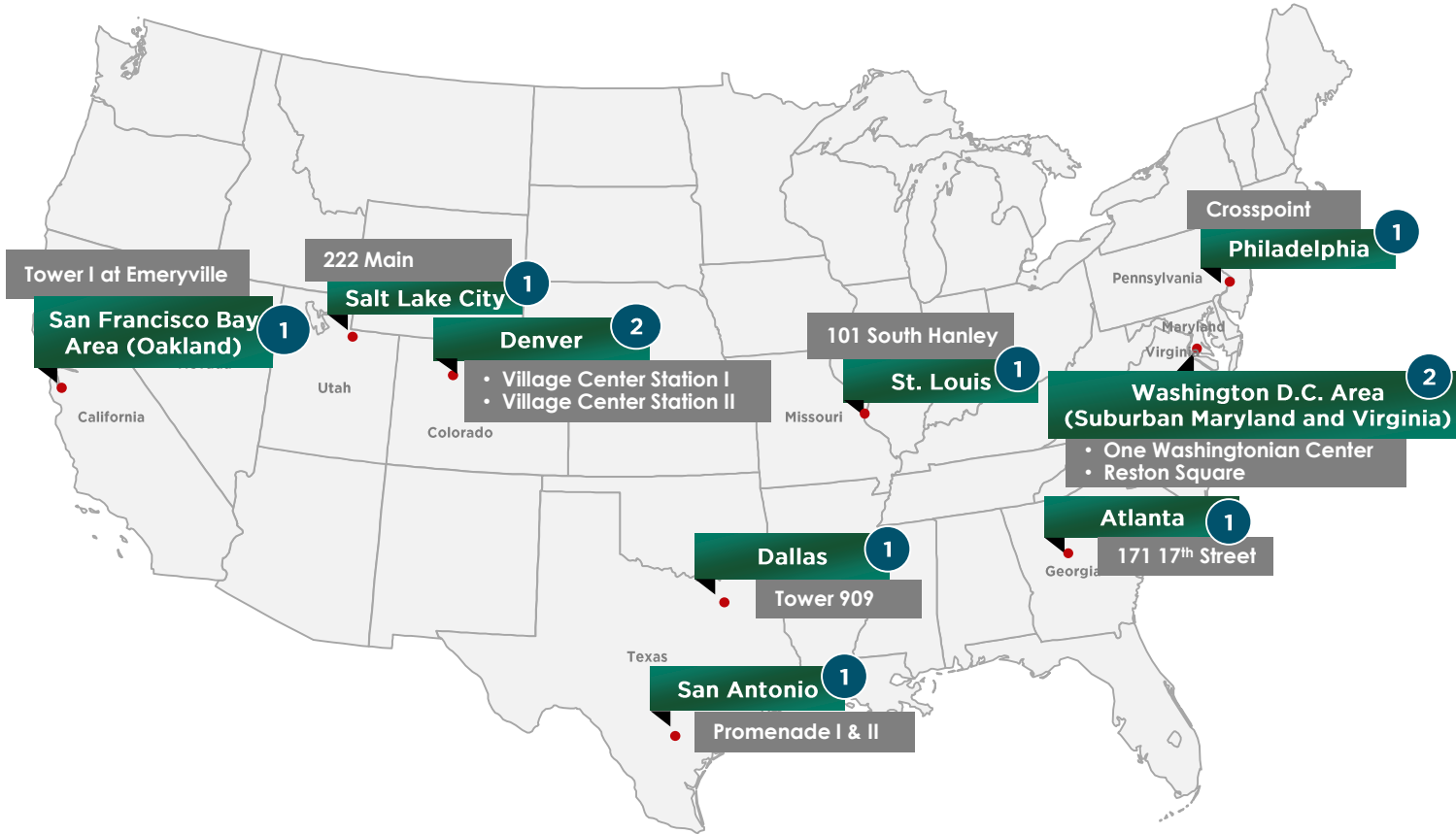




# Portfolio Update

171 17<sup>th</sup> Street, Atlanta

# Diversified Across 9 Primary Markets




# Denotes number of properties from the respective market

<b>US \$1.22<sub>bn</sub></b> Valuation	<b>3.4<sub>m</sub> sq ft</b> NLA
<b>11</b> Prime US Office Properties	<b>97.0%</b> Portfolio Occupancy
<b>100%</b> Freehold Land Title	<b>A</b> All Class A Office Properties
<b>98.3%</b> Leases with built-in rental escalation	<b>4.9<sub>yrs</sub></b> WALE


