

REIT Fund Rating (RFR)

An independent opinion on a Development or Hybrid REIT fund's likelihood of successful implementation of REIT projects and risk factors impacting value of REIT assets.

Scale	Definition
RFR1	Exceptionally Strong. Exceptionally Strong likelihood of successful implementation of REIT project. Risk factors impacting value of REIT assets are negligible over the foreseeable future.
RFR2++ RFR2+ RFR2	Very Strong. Very Strong likelihood of successful implementation of REIT project. Risk factors impacting value of REIT assets are modest over the foreseeable future.
RFR3++ RFR3+ RFR3	Strong. Strong likelihood of successful implementation of REIT project. Risk factors impacting value of REIT assets may vary with possible changes in the economy over the foreseeable future.
RFR4++ RFR4+ RFR4	Adequate. Adequate likelihood of successful implementation of REIT project. Risk factors impacting value of REIT assets are sensitive to changes in the economy over the foreseeable future.
RFR5	Weak. Weak likelihood of successful implementation of REIT project. Risk factors impacting value of REIT assets are capable of fluctuating widely if changes occur in the economy.

Outlook (Stable, Positive, Negative, Developing) Indicates the potential and direction of a rating over the intermediate term in response to trends in economic and/or fundamental business/financial conditions. It is not necessarily a precursor to a rating change. 'Stable' outlook means a rating is not likely to change. 'Positive' means it may be raised. 'Negative' means it may be lowered. Where the trends have conflicting elements, the outlook may be described as 'Developing'.

Rating Watch Alerts to the possibility of a rating change subsequent to, or, in anticipation of some material identifiable event with indeterminable rating implications. But it does not mean that a rating change is inevitable. A watch should be resolved within foreseeable future, but may continue if underlying circumstances are not settled. Rating watch may accompany rating outlook of the respective opinion.

Suspension It is not possible to update an opinion due to lack of requisite information. Opinion should be resumed in foreseeable future. However, if this does not happen within six (6) months, the rating should be considered withdrawn.

Withdrawn A rating is withdrawn on a) termination of rating mandate, b) cessation of underlying entity, c) the debt instrument is redeemed, d) the rating remains suspended for six months, e) the entity/issuer defaults, or/and f) PACRA finds it impractical to surveill the opinion due to lack of requisite information

Harmonization A change in rating due to revision in applicable methodology or underlying scale.

Surveillance. Surveillance on a publicly disseminated rating opinion is carried out on an ongoing basis till it is formally suspended or withdrawn. A comprehensive surveillance of rating opinion is carried out at least once every six months. However, a rating opinion may be reviewed in the intervening period if it is necessitated by any material happening.

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