

NEWS RELEASE

ASCOTT RESIDENCE TRUST FORAYS INTO THE STUDENT ACCOMMODATION ASSET CLASS WITH FIRST ACQUISITION IN THE USA FOR US\$95 MILLION

Expands investment mandate to include student accommodation to increase stable income

Singapore, 27 January 2021 – Ascott Residence Trust (ART) will foray into the student accommodation asset class with its first acquisition in the United States of America (USA) for US\$95 million (S\$126.3 million¹). The purpose-built student accommodation asset, Signature West Midtown, is a freehold property with 525 beds across 183 units located in the heart of Atlanta, Georgia. The transaction is expected to be completed by end 1Q 2021. In conjunction with the acquisition, ART will expand its investment mandate to include student accommodation. The accretive acquisition will increase the pro forma FY 2020 Distribution per Stapled Security (DPS) by approximately 4.4%.

Mr Bob Tan, Chairman of Ascott Residence Trust Management Limited (ARTML) and Ascott Business Trust Management Pte. Ltd. (the Managers of ART) said: “ART has remained resilient amid COVID-19 mainly due to the long stay guests of our serviced residences and rental housing properties. The expansion of ART’s investment mandate to include student accommodation will further enhance the stability of ART’s portfolio. Student accommodation, with leases that typically last for a year, will build on our stable income streams. It will offer a new platform for growth and also diversify our portfolio beyond traditional hospitality assets, mitigating the near-term headwinds faced in the hospitality sector.”

“Student accommodation is one of the most resilient real estate asset classes and has maintained high occupancy during the COVID-19 situation in the USA. ART will continue to seek opportunities for quality student accommodation assets in key markets with strong student population growth. We will also look at expanding our rental housing portfolio. We remain focused on delivering sustainable value for our Stapled Securityholders,” added Mr Tan.

Ms Beh Siew Kim, Chief Executive Officer of ARTML and Ascott Business Trust Management Pte. Ltd. (the Managers of ART) said: “ART’s foray into the student accommodation asset class capitalises on the growing education industry. Enrolment at reputable universities continue to expand, supported by the rising middle class and population growth. The student accommodation asset class is also countercyclical in nature as students tend to invest in education during a recession in preparation for economic recovery. Divestment proceeds are expected to be redeployed into the accretive acquisition of Signature West Midtown, which will add an approximate 4.4% to DPS for FY 2020 on a pro forma basis. The acquisition will also increase the proportion of our longer stay assets and further enhance the quality of ART’s portfolio.”

Ms Beh added: “Signature West Midtown is an attractive asset with a high occupancy rate of 95% despite COVID-19. It serves close to 40,000 undergraduate and graduate students attending

¹ Based on the exchange rate of US\$1 to S\$1.3298

the Georgia Institute of Technology (Georgia Tech²) and is less than a five-minute walk from the university. About 80% of Georgia Tech's students are domestic and enrolment has been increasing at a compound annual growth rate of 6.7% in the past 10 years. We also expect positive, long-term rental growth for Signature West Midtown with Georgia Tech's plan to develop Technology Enterprise Park, a research and commercial hub nearby which will drive up economic activities and general rent levels around West Midtown.”

USA is the largest student housing capital market in the world. Its investment volume reached US\$11 billion, accounting for 57% of global transaction volume³. It also boasts the largest student population in the developed world with about 20 million students. The number of undergraduates is expected to grow by 13% and set new enrolment records from 2020 to 2026⁴. Demand for student accommodation is expected to remain robust in 2021⁴ as vaccination efforts increase and international travel resumes.

Signature West Midtown – a quality asset in a prime urban centre location

Completed in 2019, Signature West Midtown is the newest student accommodation in the West Midtown area. Located at 800 Marietta Street NW, Signature West Midtown is a freehold purpose-built student accommodation which consists of 525 beds across 183 apartment units. Signature West Midtown offers fully furnished studio as well as one- to five-bedroom apartment units. Facilities include a gymnasium, a swimming pool, a rooftop lounge, study lounges, a business centre, barbeque pits, a game room and parcel delivery lockers. Signature West Midtown will be managed by an unrelated third-party operator.

Signature West Midtown is a 5- to 15-minute walk to Georgia Tech's library, sports hub and recreation centre, and student centre as well as a number of academic buildings such as the colleges of business, computing, design and engineering.

Signature West Midtown is also within walking distance to the upcoming 2.2 million square feet Technology Enterprise Park to be developed by Georgia Tech. Poised to be a state-of-the-art biosciences and health innovation district, the expansion includes more laboratory and office space for research and entrepreneurship. When fully completed in 2029, it is set to revitalise the district and create some 5,000 new jobs, forming a strong pipeline of demand for quality accommodation in the area.