# High-Quality Prime Office Properties Portfolio

**Tower I at Emeryville**  
San Francisco Bay Area (Oakland)



Valuation<sup>1</sup>: US\$122.1m  
Occupancy<sup>2</sup>: 90.3%

**222 Main**  
Salt Lake City



Valuation<sup>1</sup>: US\$211.3m  
Occupancy<sup>2</sup>: 95.8%

**Village Center Station I**  
Denver




Valuation<sup>1</sup>: US\$ 89.2m  
Occupancy<sup>2</sup>: 95.8%

**Village Center Station II**  
Denver



Valuation<sup>1</sup>: US\$144.6m  
Occupancy<sup>2</sup>: 100.0%

**101 South Hanley**  
St. Louis



Valuation<sup>1</sup>: US\$79.7m  
Occupancy<sup>2</sup>: 99.4%

**Tower 909**  
Dallas



Valuation<sup>1</sup>: US\$76.3m  
Occupancy<sup>2</sup>: 92.9%

**Promenade I & II**  
San Antonio



Valuation<sup>1</sup>: US\$72.8m  
Occupancy<sup>2</sup>: 99.4%

**CrossPoint**  
Philadelphia



Valuation<sup>1</sup>: US\$97.7m  
Occupancy<sup>2</sup>: 100.0%

