

## 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 18, 2009) within the meaning of Section 161 of the AktG on November 5, 2009:**

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 18, 2009 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). The mandatory deductible for the Managing Board shall be implemented within the time frame of the transitional period until June 30, 2010. It is also intended to implement a deductible for the Members of the Supervisory Board.
- **Number of Managing Board Members:** The Managing Board only comprises one member after one member having left office. The Managing and Supervisory Boards find this acceptable given the comparably low amount of investments under management. The rules of procedure have been changed in the light of this.
- **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 (Item 4.2.3). It is intended to change this in conjunction with future conclusions of contracts.
- **Compensation cap:** The Managing Board's contracts currently do not contain compensation caps in case of premature termination of the board function (Item 4.2.3). It is intended to change this in conjunction with future conclusions of contracts.
- **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). It is intended to change this in conjunction with future conclusions of contracts.
- **Committees:** In view of its low number of members, the Supervisory Board has not formed any committees with sufficient expertise (Item 5.3.1) or an audit committee (Item 5.3.2).

November 5, 2009