

English Translation of a Report Originally Issued in Korean

Investment Report

As of as of 30 June 2004

Macquarie Central Office CR REIT

13 Aug 2004

TO : Minster of Construction and Transportation / Financial Supervisory Commission

We submit the attached investment report as per the Article 37 of Real Estate Investment Company Act and the Article 29 of the Enforcement Decree, etc.

Company Name: Macquarie Central Office CR REIT
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MCO CR REIT
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Section 1. General condition of the company

I . Overview of the company

1) Company Name : Macquarie Central Office Corporate Restructuring Real Estate Investment Company

2) Incorporation Date : 12 December, 2003

3) Address : Hanwha Building, 110 Sokong-Dong, Chung-Ku, Seoul

4) The purposes of the Company :

The purposes of the Company is to invest and manage its assets by any of the following means and distribute the proceeds from the investments to shareholders in accordance with the Real Estate Investment Company Act (the “Act”):

1. acquisition, management, improvement and disposition of real estate;
2. development of real estate;
3. lease of real estate;
4. sale and purchase of securities;
5. deposit of funds with financial institutions; or
6. acquisition, management and disposition of rights related to the use of real estate, including the right of superficies and leasehold rights.

5) Size of Asset and Equity :

As of 30 June, 2004

Total Asset : 167,875 (Million KRW)

Paid Equity : 76,303 (Million KRW)

6) Listing: Listed to KSE as of 8 Jan, 2004 (Standard Code : KR7076850007)

7) Duration and Dissolution of Company as per AOI

1. Duration : 5th anniversary of incorporation date

2. Events causing Dissolution :

- a) Expiration of corporate life of the Company;
- b) With a resolution of the General Shareholders’ Meeting;
- c) Merger;
- d) Bankruptcy;
- e) Court order or judgment of dissolution; or
- f) Notice of revocation of approval of incorporation under Article 42 of the Act.

2. History of Company

1) History of Company

A. Incorporation and change thereafter

- | | |
|--------------------------|------------------------------------------------------------------------------------|
| ①. 30 Sep 2003 | Promoters Meeting |
| ②. 10 Nov 2003 | Pre-approval from MOCT |
| ③. 2 Dec 2003~3 Dec 2003 | IPO (KRW 35,151,500,000) |
| ④. 12 Dec 2003 | Inaugural Meeting and Incorporation |
| ⑤. 12 Dec 2003 | Asset Management Agreement (Macquarie International Asset Management Company Ltd.) |
| ⑥. 12 Dec 2003 | Custodian Agreement (Woori Bank) |
| ⑦. 12 Dec 2003 | Business Trustee Agreement (Woori Bank) |
| ⑧. 12 Dec 2003 | Incorporation (Paid-in Capital: KRW 76,303,000,000) |
| ⑨. 23 Dec 2003 | Final-Approval from MOCT |
| ⑩. 8 Jan 2004 | Listed to KSE |

B. Change of Company name : N/A

C. M&A : N/A

D. Major matters occurred related to management : N/A

2) Conglomerate by which the company is controlled

A. Introduction of Conglomerate : N/A

B. List of companies in the Conglomerate : N/A

C. Regulations specified in related laws. : N/A

3. Paid-in Capital

1) Change in Share Capital

Unit :KRW

| Date | Cause | Increase / Decrease | | | | Share Capital thereafter | Allocation of new shares | Ratio (%) |
|------------|---------------|---------------------|------------|---------------------|------------------------------|--------------------------|--------------------------|-----------|
| | | Kind | Shares | Par Value per share | Subscription Price per share | | | |
| 1 Dec 2003 | Incorporation | Ordinary | 7,774,010 | 5,000 | 5,000 | 38,870,050,000 | Promoters | 50.94 |
| 1 Dec 2003 | Incorporation | Ordinary | 456,290 | 5,000 | 5,000 | 2,281,450,000 | Private | 2.99 |
| 9 Dec 2003 | Incorporation | Ordinary | 7,030,300 | 5,000 | 5,000 | 35,151,500,000 | Public Offering | 46.07 |
| Sub total | | | 15,260,600 | 5,000 | 5,000 | 76,303,000,000 | | 100.00 |

2) Change in Paid-in Capital

not applicable

3) Payment in kind

not applicable

4. Shares

1) Total shares

【as of 30 June 2004】

| Shares to be issued | Shares issued | Remaining unissued |
|---------------------|---------------|--------------------|
| 61,042,400 | 15,260,600 | 45,781,800 |

2) Shares issued

【as of 30 June 2004】

[Par value : KRW 5,000]

| Type of Shares | Number of Shares | Share Capital (KRW) | Comments |
|----------------|------------------|---------------------|----------|
| Ordinary | 15,260,600 | 76,303,000,000 | |
| Sub total | 15,260,600 | 76,303,000,000 | |

3) Treasury Stock Acquisition

not applicable

4) Stock Option

not applicable

5. Shares with voting rights

(Unit: Shares)

| Category | Shares | |
|------------------------------------------------------------|--------------|--|
| 1. Number of ordinary shares with voting rights [a-b] | [15,260,600] | |
| a. Issued shares | 15,260,600 | |
| b. Shares without voting rights | - | |
| 2. Shares of which voting right are restricted [a+b+c+d+e] | [-] | |
| a. restricted by Commercial Code | - | |
| b. restricted by Securities and Exchange Act | - | |
| c. restricted by Monopoly Regulation and Fair Trade Act | - | |
| d. restricted by Real Estate Investment Company Act | - | |
| e. restricted by other laws | - | |
| 3. Shares of which voting right are restored | [-] | |
| Number of shares with voting rights [1-2+3] | [15,260,600] | |
| ※ Participants to shareholders meeting (rate: %) : | shares | |

6. Dividend

1) Dividend Payment Method

The Company plans to pay, in principle, 100% of the distributable income of each accounting period as dividend in cash. Actual dividend amount will be decided by the resolution of the general meeting of shareholders pursuant to the Commercial Act. As a CR-REIT company, MCO CR-REIT is required to set aside 10% or more of the declared cash dividends for each fiscal year, up to 50% of total par value of equity capital, as legal reserves. MCO CR REIT will distribute all reserves at the end of its corporate life as liquidation dividend.

Dividend for the invested money will be paid every six months at time of closing of the accounting periods in accordance with the policy mentioned above and accumulated profit reserve and accumulated depreciation allowance will also be paid at liquidation.

The accounting period of the Company will start every January 1 and end every June 30 and start every July 1 and end every December 31; provided that the first accounting period is planned to start on the day when the Company's incorporation is registered and end on the immediately following June 30.