**One Washingtonian Center**  
Washington D.C Area (Suburban Maryland)



Valuation<sup>1</sup>: US\$102.1m  
Occupancy<sup>2</sup>: 95.2%

**Reston Square**  
Washington D.C Area (Suburban Virginia)



Valuation<sup>1</sup>: US\$51.0m  
Occupancy<sup>2</sup>: 96.9%

**171 17th Street**  
Atlanta



Valuation<sup>1</sup>: US\$176.5m  
Occupancy<sup>2</sup>: 99.1%

# Market and Tenant Diversification

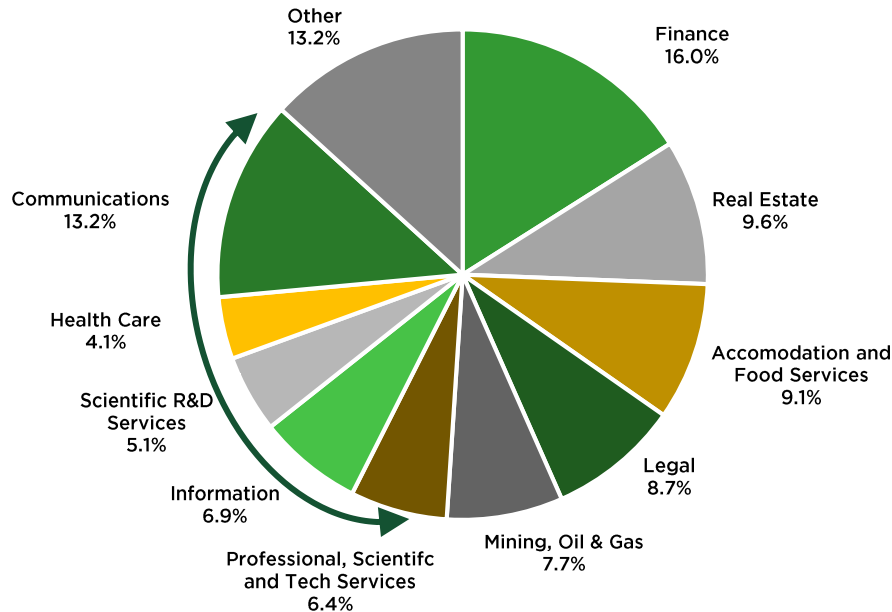
**187**  
Tenants

**35.7%**  
STEM / TAMI<sup>1</sup>

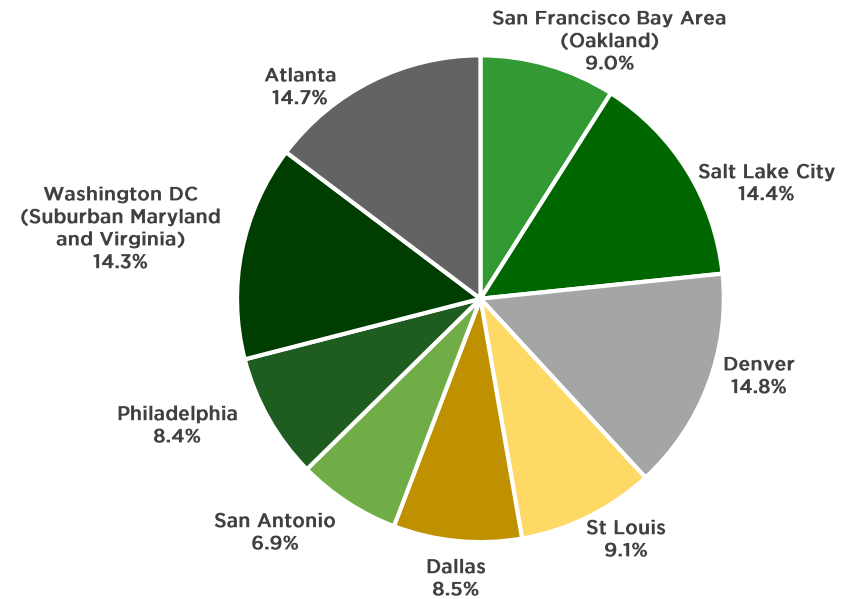
**9**  
Primary Markets

No single market  
contributing more than  
**14.8%** of total CRI

CRI<sup>2</sup> by Trade Sector



CRI<sup>2</sup> by Primary Markets



1. STEM: Science, Technology, Engineering and Math. TAMI: Technology, Advertising, Media and Information.  
2. Cash Rental Income for the month of September 2019

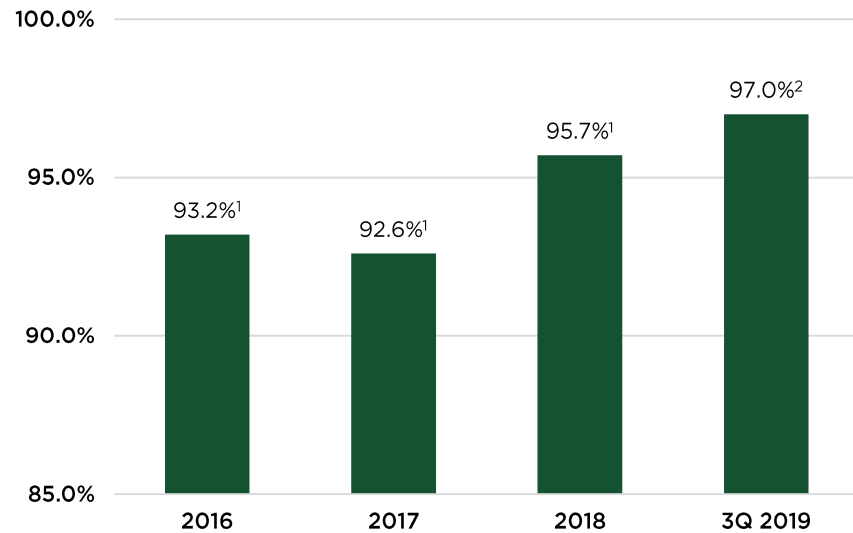
# Top 10 Tenants by Cash Rental Income (“CRI”)

