



Declaration of conformity with the German Corporate Governance Code (GCGC)

The Management and Supervisory Boards of Fair Value REIT-AG issued the following declaration of conformity with the German Corporate Governance Code (Version dated June 24, 2014) within the meaning of section 161 of the AktG on January 26, 2015:

Fair Value REIT-AG's Management and Supervisory Boards welcome and support the German Corporate Governance Code and the objectives it pursues. Fair Value REIT-AG follows the recommendations of the German Corporate Governance Code in the version dated June 24, 2014 and will continue to do so in future with the following exceptions:

- **D&O insurance:** The D&O insurance concluded for the Management and Supervisory Boards does not include a deductible for members of the Supervisory Board (Item 3.8 GCGC). The Company is of the opinion that the inclusion of a deductible is not necessary to urge the members of the supervisory board to a responsible behaviour as they are already obliged to a responsible behaviour in the best interest of the company qua their office and that an inclusion of a deductible may prevent potential suitable candidates from assuming the office as members of the supervisory board.
- **Number of Management Board Members:** The Management Board currently only comprises one member (Item 4.2.1 GCGC). The Management and Supervisory Boards find this acceptable given the comparably low amount of investments under management.
- **Age limit for members of the Management and Supervisory Boards, Composition of the Supervisory Board:** There is no age limit for members of the Managing and Supervisory Boards (Items 5.1.2 and 5.4.1 GCGC). The Company is of the opinion that the determination of an age limit is not appropriate as the Company shall also benefit from the knowledge and experience of older persons in the work of the Managing and Supervisory Boards. The Supervisory Board has not yet named specific targets for its composition and the recommendations to the shareholders' meeting for the election of the members of the Supervisory Board, which shall provide for diversity and in particular the appropriate representation of women (Item 5.4.1 GCGC), and the Supervisory Board has no plans yet to do so in the future as it is of the opinion that fixed quota regulations are not beneficial so that it will rather consider in the best interest of the Company mainly the professional competence, experience and integrity before other criteria will be considered.
- **Committees:** In view of its low number of members, the Supervisory Board has not formed any committees (Item 5.3 GCGC).

January 26, 2015