For more information on Signature West Midtown, please see the Annex.

² Georgia Tech is a public research university focusing on technology. In 2021, [U.S. News & World Report](#) ranked Georgia Tech as the 2nd university in Georgia and 35th among all universities in the USA with its engineering programme ranked 8th. Georgia Tech is part of the Atlantic Coast Conference, one of the five athletics conferences - Power 5- where top teams in the US National Collegiate Athletics Associations compete.

³ Knight Frank, May 2019 – [Global Student Property Report](#)

⁴ Savills, September 2020 - [Spotlight on Student Accommodation](#)

About Ascott Residence Trust

Ascott Residence Trust (ART) is the largest hospitality trust in Asia Pacific with an asset value of S\$7.2 billion as at 31 December 2020. Having listed on the Singapore Exchange Securities Trading Limited (SGX-ST) since March 2006, ART's objective is to invest primarily in income-producing real estate and real estate-related assets which are used or predominantly used as serviced residences, hotels, rental housing properties and other hospitality assets in any country in the world. Ascott Real Estate Investment Trust's investment mandate will include student accommodation to be effected on 27 February 2021. ART is a constituent of the FTSE EPRA Nareit Global Real Estate Index Series (Global Developed Index).

ART's international portfolio comprises 86 properties with more than 16,000 units in 38 cities across 15 countries in Asia Pacific, Europe and the United States of America as at 31 December 2020.

ART's properties are mostly operated under the Ascott The Residence, Somerset, Quest and Citadines brands. They are mainly located in key gateway cities such as Barcelona, Berlin, Brussels, Hanoi, Ho Chi Minh City, Jakarta, Kuala Lumpur, London, Manila, Melbourne, Munich, New York, Paris, Perth, Seoul, Shanghai, Singapore and Tokyo.

ART is a stapled group comprising Ascott Real Estate Investment Trust (Ascott Reit) and Ascott Business Trust (Ascott BT). ART is managed by Ascott Residence Trust Management Limited (as manager of Ascott Reit) and Ascott Business Trust Management Pte. Ltd. (as trustee-manager of Ascott BT), both of which are wholly-owned subsidiaries of Singapore-listed CapitaLand Limited, one of Asia's largest diversified real estate groups.

Visit www.ascottresidencetrust.com for more information.

About CapitaLand Limited

CapitaLand Limited (CapitaLand) is one of Asia's largest diversified real estate groups. Headquartered and listed in Singapore, it owns and manages a global portfolio worth about S\$133.3 billion as at 30 September 2020. CapitaLand's portfolio spans across diversified real estate classes which includes commercial, retail; business park, industrial and logistics; integrated development, urban development; as well as lodging and residential. With a presence across more than 220 cities in over 30 countries, the Group focuses on Singapore and China as its core markets, while it continues to expand in markets such as India, Vietnam, Australia, Europe and the USA.

CapitaLand has one of the largest real estate investment management businesses globally. It manages six listed real estate investment trusts (REITs) and business trusts as well as over 20 private funds. CapitaLand launched Singapore's first REIT in 2002 and today, its stable of REITs and business trusts comprises CapitaLand Integrated Commercial Trust, Ascendas Real Estate



A Member of CapitalLand

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Investment Trust, Ascott Residence Trust, CapitalLand Retail China Trust, Ascendas India Trust and CapitalLand Malaysia Mall Trust.

CapitalLand places sustainability at the core of what it does. As a responsible real estate company, CapitalLand contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

Visit www.capitaland.com for more information.

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This release may contain forward-looking statements. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other developments or companies, shifts in customer demands, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training, property operating expenses), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

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Annex – About Signature West Midtown

Location	800 Marietta Street NW, Atlanta, Georgia, USA
Year Opened	2019
Land Tenure	Freehold
Building Height	Mid-rise building
Net Rentable Area	215,895 square feet (sq ft)
Units	183
Beds	525
Unit Mix	<p>Fully furnished studio, one- to five-bedroom units</p> <p>The size ranges from 511 sq ft for a studio to 2,006 sq ft for a five-bedroom unit:</p> <ul style="list-style-type: none"> • Studio: 29 (511 sq ft) • Bedroom: 14 (673 sq ft) • Bedroom: 38 (979 sq ft) • Bedroom: 11 (1,296 sq ft) • 4-Bedroom: 81 (1,487 sq ft) • Bedroom Townhome: 1 (1,686 sq ft) • Bedroom: 9 (2,006 sq ft) <p>All units come with en-suite bathrooms</p>
Common Area Amenities	Gymnasium, swimming pool, rooftop lounge, study lounges, business centre, barbeque pits, game room and parcel delivery lockers