Tenant	Industry	Property	NLA (sq ft)	% of CRI <sup>1</sup>
Charter Communications	Communications	Village Center Station I & II	373,782	8.0
Goldman Sachs	Finance	222 Main	177,206	6.2
Sodexo Operations	Accommodation & Food Services	One Washingtonian	190,698	6.0
Wells Fargo Bank	Finance	171 17 <sup>th</sup> Street	156,104	4.8
Holland & Hart	Legal	222 Main; Village Center Station I	114,103	4.4
Amall Golden Gregory	Legal	171 17 <sup>th</sup> Street	122,240	3.7
Whitney, Bradley & Brown	Professional Services	Reston Square	73,511	3.0
Apache Corporation	Mining, Oil & Gas	Promenade	70,596	2.5
WeWork	Real Estate Rental & Leasing	Tower I at Emeryville	56,977	2.4
Teleflex	Healthcare	Crosspoint	84,008	2.4
		<b>TOTAL</b>		<b>43.4</b>

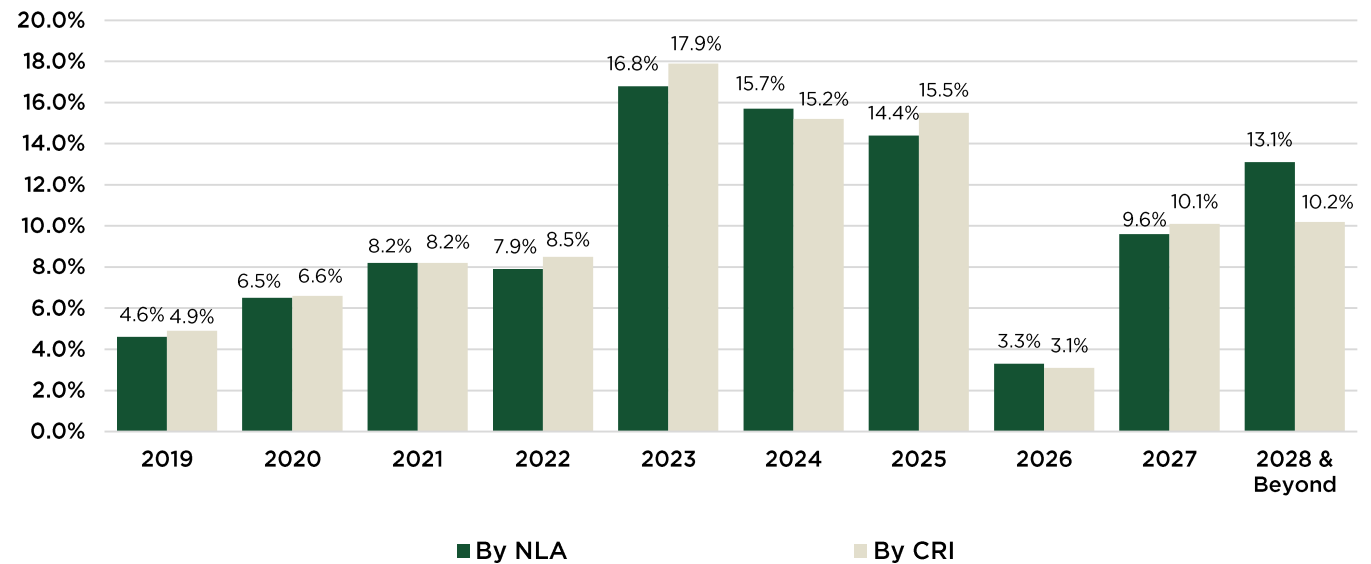
1. Cash Rental Income for the month of September 2019