Dividend is paid to the shareholders of the Company who are legally registered in the shareholders registry as of the end of each accounting period. MCO CR-REIT plans to pay dividend within one month from the date of approval by the general meeting of shareholders.

2) Dividend Payment for the recent 5 fiscal years

not applicable

Section 2. Asset composition and details of changes

I . Total Asset Composition

1. Real Estate Investment Company

not applicable

2. Corporate Restructuring Real Estate Investment Trust Company (CR-REIT)

1) Total Asset Composition (all assets included)

A. Composition of Book Value

(Unit: KRW million, %)

| Items | | Preceding Quarter | | Current Quarter | | % of Total Asset | |
|-------------------------------------|-----------------------------------------------------------------------------|-------------------|-------|-----------------|-------|------------------|-------|
| | | Total Amount | % | Total Amount | % | | |
| Corporate Restructuring Real Estate | Land and Fixtures | 159,698 | 96.13 | 160,595 | 95.66 | 95.66 | 95.66 |
| | Property Use Rights including the right of superficies, the right of leases | - | - | - | - | - | |
| | Real Estate Development Projects | - | - | - | - | - | |
| Other Real Estate | Land and Fixtures | - | - | - | - | - | |
| | Property Use Rights including the right of superficies, the right of leases | - | - | - | - | - | |
| | Real Estate Development Projects | - | - | - | - | - | |
| Real Estate Related Securities | | | - | - | - | - | |
| Marketable Securities | | | - | - | - | - | |
| Deposits at Financial Institutions | | 6,243 | 3.76 | 7,130 | 4.25 | 4.25 | |
| Other Assets | | 191 | 0.11 | 149 | 0.09 | 0.09 | |
| Total Asset | Stock Owner's Equity | 77,165 | 46.45 | 79,396 | 47.29 | 47.29 | 100% |
| | Liabilities | 88,968 | 53.55 | 88,479 | 52.71 | 52.71 | |

※ 1. Corporate Restructuring Real Estate means real estates referred to in the provisions of the Article 49-2.(1).1 of Real Estate Investment Company Act.

2. The value of each asset shall be calculated in accordance with provisions of the Article 19 of Enforcement Decree of Real Estate Investment Company Act.

3. Total asset in terms of which the percentage of asset value is calculated include all assets such as paid-in capital and subscription capital at the time of incorporation within the preceding two years.
4. Property use rights including the right of superficies, the right of leases shall be included in real estate.

B. Composition of Asset (Amount of Real Estate is presented the addition of book value and cumulative depreciation balance)

(Unit: KRW million, %)

| Items | | Preceding Quarter | | Current Quarter | | % of Total Asset | |
|----------------------------------------|-----------------------------------------------------------------------------|-------------------|-------|-----------------|-------|------------------|--|
| | | Total Amount | % | Total Amount | % | | |
| Corporate Restructuring Real Estate | Land and Fixtures | 160,083 | 96.14 | 161,270 | 95.68 | 95.68 | |
| | Property Use Rights including the right of superficies, the right of leases | | | | | | |
| | Real Estate Development Projects | | | | | | |
| Other Real Estate | Land and Fixtures | | | | | | |
| | Property Use Rights including the right of superficies, the right of leases | | | | | | |
| | Real Estate Development Projects | | | | | | |
| Real Estate Related Securities | | | | | | | |
| Marketable Securities | | | | | | | |
| Deposits at Financial Institutions | | 6,244 | 3.75 | 7,130 | 4.23 | 4.23 | |
| Other Assets | | 191 | 0.11 | 149 | 0.09 | 0.09 | |
| Total Asset | | 166,517 | 100% | 168,550 | 100% | 100% | |

* The original acquisition price changed due to a partial refund from supplementary expenditures.

2) Total Asset Composition (excluding paid-in capital and subscription capital at the time of incorporation)

not applicable

3) Status of assets purchased with funds from the paid-in capital at the time of incorporation

(Same as the section 1) “Total Asset Composition (all assets included)”

4) Status of assets purchased with funds from the newly-paid-in capital after the incorporation

not applicable

II. Change in Total Assets

1. Real Estate Transaction

A. No change in Real Estate Balance during the quarter.

B. Details of purchased real estate at the time of incorporation (26 December, 2003)

(Unit : Million KRW)

| Name | Location | Usage | Area in pyung | | Acquisition Price | Transaction Cost |
|------------------|---------------------------------------|-------------------|---------------|----------|-------------------|------------------|
| | | | Land | Building | | |
| Kukdong building | 60-1, Chungmuro 3-Ga, Chung-gu, Seoul | Commercial Office | 2,402.6 | 22,764 | 158,370 | 1,713 |

2. Marketable Securities Transaction related to real estate

not applicable

3. Marketable Securities

not applicable

4. Cash/Cash Equivalent in Financial Institutions

(Unit : %, million KRW)

| Financial Institutions | Kind | interest | Outstanding balance |
|------------------------|--------------|-----------|---------------------|
| Woori Bank | MMDA | 0.1%~3.1% | 4,537 |
| Woori Bank | Time Deposit | 4.2% | 63 |
| Woori Bank | Time Deposit | 3.5% | 2,500 |
| Total | | | 7,100 |

Section 3. Status of each properties under management

I . Status of each property under management; Present condition, price, rent and primary lessees for each real estate held

1. Overview of portfolio

| Name | Location | Construction Completed Year | Acquisition Date | Interest bearing Debt and Mortgage |
|------------------|---------------------------------------|-----------------------------|------------------|------------------------------------------------------------------------------------------|
| Kukdong building | 60-1, Chungmuro 3-Ga, Chung-gu, Seoul | 1978 | 26 Dec 2003 | Interest bearing Debt : 75,244 Million KRW Total of Kun-Mortgage : 99,332 Million KRW |

* Total Kun-Mortgage amount is related to the interest bearing debt and lease key money deposits from tenants.

2. Price of each portfolio

(Unit: million KRW)

| Portfolio | Acquisition amount | | Capital expenditures | | Revaluation gain/loss | | Outstanding Cost | | | Cumulative Depreciation | Book Value |
|------------------|--------------------|----------|----------------------|----------|-----------------------|----------|------------------|----------|---------|-------------------------|------------|
| | Land | Building | Land | Building | Land | Building | Land | Building | Total | | |
| Kukdong building | 102,398 | 57,641 | - | 1,231 | - | - | 102,398 | 58,872 | 161,270 | 675 | 160,595 |
| Sub total | 102,398 | 57,641 | - | 1,231 | - | - | 102,398 | 58,872 | 161,270 | 675 | 160,595 |

* The ending balance of the building includes 1,189 million KRW of capital expenditures for the assets under construction and 42 million KRW of equipment acquired for Kukdong building.

