

Custodian Property Income REIT plc

(incorporated in England & Wales with company number 08863271 and registered as an investment company under section 833 of the Companies Act 2006)

Directors

David Maclellan (*Chairman and Non-Executive Director*)
Elizabeth McMeikan (*Non-Executive Director*)
Chris Ireland (*Non-Executive Director*)
Hazel Adam (*Non-Executive Director*)
Malcolm Cooper FCCA FCT (*Non-Executive Director*)
Ian Mattioli MBE (*Non-Executive Director*)

Registered Office
1 New Walk Place
Leicester
United Kingdom
LE1 6RU

Custodian Capital Limited
1 New Walk Place Leicester
United Kingdom
LE1 6RU

14 March 2024

Dear Sirs,

Custodian Property Income REIT plc (the "REIT") – Side Letter to the Second Amended and Restated Investment Management Agreement

This letter agreement (the "**Side Letter**") replaces and supersedes the previous side letter dated 19 January 2024 issued by the REIT to Custodian Capital Limited (the "**Investment Manager**") (the "**Previous Side Letter**"). The parties to this Side Letter acknowledge and agree that, upon the execution of this Side Letter, the Previous Side Letter will cease to have any force or effect.

We refer to the second amended and restated investment management agreement dated March 2024 between the REIT and the Investment Manager (the "**Second Amended and Restated Investment Management Agreement**"). Words and expressions defined in the Second Amended and Restated Investment Management Agreement shall have the same meanings when used in this letter unless otherwise defined or the context otherwise requires.

The Parties agree that the following amendments to the Second Amended and Restated Investment Management Agreement shall take effect from the Effective Date:

1 Clause 1 (Definitions and Interpretation)

The following additional definitions shall be inserted under Clause 1.1 of the Second Amended and Restated Investment Management Agreement:

"**Acquisition**" means the proposed acquisition by the REIT of the entire issued (and to be issued) share capital of API to be implemented by means of a Court sanctioned scheme of arrangement in accordance with Part VIII of the Companies Law of Guernsey;

"**Adjusted API Formula Asset Value**" means the API Formula Asset Value on the relevant date adjusted for like-for-like adjustments (including any revaluation, capex, acquisitions and disposals of assets) during the relevant period from 31 December 2023 and calculated in accordance with the REIT's normal accounting policies;

"Adjusted Asset Value" means the Net Asset Value less the Adjusted API Formula Asset Value;

"API" means abrdn Property Income Trust Limited;

"API Formula Asset Value" means the net asset value of API as at 31 December 2023 calculated in accordance with API's normal accounting policies and reduced by API's transaction costs recognised since 31 December 2023 in connection with the Acquisition;

"Company Secretarial Services" means the "company secretarial and administrative matters" component of the Administrative Services as set out in paragraph 3.1 (d), (e), (g) and (j) and 3.4 of Part 3 of Schedule 1 of the Second Amended and Restated Investment Management Agreement;

"Initial Term" means the period from the Effective Date to the second anniversary of the day immediately preceding the Effective Date; and

"Waiver Period" means the period from the Effective Date to the end of the third Quarter following the Effective Date (it being agreed and acknowledged that if the first Quarter is a partial Quarter, the revised fee basis contemplated hereunder shall apply to the whole of that Quarter).

2 Schedule 6 (Fees)

2.1 From the Effective Date until the end of the Waiver Period, on each Quarter Day the Adjusted Asset Value shall be determined by the Investment Manager and the Investment Management Fee, payable Quarterly in arrears, shall be calculated as:

- (a) 0.45% of the Adjusted Asset Value as at the relevant Quarter Day to the extent it is lower than or equal to £500 million, divided by 4; plus
- (b) 0.39% of the Adjusted Asset Value as at the relevant Quarter Day to the extent it is in excess of £500 million but lower than or equal to £750 million, divided by 4; plus
- (c) 0.33% of the Adjusted Asset Value as at the relevant Quarter Day to the extent it is in excess of £750 million, divided by 4.