# Proactive Lease Management

## Portfolio Occupancy



## Lease Expiry Profile as of 30 September 2019



1. Average Occupancy for the year.  
2. Occupancy as at 30 September 2019.





# Outlook

*Reston Square, Suburban Virginia*

# Outlook

**3.5%**  
**Unemployment rate**

**+1.9%**  
**GDP**

**470,000**  
**New jobs**

**Tech sector**  
**dominates leasing**

- The U.S. economy continued to grow at a steady pace in the third quarter of 2019, and the unemployment rate dropped to **3.5% - the lowest since 1969**.
- Approximately 470,000 new jobs were added, of which **140,000 were in the key office-using sectors. Technology sector** continued to dominate leasing, accounting for nearly 31% of the top leases signed across the nation during the quarter<sup>1</sup>.
- According to the “advance” estimate released by the Bureau of Economic Analysis, real gross domestic product **increased 1.9%** in the third quarter of 2019, against a backdrop of continued concerns related to the China-U.S. trade dispute and U.S. political uncertainties.
- The U.S. office market demand remained healthy despite the trade tensions. 12-month office net absorption was **49.7 million sq ft as of 3Q2019**, with 25.6 mil square feet in the 3rd quarter alone, the **highest level since the 4th quarter of 2015**. 12-month **overall rent growth was 2.4%**, the 34th consecutive quarter of rent increases, the longest period on record<sup>2</sup>.
- With portfolio occupancy of **97.0%**, and **98.3% of leases have rental escalations**, PRIME is well positioned to benefit from its diversified and resilient portfolio, supported by its favourable tenant exposure in the **STEM/TAMI sectors**.

1. Source: Cushman & Wakefield  
2. Source: CoStar.



# Portfolio Information

# Portfolio Overview

Name of Property	Primary Market	Land Tenure	Completion Year	Year of Last Refurbishment	NLA (sq ft)	Parking Stalls	Occupancy*	Number of Tenants*	WALE*
<b>Tower I at Emeryville</b>	San Francisco Bay Area (Oakland)	Freehold	1972	2012	222,206	509	90.3%	16	7.0
<b>222 Main</b>	Salt Lake City	Freehold	2009	2018 (Lobby)	426,657	852	95.8%	17	5.2
<b>Village Center Station I</b>	Denver	Freehold	2009	2019	234,915	786	95.8%	13	2.9
<b>Village Center Station II</b>	Denver	Freehold	2018	N.A.	325,576	1,165	100.0%	1	8.8
<b>101 South Hanley</b>	St. Louis	Freehold	1986	2016 / 2017	360,505	916	99.4%	36	4.5
<b>Tower 909</b>	Dallas	Freehold	1988	2013-2015	374,251	1,107	92.9%	40	5.3
<b>Promenade I &amp; II</b>	San Antonio	Freehold	2011	N.A.	205,773	768	99.4%	13	3.8
<b>CrossPoint</b>	Philadelphia	Freehold	1974	2014	272,360	1,035	100.0%	13	4.5
<b>One Washingtonian Center</b>	Washington D.C. Area (Suburban Maryland)	Freehold	1989	2013-2018	314,284	1,222	95.2%	14	5.0
<b>Reston Square</b>	Washington D.C. Area (Suburban Virginia)	Freehold	2007	2015	138,995	704	96.9%	8	4.2
<b>171 17th Street</b>	Atlanta	Freehold	2003	N.A.	510,268	1,200	99.1%	16	5.1
<b>Total / Weighted Average</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>3,385,790</b>	<b>10,264</b>	<b>97.0%</b>	<b>187</b>	<b>5.08</b>

1. As of 30 September 2019.

# Property Features

## Tower I at Emeryville

1900 Powell Street  
Emeryville  
California 94608

- Tower I at Emeryville is a 12-storey Class A multi-tenanted office building located in the Oakland (North Alameda) submarket within the San Francisco Bay Area (Oakland) primary market.
- Situated in close proximity to the San Francisco Bay, Tower I at Emeryville lies in close proximity to the Oakland International Airport and enjoys views of the San Francisco Bay, the San Francisco skyline, Golden Gate Bridge and the Treasure Island.
- Public transportation is easily accessible through Amtrak, AC Transit, and free shuttles connecting Emeryville's employers and shopping centres with the MacArthur BART station.
- Quick access to Interstate-580, which passes from San Rafael in the Bay Area to Tracy in the Central Valley.
- Tower I at Emeryville is Energy Star certified.