3. Lease status

| Portfolio | Gross Leasable Area(py) | Leased Area(py) | Occupancy rate | Annual Rent (mw) | Number of Lease Contracts | Average annual rent per py (1,000 KRW) |
|------------------|-------------------------|-----------------|----------------|------------------|---------------------------|----------------------------------------|
| Kukdong building | 18,859 | 17,162 | 91.0% | 12,579 | 94 | 733 |
| | Vacancy | 1,697 | 9.0% | | | |
| Sub total | 18,859 | 18,859 | 100% | 12,579 | 94 | 733 |

<Note>

- Annual Rental Income KRW 12,579,801,083 = monthly rent 1,048,316,757 (excluding CAM) * 12months (Annual CAM income KRW 5,161,772,400 = monthly CAM 430,147,700 * 12months).
- Average annual rental income per Py = KRW 12,579,801,083 / 17,162py

- Kukdong building recorded vacancy rate to 5.4% as of March ahead of schedule compared with the business plan. However the vacancy rate began to rise a bit as AMC commences tenant restructuring of small delinquent tenants in second quarter of yr 2004.

The monthly vacancy rate of Kukdong Building is as follows.

| 2003-12 | 2004-01 | 2004-02 | 2004-03 | 2004-04 | 2004-05 | 2004-06 |
|---------|---------|---------|---------|---------|---------|---------|
| 7.6% | 7.8% | 8.3% | 5.4% | 7.1% | 8.1% | 9.0% |

- The vacancy rate of the second half of the year after July 2004 is expected to approximate to 7% as presented in the business plan through the active leasing activity of the Company.

4. Primary lessees by each property

(Unit: Pyung, million Krw)

| Portfolio | Leasable area(py) | Primary Lessees | Leased Area(py) | Annual Rent (Million won) | % of total rent | Average rent per py (1,000 won) |
|------------------------|-------------------|----------------------------|-----------------|---------------------------|-----------------|---------------------------------|
| Kukdong building | 18,859 | Poongsan | 1,694 | 1,142 | 8.7 | 674 |
| | | Kukdong E&C | 1,459 | 943 | 7.2 | 646 |
| | | Dong-ah E&C | 981 | 759 | 5.8 | 774 |
| | | CJ Telenix | 1,023 | 790 | 6.0 | 772 |
| | | Samsung Life | 847 | 700 | 5.4 | 826 |
| | | Hyundai IT | 880 | 629 | 4.8 | 715 |
| | | Sungwoo Motiv | 847 | 622 | 4.8 | 734 |
| | | Life Insurance Association | 645 | 499 | 3.8 | 774 |
| | | LG Otis | 559 | 456 | 3.5 | 816 |
| | | CHB | 421 | 443 | 3.4 | 1,052 |
| | | Agfa Korea | 558 | 420 | 3.2 | 753 |
| | | Hu Chams | 337 | 260 | 2.0 | 260 |
| | | Namhae Chemicals | 218 | 169 | 1.3 | 775 |
| | | LG Electronic | 558 | 365 | 2.8 | 654 |
| | | Dongbu Insurance | 378 | 293 | 2.2 | 775 |
| | | AON Korea | 459 | 327 | 2.5 | 712 |
| | | National Pension | 356 | 258 | 2.0 | 725 |
| | | Mco Digital | 168 | 130 | 1.0 | 774 |
| | | Korea Textile | 236 | 183 | 1.4 | 775 |
| | | SK Kim's Patent Office | 235 | 173 | 1.3 | 736 |
| | | Kiracham | 166 | 154 | 1.2 | 928 |
| S1 | 257 | 198 | 1.5 | 770 | | |
| Enter one | 189 | 139 | 1.1 | 735 | | |
| DK Kim's Patent Office | 188 | 138 | 1.1 | 734 | | |
| SW Kim's Patent Office | 188 | 138 | 1.1 | 734 | | |
| Topic Photo | 171 | 126 | 1.0 | 737 | | |

| Portfolio | Leasable area(py) | Primary Lessees | Leased Area(py) | Annual Rent (Million won) | % of total rent | Average rent per py (1,000 won) |
|-----------|-------------------|-----------------|-----------------|---------------------------|-----------------|---------------------------------|
| | | Samhyun | 168 | 130 | 1.0 | 774 |
| | | Korea Toyota | 159 | 123 | 0.9 | 774 |
| | | Dressor Korea | 134 | 104 | 0.8 | 776 |
| | | Echo Activa | 168 | 130 | 1.0 | 774 |
| | | Primus Cinema | 171 | 132 | 1.0 | 772 |
| | | Shinhan Life | 293 | 226 | 1.7 | 771 |
| | | Neo Media | 131 | 101 | 0.8 | 771 |

※ Category of primary lessees

1. Tenants occupying leasable area by 10% or more
2. Tenants whose annual rent is over 100mw.
3. Tenants whose rental period is 5years or more
4. Tenants who has special facilities and tenant improvement in his leasing area.

II. Matters relating to development of real estate

not applicable

Section 4. Total income amount, income structure and yield

I . Total Income Amount and Income Structure

1. Income amount by investment assets

| Category | | Amount (KRW in millions) | % of total income | Notes |
|-----------------------|-------------------------------------|--------------------------|-------------------|-------|
| Real Estate | Rental Income | 3,188 | 63.79 | |
| | Income/Loss from Sale | - | - | |
| | Other Income related to Real Estate | 1,737 | 34.75 | |
| Marketable Securities | Income/Loss from Sale | - | - | |
| | Revaluation Income/Loss | - | - | |
| | Interest Income/ Dividend | - | - | |
| Other Income | | 73 | 1.46 | |
| Total Income | | 4,998 | 100.00 | |

※ Revaluation Income/ Loss reflects current fiscal incomes or losses only.

II . Income Amount by Sector

1. Real Estate

1) Rental Income from Real Estate

| | Rent (KRW in millions) | % of total rental income | Notes |
|---------------------|------------------------|--------------------------|-------|
| 1.Kukdong building | 3,188 | 100% | |
| Total Rental Income | 3,188 | 100% | |

2) Income/ Loss from Sale of Real Estate

No incomes or losses from the sale of real estate properties have been incurred during this quarter.

