

Declaration concerning the German Corporate Governance Code

The Managing and Supervisory Boards of Fair Value REIT-AG issued the following declaration of conformity with the German Corporate Governance Code (Version dated June 14, 2007) within the meaning of Section 161 of the AktG:

Fair Value REIT-AG's Managing and Supervisory Boards welcome and support the German Corporate Governance Code and the objectives thus pursued. Fair Value REIT-AG follows the recommendations of the German Corporate Governance Code in the version dated June 14, 2007 and will continue to do so in future with the following exceptions:

- D&O insurance: The D&O insurance concluded for the Managing and Supervisory Boards does not include a deductible (Item 3.8).
- Total remuneration for the Managing Board members: The Managing Board's total remuneration comprises fixed and variable components, but does not include a component as a long-term incentive containing risk elements, in particular it does not include any stock options or comparable structures (Item 4.2.3).
- Age limit for members of the Managing and Supervisory Boards: There is no age limit for members of the Managing and Supervisory Boards (Items 5.1.2 and 5.4.1).
- Committees: In view of its small size the Supervisory Board has not formed any committees with sufficient expertise (Item 5.3.1) or an audit committee (Item 5.3.2).
- Supervisory Board remuneration: The remuneration for members of the Supervisory Board comprises a fixed component as well as a performance-related variable component, however it does not take membership of Supervisory Board committees into account. Fair Value REIT-AG discloses the Supervisory Board's entire remuneration in the notes to the consolidated financial statements (Item 5.4.7).
- In 2008, the consolidated financial statements as of December 31, 2007 will not be publicly available within 90 days after the end of the respective fiscal year, but will be published in accordance with the four months period set by Frankfurt Stock Exchange regulations for companies listed in the Prime Standard segment.

March 28, 2008