## 222 Main

222 South Main Street  
Salt Lake City  
Utah 84101

- 222 Main is a 21-storey Class A multi-tenanted office building located in the CBD submarket within the Salt Lake City primary market with a nine-storey parking structure.
- Located within walking distance from the City Creek Center mixed-use development, which offers numerous first-class amenities.
- Close proximity to a light rail (TRAX) stop that allows access to locations throughout Salt Lake Valley and the Salt Lake International Airport.
- Easy access to other public transportation and Interstates 15, 80, and 215 are a close distance away.
- 222 Main is LEED Gold certified.



# Property Features

## Village Center Station I

6380 S. Fiddler's Green Circle  
Greenwood Village  
Colorado 80111

- Village Center Station I is a 9-storey Class A multi-tenanted office building located in the Southeast Suburban submarket of the Denver primary market with an adjacent parking structure.
- Excellent access characteristics to and through the local market area, with three major highways and various major arteries servicing the area.
- Primary access into the local market is provided by Interstate 25, the major north-south highway through the Denver CBSA and the State of Colorado.
- Easily accessible to Centennial Airport - one of U.S.'s busiest general aviation executive airports.
- Adjacent to Arapahoe at Village Centre Station light rail passenger station where riders can take three lines, E, F and R, into the heart of Denver and other residential and financial areas.
- Village Center I is LEED Gold certified.



## Village Center Station II

6380 S. Fiddler's Green Circle  
Greenwood Village  
Colorado 80111

- Village Center Station II is a 12-storey Class A single-tenanted office tower with attached parking and an additional 2-storey building located in the Southeast Suburban submarket of the Denver primary market.
- Excellent access characteristics to and through the local market area, with three major highways and various major arteries servicing the area.
- Primary access into the local market is provided by Interstate 25, the major north-south highway through the Denver CBSA and the State of Colorado.
- Easily accessible to Centennial Airport - one of U.S.'s busiest general aviation executive airports.
- Adjacent to Arapahoe at Village Centre Station light rail passenger station where riders can take three lines, E, F and R, into the heart of Denver and other residential and financial areas.
- Village Center I is LEED Gold certified.



# Property Features

## 101 South Hanley

101 S. Hanley Road, Clayton  
St. Louis  
Missouri 63105

- 101 South Hanley is a 19-storey Class A multi-tenanted office tower located in the Clayton submarket within the St. Louis primary market with a four-storey parking structure.
- Close proximity to Interstate 170 and Interstate 64 which serve as primary traffic arteries for St. Louis County and the St. Louis metropolitan area.
- Easy access to Clayton Business District, the interstate highway system and other important local destinations.
- Close proximity to Interstate 64, Interstate 170 and Forest Park Parkway, and a MetroLink light rail station is two blocks away.
- Features a full array of amenities such as a conference centre, a tenant lounge, fitness centre with full locker rooms, car wash, and a full-service restaurant.



## Tower 909

909 Lake Carolyn Parkway  
Irving  
Texas 75039

- Tower 909 is a 19-storey Class A multi-tenanted office building located in the Las Colinas submarket within the Dallas primary market with a 7-storey parking structure. It is part of the Las Colinas master planned development.
- Benefits from being the terminal stop on the Las Colinas' Area Personal Transit System and is adjacent to Urban Center Station on the DART light rail system via covered pedestrian access.
- Offers a shuttle service the new Toyota Music Factor and is adjacent to the Water Street development, a mixed-use project which features premium retail and dining options.
- Features a tenant lounge, massage room, conference centre, fitness centre, showers and lockers and a deli.
- Tower 909 is LEED certified..