3) Other Income related to Real Estate

| | Amount (KRW in millions) | % of other income total | Notes |
|----------------------|--------------------------|-------------------------|-------|
| CAM | 1,315 | 75.71 | |
| Parking income | 361 | 20.78 | |
| Tenant Reimbursement | 36 | 2.07 | |
| Other rental Income | 25 | 1.44 | |
| Total | 1,737 | 100.00 | |

2. Marketable Securities

1) Income/ Loss from Sale from Securities Investments

Not applicable

2) Revaluation Income/ Loss from Securities Investments

Not applicable

3) Interest Income/ Dividend from Securities Investments

Not applicable

3. Other Income

| Category | Amount (KRW in millions) | % of other income total | Notes |
|---------------------|--------------------------|-------------------------|-------|
| Interest income | 57 | 78.08 | |
| Penalty Income | 9 | 12.33 | |
| Other non-operating | 7 | 9.59 | |
| Other Income Total | 73 | 100.00 | |

III. Rate of Return (*Defined by MOCT*)

(Unit: %)

| Category | 3 rd Quarter | 2 nd Quarter | 1 st Quarter |
|--------------------------|-------------------------|-------------------------|-------------------------------------------------------------------------------------------------------------------|
| Company (A) | 4.76 | 4.17 | Calculation of rate of return is meaningless since only 6 days of operational results from business commencement. |
| Industry Average (B) | - | - | |
| Excess in Rate of Return | - | - | |

**Rate of Return defined by MOCT : Net Income / Average Balance of Total Asset*

※ Rate of return represents an annualized accounting rate of return. The calculation is shown as below.

1st Quarter Rate of Return = $\{1 + (\text{Net Income of the 1st Quarter} / [(\text{Beginning Asset Balance of the year} + \text{Ending Asset Balance of the 1st Quarter}) / 2])\}^4 - 1$

2nd Quarter Rate of Income = $\{1 + (\text{Net Income of the 1st Half} / [(\text{Beginning Asset Balance of the year} + \text{Ending Asset Balance of the 2nd Quarter}) / 2])\}^2 - 1$

3rd Quarter Rate of Income = $\{1 + (\text{Net Income during 1st Quarter to 3rd Quarter} / [(\text{Beginning Asset Balance of the year} + \text{Ending Asset Balance of the 3rd Quarter}) / 2])\}^{4/3} - 1$

4th Quarter Rate of Income = $(\text{Net Income of the year} / [(\text{Beginning Asset Balance of the year} + \text{Ending Asset Balance of the 4th Quarter}) / 2])$

Section 5. Matters relating to expense including expenditure of real estate business, etc.

I . Total Operating Expenses

1) On-site Property Operating Expenses

| Items | Amount (in KRW Million) |
|-------------------------------|-------------------------|
| Property Management Fee, etc. | 89 |
| Facility Maintenance Fee | 418 |
| Utility Expenses | 266 |
| Repairs and Maintenance | 188 |
| Property Taxes and Dues | 176 |
| Sub Total | 1,138 |

2) General Operating Expenses

| Items | Amount (in KRW Million) |
|-----------------------------------|-------------------------|
| Remuneration to officers | 1 |
| Depreciation Costs | 290 |
| Amortization of Insurance Premium | 16 |
| National Tax and Dues | 13 |
| General Administrative | 1 |
| Professional Fees | 13 |
| Custodian Fee | 13 |
| Business Trust Fee | 21 |
| Sub Total | 368 |

II. Professional Trustee Fees

| Category | To | Fee | | Payment | Comments |
|------------------------------------------|-------------------|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------------------|
| Asset Management Fee | MIAMC | Adivisory fee on Acquisition | 0.55% of net acquisition price | upon Incorporation | |
| | | AMC Basic Fee | applying such a applicable rate to the ordinary income before deduction of the basic AMC Fee “Applicable Percentage” is as follows 1 st FY : 0% 2 nd FY : 17.00% 3 rd -4 th FY : 11.00% 5 th -10 th FY : 11.30% | semi-annual basis | |
| | | Disposition Fee | 25% of the excess of the sales price of such Assets less costs related to such sale over the aggregate investments plus the capital expenditure (“Capital Gain”) under the condition that the IRR based on cash flow of net income over the 5 year period of ownership of the Assets is greater than 11.5% | upon the dissolution | |
| | | Performance Fee | The performance fee shall be calculated as 40% of any excess over the IRR of 11.5% for the 5 year period, subject to the satisfaction of the requirements for the entitlement to disposition fee | upon the dissolution | |
| Underwriting Fee to Securities Companies | Samsung Daewoo SK | 2.3% of IPO amount (KRW 808,484,500) | | upon Incorporation | <i>down payment</i> |
| Custodian Fee | Woori Bank | 0.03% of total assets per annum | | quarterly | <i>pro-rated</i> |
| Business Trustee Fee | Woori Bank | 0.05% of total assets per annum | | quarterly | <i>pro-rated</i> |

Section 6. Matters relating to borrowing

I . Borrowing

(Unit: Million KRW)

| Category | Begin | Increase | Pay-off | Outstanding | |
|--------------------------------------------------------------|--------|----------|---------|-------------|--|
| Short-term borrowing for funding for operating capital | - | - | - | - | |
| Assumption of Long-term borrowings mortgaged to the property | 75,244 | - | - | 75,244 | |
| National Housing Fund | - | - | - | - | |
| Borrowing for the stock refund, etc. | - | - | - | - | |

II . Borrowing Sources, etc.

(Unit: KRW)

| Borrowing | Draw-down | Borrowing Principal | Interest | Category | Amortization | Outstanding amount |
|--------------|-------------|---------------------|----------|------------------------|--------------------------------|--------------------|
| Samsung Life | 26 Dec 2003 | 45,898,840,000 | 6.03% | Longterm ¹⁾ | Lump sum repayment at maturity | 45,898,840,000 |
| Samsung F&M | 26 Dec 2003 | 12,791,480,000 | 6.03% | Longterm ¹⁾ | Lump sum repayment at maturity | 12,791,480,000 |
| LG F&M | 26 Dec 2003 | 10,534,160,000 | 6.03% | Longterm ¹⁾ | Lump sum repayment at maturity | 10,534,160,000 |
| Korea Life | 26 Dec 2003 | 6,019,520,000 | 6.03% | Longterm ¹⁾ | Lump sum repayment at maturity | 6,019,520,000 |
| Total | | 75,244,000,000 | | | | 75,244,000,000 |

Note 1) Interest of Long-term Borrowings: 6.9% from 2nd investment year.

