Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Fax: (65) 6220 6614
Email: admin@sias.org.sg www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y

REIT: United Hampshire US REIT
(Manager: United Hampshire US REIT Management Pte. Ltd.)

Stock code: ODBU

Meeting details:
Date: 28 April 2021
Time: 10.00 a.m.

Due to the current COVID-19 pandemic, SIAS encourage shareholders to participate at AGMs via other means and not to attend any AGM physically. Where the AGM is webcast, they can stay on top of their investments by watching the webcast and submitting their question to the company in advance. Senior citizens should avoid attending AGMs altogether and stay home.

Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Fax: (65) 6220 6614
Email: admin@sias.org.sg www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y

Q1. The REIT crossed the one-year mark since its successful listing on the mainboard of the Singapore Exchange ("SGX") on 12 March 2020. It is Asia's first U.S. grocery-anchored shopping center and self-storage REIT to be listed.

As noted in the letter to unitholders, despite the uncertainties brought on by the unprecedented global pandemic, the REIT exceeded the IPO forecast and declared a distribution per unit ("DPU") of US4.81 cents for FP2020 (12 March 2020 to 31 December 2020).

The REIT's portfolio consists of 22 assets comprising Grocery & Necessity (18) and Self-Storage (4) properties located across six states, focused on the populous and affluent East Coast markets of the U.S. The aggregate net lettable area of the portfolio is approximately 3.16 million square feet.

(i) **Are the occupancy rates at the REIT's self-storage properties (especially Elizabeth Self-Storage) meeting management's expectations?** While the occupancy rate at Millburn Self-Storage increased from 63.1% in 2Q to 93.4% in 4Q, the occupancy at Elizabeth Self-Storage increased from 12.4% to 36.6% over the same period. Occupancy at Carteret Self-Storage averaged 93.7% in 4Q 2020.

(ii) The manager commenced leasing activities for Perth Amboy Self-Storage in January 2021 after construction was completed. The occupancy rate reached 8% as of February 2021. **What is the typical gestation period to fill up a new self-storage such as Perth Amboy Self-Storage in New Jersey? Has the COVID-19 pandemic significantly changed the pace? Does management expect a shorter or a longer runway to reach the stabilised stage?**

(iii) **Similarly, what is the expected time needed to backfill the existing Publix Store at St. Lucie West?**

Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Fax: (65) 6220 6614
Email: admin@sias.org.sg www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y

Q2. The valuations of the REIT's properties are shown on page 34 of the annual report and is reproduced below:

VALUATION

	31 December 2020 (US$'000)	30 September 2019 (IPO Valuation Date) (US$'000)	Change (%)
Garden City Square – BJ's Wholesale Club	45,900	47,900	(4.2%)
Garden City Square – LA Fitness	21,100	21,700	(2.8%)
Albany ShopRite – Supermarket	22,850	22,850	–
Albany ShopRite – Gas Station	4,050	4,150	(2.4%)
Price Chopper Plaza	21,700	20,050	8.2%
Wallkill Price Chopper	13,200	13,600	(2.9%)
Hudson Valley Plaza	45,300	46,050	(1.6%)
Wallington ShopRite	16,300	15,900	2.5%
Stop & Shop Plaza	28,300	29,300	(3.4%)
Towne Crossing	12,900	13,425	(3.9%)
Lawnside Commons	32,800	32,700	0.3%
St. Lucie West	83,550	76,100	9.8%
Big Pine Center	9,200	9,150	0.5%
Arundel Plaza	45,500	45,300	0.4%
Parkway Crossing	24,600	26,625	(7.6%)
BJ's Quincy	34,500	33,575	2.8%
Fairhaven Plaza	19,800	18,500	7.0%
Lynncroft Center	24,200	24,950	(3.0%)
Carteret Self-Storage	17,000	17,300	(1.7%)
Millburn Self-Storage	21,200	22,200	(4.5%)
Elizabeth Self-Storage	22,200	23,924	(7.2%)
Perth Amboy Self-Storage	19,300	19,300	–
Total	**585,450**	**584,549**	**0.2%**
Grocery & Necessity Properties	505,750	501,825	0.8%
Self-Storage Properties	79,700	82,724	(3.7%)
Total	**585,450**	**584,549**	**0.2%**

(Source: annual report)

While the portfolio valuation remained steady from the IPO valuation date, nine out of the 18 Grocery & Necessity properties saw decreases in their valuation. One Grocery & Necessity property remained at the same valuation while eight others saw increases as high as 8.2% (not considering St. Lucie West which is undergoing an expansion).

(i) **Can the manager help unitholders understand the main reasons that led to the changes in valuation?**

In addition, the average capitalisation rate for the Self-Storage properties was 4.9% while that of the Grocery & Necessity properties was 6.7%.

Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Fax: (65) 6220 6614
Email: admin@sias.org.sg www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y

(ii) **Can the manager also elaborate on the difference in the capitalisation rate for Grocery & Necessity and for Self-Storage? Once fully stabilised, what is the projected/industry capitalisation rate for the Self-Storage properties?**

Q3. The REIT has 86% of its portfolio in Grocery & Necessity properties and 14% in Self-Storage.

(i) **Has the manager determined the optimal capital allocation between Grocery & Necessity and Self-Storage? If so, what is the optimal/targeted balance between the two?**

(ii) **Can the manager confirm that there is no right-of-first-refusal pipeline from the sponsor?**

(iii) **How is the REIT manager sourcing for assets that would be accretive and complementary to the existing portfolio?**

^On 1 October 2020, the Accounting and Corporate Regulatory Authority ("ACRA"), the Monetary Authority of Singapore ("MAS") and Singapore Exchange Regulation ("SGX RegCo") published an updated checklist to guide listed entities on the conduct of general meetings arising from the latest updates from the Multi-Ministry Taskforce.

Issuers may continue to conduct their general meetings held on or before 30 June 2021 via electronic means, and are encouraged to do so.

Issuers who, after due consideration of public health and other risks, wish to provide for physical attendance at their general meetings must ensure that they implement all relevant measures to comply with the safe management measures imposed by the Singapore Government.

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

Can't attend the AGM or view the webcast? Check out the latest questions on the annual reports of listed companies on SIAS website

Join our mailing list here to receive latest news and upcoming events.

^ Guidance on the Conduct of General Meetings Amid Evolving COVID-19 Situation (https://www.sgx.com/media-centre/20201001-guidance-conduct-general-meetings-amid-evolving-covid-19-situation)

Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Fax: (65) 6220 6614
Email: admin@sias.org.sg www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y

CONNECT WITH US