
THE PROPERTY MANAGER AND THE BUILDING MANAGER

THE PROPERTY MANAGER

The Property Manager, Beijing Hua-re Real Estate Consultancy Co., Ltd., was established in the PRC on July 13, 2006 and is licensed to perform leasing, brokerage and property management activities in Beijing. The Property Manager has been managing the Property since August 2006.

As of the Latest Practicable Date, the Property Manager was owned by AD Capital, Langfang Development Zone Hua-kun Information Consultancy Co., Ltd. (廊坊開發區華坤信息諮詢服務有限公司) and Langfang Development Zone Xinhua Jiaye Investment Consultancy Co., Ltd. (廊坊開發區鑫化嘉業投資諮詢有限公司) as to 40%, 40% and 20%, respectively. Therefore, the Property Manager is a connected person of Spring REIT. To the best knowledge of the Directors, each of Langfang Development Zone Hua-kun Information Consultancy Co., Ltd., Langfang Development Zone Xinhua Jiaye Investment Consultancy Co., Ltd. and their respective ultimate owners is an Independent Third Party.

Currently, the Property Manager manages no properties other than the Property and has a team of operational staff exclusively dedicated to providing property management services to the Property.

The Property Management Agreement

Under the Property Management Agreement entered into between RCA01 and the Property Manager on August 30, 2011, the Property Manager has agreed to provide the following services with respect to the Property for an initial term of two years from September 1, 2011 to August 31, 2013, which term was automatically renewed on the same terms for another two years upon the expiry of the initial term:

(i) *Lease management services.* The Property Manager is authorized to identify tenants and enter into lease agreements in the capacity as an agent of RCA01. The Property Manager is required to seek the prior approval from RCA01 before entering into any lease agreements which modify any provision of the standard lease agreements. The Property Manager submits a report to RCA01 monthly or upon request, summarizing the rental income, new lease agreements entered into, leases terminated and other important items each month.

(ii) *Building management services.* The Property Manager is authorized to select a competent building manager to provide building management services, and supervise the work provided by the building manager.

(iii) *Cash management services.* The Property Manager is authorized to collect rents from tenants and transfer the proceeds to an account designated by RCA01, manage the account books and records, arrange payments for costs and expenses concerning the operation of the Property out of the operating account and transfer the fund to the designated offshore account under the supervision of the REIT Manager. The Property Manager provides the cash flow statements of the Property and reports the actual revenues and expenditures of the Property to RCA01 at the end of each month.

THE PROPERTY MANAGER AND THE BUILDING MANAGER

Each of RCA01 and the Property Manager has the right to terminate the Property Management Agreement with immediate effect by giving written notice to the other party in the event of any of the following:

- a party is voluntarily or involuntarily dissolved or declared bankrupt, becomes insolvent, makes any decision to go into bankruptcy or dissolution, gives notification to convene a meeting to adopt a resolution on bankruptcy or dissolution (other than a voluntary liquidation conducted for the purpose of reorganization or restructuring), an administrator or relevant judicial personnel has been authorized to wind the relevant party up in accordance with the relevant legal procedure;
- a party stops its business; or
- the operation and management of the Property encounters or is likely to encounter serious obstacles for any reasons.

RCA01 is able to terminate the Property Management Agreement with immediate effect by giving written notice to the Property Manager in the event of, among other things, any of the following:

- the Property Manager breaches any material provisions of the Property Management Agreement and fails to cure the breach within 20 working days of the receipt of a written request from RCA01 to cure such breach; and
- the Property Manager's property, credit or business is subject to significant change, causing RCA01 to reasonably believe that it would be difficult for the Property Management Agreement to continue.

In addition, RCA01 is entitled to terminate the Property Management Agreement at any time by giving the Property Manager at least 60 days' advance written notice.

Under the Property Management Agreement, the Property Manager will be entitled to receive, from RCA01, the management service fees equivalent to 2% of the total revenues of the Property on a monthly basis.

BUILDING MANAGER

The Property Manager has delegated to Beijing CCP & Savills Property Services Management Co., Ltd., the Building Manager, the handling of certain aspects of management of the Property on a non-exclusive basis for an initial period of January 1, 2012 to December 31, 2012, which was automatically renewed to December 31, 2013, pursuant to the Building Management Agreement. The REIT Manager intends to cause RCA01 and the Property Manager to renew the Building Management Agreement upon its expiration on December 31, 2013. In the event that the Building Management Agreement cannot be renewed for whatever reason, the REIT Manager will cause RCA01 and the Property Manager to appoint another building manager.

The Building Manager is a joint venture between Savills (China) Co., Ltd. and third parties. The Building Manager has a general power of management in relation to the Property in accordance with the provisions of the Building Management Agreement. The Building Manager's scope of responsibilities under the Building Management Agreement

THE PROPERTY MANAGER AND THE BUILDING MANAGER

include, among other things, the maintenance, repair and upkeep of common areas, common facilities and public structures, the operation of the building services systems and the maintenance of building security. Pursuant to the Building Management Agreement, the fees for the Building Manager are paid by the tenants of the Property directly.

Under the Building Management Agreement, the Building Manager agrees that the Property Manager and RCA01 have the right, among others, to receive monthly management reports, to approve the building management budget, to inspect and supervise the daily management and quality of service, to require prompt explanations, and to appoint a professional agency to conduct audits. The REIT Manager will supervise the Building Manager through (i) Spring REIT's ownership of 100% of the issued shares in RCA01, (ii) RCA01's rights under the Property Management Agreement and the Building Management Agreement, (iii) the maintenance of the appointment, at the recommendation of the REIT Manager to the Trustee, of Mr. Nobumasa Saeki, a Responsible Officer of the REIT Manager (or other nominee of the REIT Manager), as the sole director of RCA01, (iv) the REIT Manager's rights against RCA01 under the Property Management Supervision Agreement and (v) the services (including the monitoring and supervision of the Building Manager) to be provided by AD Capital and AD Capital Beijing to the REIT Manager under the Property Management Supervision Agreement.