Section 7. Shareholder structure and present condition of primary shareholders

I .Present condition of securities possession;

(Applicable only to investment reports which are prepared at each fiscal year end);

1. Largest Shareholder and its special-related-parties

【as of 30 June 2004】

| Name | Relation | Stock | Number of shares (%) | | | | Note |
|-----------------------------|------------|----------|-----------------------|----------|----------|-----------------------|------|
| | | | Beginning | Increase | Decrease | Outstanding | |
| Macquarie Bank Limited | - | Ordinary | 2,742,098 (17.97%) | - | - | 2,742,098 (17.97%) | |
| Macquarie International AMC | Subsidiary | Ordinary | 456,290 (2.99%) | - | - | 456,290 (2.99%) | |
| Sub total | | | 3,198,388 (20.96%) | - | - | 3,198,388 (20.96%) | |

2. Important Shareholders (3% or more)

not applicable for quarterly reports

3. Distribution of shareholders – Small, Largest, Other shareholders

not applicable for quarterly reports

4. Stock Administration

| Fiscal year Ending Date | 30 June, 31 December | Shareholders' meeting | March, September |
|---------------------------|------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------------------------------------|
| Kind of share certificate | 1share-note, 5 share-note, 10share-note, 50share-note, 100share-note, 500share-note, 1,000share-note, 10,000share-note | Public notices | Maeil Business Newspaper and Korea Economic Daily |
| | | Stock Transfer Agent | Hana Bank |

Note 1) 1st FY ends on 30 June 2004.

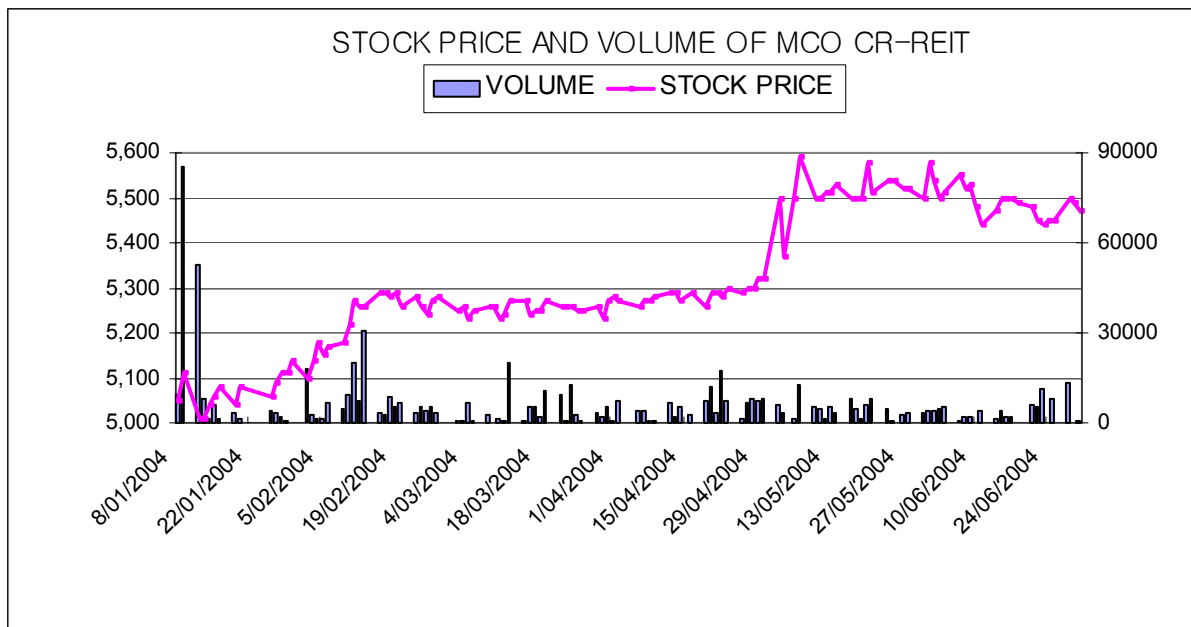
II. State of stock price change

[Unit: KRW, Shares]

| Category | Jan 2004 | Feb 2004 | Mar 2004 | Apr 2004 | May 2004 | Jun 2004 |
|----------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| High(Date) | 5,140 (30 Jan 2004) | 5,290 (19 Feb 2004) | 5,270 (31 Mar 2004) | 5,320 (29 Apr 2004) | 5,590 (07 May 2004) | 5,580 (01 Jun 2004) |
| Low(Date) | 5,010 (13 Jan 2004) | 5,100 (02 Feb 2004) | 5,230 (30 Mar 2004) | 5,260 (19 Apr 2004) | 5,370 (04 May 2004) | 5,440 (23 Jun 2004) |
| Monthly Trade Volume | 178,591 | 150,036 | 94,310 | 112,740 | 85,157 | 80,303 |
| Average Daily Trade Volume | 12,757 | 7,502 | 4,287 | 5,637 | 4,482 | 3,650 |

[Korea Stock Exchange, Seoul]

< 8 Jan 2004 (Listing Date) ~ 30 Jun 2004 >



Section 8. Summarized balance sheet and income statement

I . Principles of Summarized B/S, I/S Entry

1. Current Assets

(1) Accrued income:

Accrued income includes interest income receivable as of the end of this quarter.

(2) Account Receivables:

Account Receivables include rental income receivable as of the end of this quarter.

(3) Prepaid Expenses:

Prepaid Expenses include insurance premium paid less cumulatively expensed amortization of premium amount.

(4) Short-term financial instruments :

Short-term financial instruments include short-term time deposits and the money market deposits part of which are restricted.

2. Investment assets:

Investment assets includes long-term financial instruments which are comprised of time deposits of which maturity is more than 1 year as of balance sheet date.

3. Property, Plant & Equipment

The applied useful lives for buildings and equipments are 50 years and 5 years consecutively and the capital expenditures used under construction are expressed as construction in progress.

4. Current Liabilities

Current liabilities represent account payables and accrued expenses incurred by the real estate holdings.

5. Long-Term Liabilities

Long-term liabilities represent rental deposits and long-term borrowings.

6. Capital Stock

Capital stock represents paid-in capital as of the end of this quarter.

7. Capital Adjustments

The underwriting fees paid to securities company at the time of IPO is represented as Discounts on stock issuance in Capital Adjustments.