# Property Features

## Promenade I & II

17802 & 17806 IH-10 W, San Antonio  
Bexar County  
Texas 78257

- Promenade I and II are two 4-storey multi-tenanted Class A office buildings located in the West submarket within the San Antonio primary market.
- Located within the Eilan mixed-use development which includes a boutique hotel, restaurants, retail, apartment complex and office space surrounding a piazza with Tuscan-style stucco exteriors, stone facades and clay-tiled roofs.
- Within the northwest quadrant of Interstate 10 and Loop 1604, near the region's top employers and proximate to many affluent executive housing and multi-family residential developments.
- Within close proximity to San Antonio's two largest shopping centres, The Rim and The Shops at La Cantera.
- Interstate 10 connects San Antonio with Houston and beyond to the east and El Paso and beyond to the west. Loop 1604 encircles the city of San Antonio and provides access to the outer and suburban areas of the city of San Antonio.
- Feature workout facilities, spa services, conference rooms, convenience store, dry cleaning services, tennis courts, indoor and outdoor pools, and drinking and dining options.
- Promenade I & II is Energy Star certified.





# Property Features

## CrossPoint

550 East Swedesford Road, Wayne  
Pennsylvania 19087

- CrossPoint is a 4-storey Class A multi-tenanted office building well located along Swedesford Road, in the King of Prussia submarket within the Philadelphia primary market.
- Good proximity to malls and local highways including Route 202 and Interstate 76.
- Proximity to the King of Prussia Mall, the second largest mall in the U.S., a Walmart Supercenter, and the Village at Valley Forge, a live-work-place development which includes Wegman's, Nordstrom Rack, and LA Fitness.
- Served by commuter bus service, and the property provides free shuttle service to a nearby commuter rail station and the King of Prussia Town Center.
- High quality finishes throughout with extensive window lines, and provides tenants with a full-service dining facility, conference centre and fitness centre.
- CrossPoint is LEED Gold certified.



## One Washingtonian Centre

9801 Washingtonian Boulevard, Gaithersburg  
Maryland 20878

- One Washingtonian Center is a 13-storey Class A multi-tenanted office tower located in the submarket of Suburban Maryland (Gaithersburg) within the Washington D.C. Area (Suburban Maryland) primary market; and within the I-270 Corridor, which is a leading bio-tech and medical research market.
- Part of the exclusive Washingtonian Center mixed-use project, Gaithersburg's premier lakefront shopping, dining, and entertainment destination.
- Offers direct on and off access to Interstate 270 as well as the newly constructed InterCounty Connector which connects the Interstate 270/370 corridor and the Interstate 95/US Route 1 corridor.
- Onsite amenities include a café, concierge dry cleaning service, covered parking, and food catering.
- One Washingtonian Center is LEED Platinum certified.



# Property Features

## Reston Square

11790 Sunrise Valley Drive, Reston  
Virginia 20191

- Reston Square is a 6-storey Class A multi-tenanted office building located in the Reston-Herndon submarket of Suburban Virginia (Reston) within the Washington D.C. Area (Suburban Virginia) primary market.
- Part of the Reston Heights mixed-use development and enjoys proximity to local neighbourhood amenities such as Reston Town Center and the future Reston Town Center Metrorail station.
- Within ten miles of Washington Dulles International Airport.
- Features onsite amenities including a fitness centre with private lockers, EV car charging stations and a coffee bar.
- Reston Square is LEED Silver certified.



## 171 17<sup>th</sup> Street

171 17th Street NW, Atlanta  
Fulton County  
Georgia 30363

- 171 17th Street is a 22-storey Class A multi-tenanted office building located in the Midtown/
- Pershing/Brookwood submarket within the Atlanta primary market and the master planned mixed use development of Atlantic Station.
- Benefits from easy access to Interstate 20, 75, 85, 285, 575 and 675; and Georgia Highway 400.
- Close proximity to Hartsfield Jackson International Airport.
- Onsite amenities include café, conference centre and shuttle service.
- 171 17th Street is LEED Platinum certified.