II. Violations of Korean GAAP

not applicable

III. Other Recommendations

not applicable

IV. Balance sheets as of 30 June 2004

| <u>ASSETS</u> | <u>Amount</u> (In thousand KRW) |
|-------------------------------------------------|------------------------------------|
| CURRENT ASSETS: | |
| Cash and cash equivalents(Note 3) | ₩ 5,673,480 |
| Short-term financial instruments (Note 3) | 1,363,994 |
| Accounts receivable | 119,311 |
| Accrued income | 30,451 |
| Prepaid expenses (Note 11) | 30,173 |
| | <u>7,217,409</u> |
| NON-CURRENT ASSETS: | |
| Long-term financial instruments (Note 3) | <u>62,500</u> |
| Tangible Assets(Notes 4, 5 and 6) | |
| Land | 102,397,913 |
| Building | 57,640,829 |
| Equipment | 42,000 |
| Construction in Progress | 1,189,230 |
| | <u>(674,576)</u> |
| Less: Accumulated depreciation | ₩ <u>160,595,396</u> |
| | <u>₩ 167,875,305</u> |
| Total Asset | |
| <u>LIABILITIES AND SHAREHOLDERS' EQUITY</u> | |
| CURRENT LIABILITIES: | |
| Accounts payable (Note 12) | ₩ 68,779 |
| Accrued expenses (Note 11) | 246,394 |
| Income tax payable (Note 10) | 202,062 |
| Advanced receipts | 85,564 |
| VAT payables | 291,244 |
| Withholdings | 27,061 |
| | <u>921,104</u> |
| NON-CURRENT LIABILITIES: | |
| Long-term borrowings(Notes 6, 7 and 11) | 75,244,000 |
| Lease key money deposits (Note 6) | 12,305,057 |
| Deferred income tax liabilities (Note 10) | 9,047 |
| | <u>87,558,104</u> |
| Total liabilities | <u>88,479,208</u> |
| SHAREHOLDERS' EQUITY | |
| Common stock (Note 8) | 76,303,000 |
| Retained earnings | 4,042,491 |

| | |
|-----------------------------------------------------------------------------------------|----------------------|
| (Net income of ₩4,042,491 thousand from December 12, 2003 (inception) to June 30, 2004) | |
| Capital adjustment (Note 8) | <u>(949,393)</u> |
| Total shareholders' equity | <u>79,396,097</u> |
| Total Liabilities and Shareholders Equity | <u>₩ 167,875,305</u> |

V. Income Statements

FOR THE PERIOD FROM APRIL 1, 2004 TO JUNE 30, 2004

| This Quarter | (In thousand KRW) | |
|------------------------------------------------|-------------------|-----------|
| OPERATING REVENUE | | 4,925,491 |
| 1. Rental income | 3,188,336 | |
| 2. CAM | 1,314,484 | |
| 3. Parking income | 361,025 | |
| 4. Tenant reimbursement | 36,383 | |
| 5. Other rental income | 25,263 | |
| OPERATING EXPENSES | | 1,505,860 |
| (1) On-site Property Operating Expenses | 1,137,705 | 0 |
| 1. Property Management Administrative(Note 12) | 89,080 | 0 |
| 2. Facility Maintenance Contract(Note 12) | 418,399 | 0 |
| 3. Utility Expenses | 265,788 | 0 |
| 4. Maintenance and Repairment | 188,323 | 0 |
| 5. Taxes and Dues (Operation) | 176,115 | 0 |
| (2) General Fund Operating Expenses | 368,154 | 0 |
| 1. Remuneration to officers | 1,000 | 0 |
| 2. Depreciation Costs | 290,199 | 0 |
| 3. Amortization of Insurance Premium(Note 11) | 15,690 | 0 |
| 4. Tax and Dues (General) | 13,329 | 0 |
| 5. General Administrative | 957 | 0 |
| 6. Professional Fees | 13,400 | 0 |
| 7. Custodian Fee | 12,592 | 0 |
| 8. Business Trust Fee | 20,987 | 0 |
| OPERATING INCOME | | 3,419,631 |
| NON-OPERATING INCOME | | 73,607 |
| 1. Interest income | 57,221 | 0 |
| 2. Compensation for damage | 9,023 | 0 |
| 3. Other income | 7,364 | 0 |

| This Quarter | (In thousand KRW) | |
|------------------------------|-------------------|-----------|
| NON-OPERATING EXPENSE | | 1,131,399 |
| 1. Interest expense(Note 11) | 1,131,399 | 0 |
| 2. Others | 15 | 0 |
| EXTRAORDINARY ITEMS | | 0 |
| INCOME BEFORE INCOME TAX | | 2,361,838 |
| INCOME TAX EXPENSE(Note 10) | | 130,802 |
| NET INCOME (QUARTERLY) | | 2,231,036 |

VI. Statement of Appropriation of Retained Earnings (Annually or at the time of interim dividend, if applicable)

not applicable

VII. Statement of Cash Flow (Annually)

not applicable

VIII. Significant Accounting Policies

Basis of Financial Statement Presentation

The Company maintains its official accounting records in Korean Won and prepares statutory financial statements in the Korean language (Hangul) in conformity with the accounting principles generally accepted in the Republic of Korea. Certain accounting principles applied by the Company that conform with financial accounting standards and accounting principles in the Republic of Korea may not conform with generally accepted accounting principles in other countries. Accordingly, these financial statements are intended for use by those who are informed about Korean accounting principles and practices. The accompanying financial statements have been condensed, restructured and translated into English (with certain expanded descriptions) from the Korean language financial statements. Certain information included in the Korean language financial statements, but not required for a fair presentation of the Company's financial position, results of operations and cash flows, is not presented in the accompanying financial statements.

The significant accounting policies followed by the Company in the preparation of its financial statements are summarized below.

Revenue Recognition

Revenue is recognized as either rental income or administrative income depending on the nature of transaction.

Allowance for Doubtful Accounts

The Company provides an allowance for doubtful accounts based on past collection experience and estimated loss on uncollectible accounts.

Tangible Assets

Tangible assets are stated at cost, net of accumulated depreciation. Routine maintenance and repairs are expensed as incurred. Expenditures that result in the enhancement of the value or extension of the useful life of the facilities involved are treated as additions to tangible assets.

Depreciation is computed using the straight-line method over the following economic useful lives:

| <u>Category</u> | <u>Useful Lives (Years)</u> |
|-----------------|-----------------------------|
| Buildings | 50 |
| Machinery | 4 |

Income Tax Expense and Deferred Income Taxes

Income tax expense is the amount currently payable for the period added to or deducted from the changes in deferred income taxes. The difference between the amount currently payable for the period and income tax expense is accounted for as deferred income tax assets or liabilities and offset against income tax assets and liabilities in future periods.

Ordinary Income per Share and Earnings per Share

Ordinary income per share and earnings per share are computed by dividing ordinary income (after deduction for tax effect) and net income, respectively, by the weighted average number of shares outstanding (15,260,600 shares) during the period from December 12, 2003 (inception) to June 30, 2004.

1. CASH AND CASH EQUIVALENTS AND FINANCIAL INSTRUMENTS:

Cash and cash equivalents and financial instruments as of June 30, 2004 consist of the following:

| | <u>Bank</u> | <u>Annual interest rate (%)</u> | <u>Amount</u> (In thousands) |
|----------------------------------|--------------|-------------------------------------|---------------------------------|
| Cash and cash equivalents: | | | |
| MMDA | Woori Bank | 0.0 ~ 3.1 | ₩ 3,173,480 |
| Time deposits | Kookmin Bank | 3.5 | <u>2,500,000</u> |
| | | | <u>₩ 5,673,480</u> |
| Short-term financial instruments | | | |
| MMDA | Woori Bank | 1.0 ~ 3.1 | <u>₩ 1,363,994</u> |
| Long-term financial instruments | | | |
| Time deposits | Woori Bank | 4.2 | <u>₩ 62,500</u> |

The Company made deposits with Woori Bank amounting to ₩1,362,500 thousand as collateral for lease key money deposits and ₩41,897 thousand as restriction by covenant in credit facility agreement.

2. TANGIBLE ASSETS:

The changes in tangible assets for the period from December 12, 2003 (inception) to June 30, 2004 are as follows (In thousands):

| | <u>Beginning of period</u> | <u>Acquisition</u> | <u>Depreciation</u> | <u>End of period</u> |
|--------------------------|----------------------------|----------------------|---------------------|----------------------|
| Land | ₩ - | ₩ 102,397,913 | ₩ - | ₩ 102,397,913 |
| Building | - | 57,640,829 | (672,476) | 56,968,353 |
| Machinery | - | 42,000 | (2,100) | 39,900 |
| Construction in progress | - | <u>1,189,230</u> | - | <u>1,189,230</u> |
| | <u>₩ -</u> | <u>₩ 161,269,972</u> | <u>₩ (674,576)</u> | <u>₩ 160,595,396</u> |

As of June 30, 2004, the published tax assessment value of the Company-owned land (7,942.5 square meters) totals ₩62,984,025 thousand in terms of land tax assessment price officially announced by the Korean government.

3. INSURED ASSETS:

As of June 30, 2004, the Company carries the following insurance policies:

| <u>Type of Insurance</u> | <u>Object</u> | <u>Coverage</u> (In thousands) | <u>Company</u> |
|--------------------------|----------------------|-----------------------------------------------|-------------------------------------------|
| Package insurance | Building & machinery | ₩ 86,502,691 | Samsung Fire & Marine Insurance Co., Ltd. |
| | General liability | US\$ 5,000,000 per each occurrence and others | Samsung Fire & Marine Insurance Co., Ltd. |
| Gas insurance | Facilities | ₩ 300,000 per accident | Samsung Fire & Marine Insurance Co., Ltd. |
| | Person | ₩ 60,000 per person | |

4. COLLATERALIZED ASSETS:

Collateralized assets as of June 30, 2004 are as follows:

| <u>Provided to</u> | <u>Collateralized assets</u> | <u>Collateralized amounts</u> (In thousands) | <u>Related liabilities</u> |
|-------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------------------------------------|----------------------------|
| Samsung Life Insurance Co., Ltd. Samsung Fire & Marine Insurance Co., Ltd. LG Insurance Co., Ltd. Korea Life Insurance Co., Ltd. | Land and building | ₩ 97,817,200 | Long-term borrowings |
| Dongbu Insurance Co., Ltd. | Building | 121,875 | Lease key money deposits |
| Korea Life Insurance Association | Building | 415,545 | Lease key money deposits |
| Dong Ah Construction Industrial Co., Ltd. | Building | 632,385 | Lease key money deposits |
| Shinhan Life Insurance Co., Ltd. | Building | 245,000 | Lease key money deposits |
| OTIS LG Elevator | Building | 100,000 | Lease key money deposits |
| | | <u>₩ 99,332,005</u> | |

5. LONG-TERM BORROWINGS:

Long-term borrowings as of June 30, 2004 consist of the following:

| <u>Creditor</u> | <u>Korean won</u> (In thousands) | <u>Annual interest rate (%)</u> | <u>Maturity</u> |
|-------------------------------------------|-------------------------------------|---------------------------------|------------------|
| Samsung Life Insurance Co., Ltd. | ₩ 45,898,840 | 6.03 | December 26,2008 |
| Samsung Fire & Marine Insurance Co., Ltd. | 12,791,480 | 6.03 | December 26,2008 |
| LG Insurance Co., Ltd. | 10,534,160 | 6.03 | December 26,2008 |
| Korea Life Insurance Co., Ltd. | 6,019,520 | 6.03 | December 26,2008 |
| | <u>₩ 75,244,000</u> | | |

6. SHAREHOLDERS' EQUITY:

The Company has 61,042,400 authorized shares of common stock (₩5,000 par value), of which 15,260,600 were issued and outstanding as of June 30, 2004.

The amount of discount on stock issuance of ₩949,394 thousand as of June 30, 2004 is amortized over a period of no more than 3 years in equal amounts beginning in the year of issuance of the stock. The amount of amortization decreases the retained earnings of the Company through appropriation from FY1 to FY5.

7. DIVIDENDS:

- i. Cash dividends declared from the inception date December 12, 2003 to June 30, 2004 are as follow (in Korean won) :

| | |
|-------------------------------|------------------------|
| | <u>Amount</u> |
| Issued and outstanding shares | 15,260,600 shares |
| Par value | ₩ 5,000 |
| Dividend rate | <u>4.59%</u> |
| Dividends | <u>₩ 3,502,374,405</u> |

- ii. Pay-out-ratio from the inception date December 12, 2003 to June 30, 2004 is as follow (in Korean won) :

| | |
|---------------|-----------------|
| | <u>Amount</u> |
| Dividends | ₩ 3,502,374,405 |
| Net income | 4,042,490,543 |
| Pay out ratio | 86.64% |

8. INCOME TAX EXPENSE:

Income tax expense consists of the following:

| | |
|-------------------------------------------|------------------|
| | <u>Amount</u> |
| | (In thousands) |
| Income tax currently payable | ₩ 221,531 |
| Change in deferred income tax liabilities | <u>9,047</u> |
| Income tax expense | <u>₩ 230,578</u> |

Changes in cumulative temporary differences are as follows (In thousands):

| | | | | |
|---------------------------------|---------------------------|-------------------|-----------------|----------------------|
| <u>Account</u> | <u>The inception date</u> | <u>Increase</u> | <u>Decrease</u> | <u>June 30, 2003</u> |
| Accrued income | <u>₩ -</u> | <u>₩ (30,461)</u> | <u>₩ -</u> | ₩ (30,461) |
| Total | | | | |
| Income tax rate | | | | <u>29.7%</u> |
| Income tax effect | | | | <u>(9,047)</u> |
| Deferred income tax liabilities | | | | <u>₩ (9,047)</u> |

The income tax rate applicable to the Company is 29.7% (resident tax included). However, according to the corporate income tax law, if the Company distributes more than 90% of income available for dividend, the amount is exempted from the income tax. The effective tax rate of income tax expense to income before income tax is 5.4%.

9. RELATED PARTY TRANSACTIONS:

The significant transactions with related parties during the period from December 12, 2003 (inception) to June 30, 2004 and the related account balances as of June 30, 2004 are summarized below.

| | <u>Amount</u> |
|--------------------------------------------|----------------|
| | (In thousands) |
| Samsung Life Insurance Co., Ltd.: | |
| Interest expense | ₩ 1,441,145 |
| Accrued expenses | 37,914 |
| Long-term borrowings | 45,898,840 |
| Samsung Fire & Marine Insurance Co., Ltd.: | |
| Interest expense | 401,630 |
| Insurance premium | 32,932 |
| Prepaid expenses | 30,173 |
| Accrued expenses | 10,566 |
| Long-term borrowings | 12,791,480 |
| LG Insurance Co., Ltd.: | |
| Interest expense | 330,755 |
| Accrued expenses | 8,701 |
| Long-term borrowings | 10,534,160 |

10. COMMITMENTS:

As of June 30, 2004, the principal commitments of the Company are as follows:

(1) Asset Management Contract

The Company entered into a contract with Macquarie International Asset Management Company (“AMC”) in relation to investment trust business of acquisitions, managements, disposal, developments, rent of real estate and trading of securities. According to this contract, the Company shall pay the basic fee to AMC which shall be calculated by applying such a rate as agreed between the Company and AMC to the ordinary income that does not include the basic compensation payable to AMC and shall be payable by the Company to AMC on a semi-annual basis as servicing fee. Applicable percentage for purposes of calculating the basic fee is 0% with respect to the first fiscal period, 17% with respect to the second fiscal period, 11% with respect to the third and fourth fiscal periods, and 11.3% with respect the succeeding fiscal period until the scheduled date for liquidation.

The Company is entitled to a disposition fee on the sale of property and a performance fee for the management of assets. Provided, however, that such disposition fee shall be payable only if the sales price of such assets less costs related to such sale exceeds the aggregate investments by the Company at the time of incorporation (i.e. the sum of the purchase price of such assets and the costs related to such purchase) plus all capital expenditure and if an internal rate of return on such assets over a 5 year period of ownership of the assets (the “IRR”) is greater than 11.5%.

The disposition fee is calculated at 25% of the excess of the sales price of such assets less costs related to such sale over the aggregate investments plus the capital expenditure during the said period. The performance fee is calculated at 40% of any excess over the IRR of 11.5% for the 5 year period, subject to the satisfaction of the requirements for the entitlement of disposition fee.

(2) Business Trust Contract

The Company entered into a contract with Woori Bank for the purpose of recording of changes of shareholders, issuance of stock and general administration of the Company. According to the contract, the Company shall pay quarterly commission of 0.05% pa of total assets.

(3) Asset Custodian Contract

The Company shall pay Woori Bank a quarterly commission of 0.03% pa of total assets according to the asset custodian contract.

(4) Property Management Contract, ect.

The Company entered into a contract with SAMS regarding property management and facility maintenance for the Kukdong building.

IX. Auditor's Opinion

- External Auditor's Opinion
not applicable for this period

Anjin Deloitte

- Statutory Auditor's Opinion:

The Financial Statements adequately reflect the company's financial status and comply with the Real Estate Investment Company Act, Articles of Incorporation and Korea-GAPP, etc.

Statutory Auditor Dae-Sup Roh

Section 9. Other matters relating to asset management that are prescribed by the Minister of Construction and Transportation.

I . Summary on disclosures and reports

| Date | Contents | Disclosed to |
|-------------|-------------------------------------------------------------------------------------------------------|--------------|
| 15 Jun 2004 | Suspension of title transfer for shares | KSE |
| 7 May 2004 | Half Yearly Report | FSS, KSE |
| 30 Mar 2004 | The resolution of extraordinary shareholders' meeting (Replacement of 4 Directors) | FSS, KSE |
| 10 Mar 2004 | Convocation of extraordinary shareholders' meeting and public announcement | FSS, KSE |
| 5 Mar 2004 | BoD's resolution about convocation of extraordinary shareholders' meeting | FSS, KSE |
| 13 Feb 2004 | Submission of the quarterly report as of 31 Dec, 2003 | FSS, KSE |
| 12 Feb 2004 | Disclosure about the temporary Closing of shares registry for the extraordinary shareholders' meeting | KSE |

II .States of important lawsuits that are connected with management of the company

not applicable

III.Present condition of transactions falling under the provision of Article 30 of the Act

not applicable

IV. Penalty

not applicable

V. Compliance to the regulated restricted Investment

| Regulation | Compliance |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| 1. 70% or more of a company's total assets shall be composed of real estates for corporate restructuring, etc for the seller | Complied |
| 2. With respect to investment in securities, MCO CR REIT shall not acquire any securities exceeding 10% of the total issued and outstanding voting stocks of another company, except for the allowance under the Real Estate Investment Company Act of Korea (the "Act") | Complied |
| 3. With respect to the investment in securities, MCO CR REIT shall not acquire any securities issued by a single entity in excess of 5% of MCO CR REIT's total assets, except for national bonds, local or municipal bonds or such other securities whose acquisition in such amounts is permitted under the Enforcement Decree promulgated under the Act. | Complied |
| 4. MCO CR REIT shall not engage in any transactions falling within the categories listed, as follows, with directors and officers and their respective related persons (as defined in Article 21(1) of the Securities and Exchange Act), and any shareholder who owns and holds 3% or more of the shares in MCO CR REIT and its respective related persons, except for the circumstances under the Act | Complied |
| <p>5. MCO CR REIT and its related person shall not engage in the sale and purchase of real property or the trading of securities with the AMC and its related persons, except in the following circumstances:</p> <ul style="list-style-type: none"> (a) If MCO CR REIT is forced to dispose of its securities (other than shares) because it temporarily faces difficulty in making payment of purchase price or repurchase price of shares due to substantial number of appraisal or repurchase claims; (b) General sale, competitive bidding or any similar transaction; (c) Transactions (other than with the directors, officers and employees of the AMC and their respective related persons) where MCO CR REIT rents its property at a rate higher than that determined by the Board; or (d) Unavoidable transactions as a result of merger, liquidation, spin-off or merger by a spin-off entity. | Complied |