2.2 From the end of the Waiver Period until the end of the Initial Term, on each Quarter Day the Net Asset Value shall be determined by the Investment Manager and the Investment Management Fee, payable Quarterly in arrears, shall be calculated as:

- (a) 0.45% of the Net Asset Value as at the relevant Quarter Day to the extent it is lower than or equal to £500 million, divided by 4; plus

- (b) 0.39% of the Net Asset Value as at the relevant Quarter Day to the extent it is in excess of £500 million but lower than or equal to £750 million, divided by 4; plus
 - (c) 0.33% of the Net Asset Value as at the relevant Quarter Day to the extent it is in excess of £750 million, divided by 4.
- 2.3 From the Effective Date until the end of the Waiver Period, on each Quarter Day the Adjusted Asset Value shall be determined by the Investment Manager and the Asset Management Fee, payable Quarterly in arrears, shall be calculated as:
 - (a) 0.30% of the Adjusted Asset Value as at the relevant Quarter Day to the extent it is less than or equal to £500 million, divided by 4; plus
 - (b) 0.26% of the Adjusted Asset Value as at the relevant Quarter Day to the extent it is in excess of £500 million but lower than or equal to £750 million, divided by 4; plus
 - (c) 0.22% of the Adjusted Asset Value as at the relevant Quarter Day to the extent it is in excess of £750 million, divided by 4.
- 2.4 From the end of the Waiver Period until the end of the Initial Term, on each Quarter Day the Net Asset Value shall be determined and the Asset Management Fee, payable Quarterly in arrears, shall be calculated as:
 - (a) 0.30% of the Net Asset Value as at the relevant Quarter Day to the extent it is less than or equal to £500 million, divided by 4; plus
 - (b) 0.26% of the Net Asset Value as at the relevant Quarter Day to the extent it is in excess of £500 million but lower than or equal to £750 million, divided by 4; plus
 - (c) 0.22% of the Net Asset Value as at the relevant Quarter Day to the extent it is in excess of £750 million, divided by 4.
- 2.5 For the avoidance of doubt, the Parties agree that no Marketing Fee will be payable by the REIT to the Investment Manager in connection with the proposed issue of new shares in the capital of the REIT in connection with the Acquisition as this does not constitute a New Share Issue.
- 2.6 The Investment Manager agrees that for the duration of the Waiver Period, the invoice or invoices that it is required to deliver to the REIT pursuant to clause 4.2 of the Second Amended and Restated Investment Management Agreement, shall include a statement showing its calculation of the API Formula Asset Value, the Adjusted API FAV and the Adjusted Asset Value.
- 2.7 The Investment Manager agrees that for the duration of the Waiver Period, for the purposes of paragraphs 2.1 and 2.3 above, the "Adjusted Asset Value" of the REIT shall be the "Adjusted Asset Value" reported to the REIT Board,

including for the avoidance of doubt a reasonable accrual of the Asset Management Fee payable in respect of the relevant Quarter, as calculated by the Investment Manager in accordance with paragraph 2.4 of Part 3 of Schedule 1 (Services) of the Second Amended and Restated Investment Management Agreement.

- 2.8 The Investment Manager agrees that for the duration of the Waiver Period, if the audited financial statements of the REIT in respect of any financial year show that the Adjusted Asset Value in respect of that year is or was less than or more than that upon which the Investment Management Fee, Asset Management Fee and Administrative Fee has been calculated then the REIT Board and the Investment Manager shall meet to discuss the same and, acting reasonably and in good faith, shall agree a retrospective adjustment (if appropriate) to the Investment Management Fee, Asset Management Fee and Administrative Fee to reflect the same.

3 Clause 14 (Investment Manager's Personnel)

- 3.1 The Parties acknowledge and agree that any designation by the Investment Manager of a Key Director or a Key Manager (including any replacement of a Key Director or Key Manager in accordance with clauses 17.1(c) and (d) of the Second Amended and Restated Investment Management Agreement) must be approved in writing in advance by the REIT Board.
- 3.2 As at the date of this side letter, the Parties acknowledge and agree that:
- 3.2.1 [REDACTED] is the Key Director; and
- 3.2.2 each of [REDACTED] is a Key Manager.
- 3.3 For the avoidance of doubt, the REIT Board approves these designations.
- 3.4 The Parties acknowledge and agree that in the event that the REIT Board has requested the removal of a person engaged in the performance of the Services (in accordance with clause 14.4 of the Second Amended and Restated Investment Management Agreement), the replacement of such person must be approved in writing in advance by the REIT Board, such approval not to be unreasonably withheld or delayed.

4 Administrative Services

The REIT and the Investment Manager hereby acknowledge and agree that the REIT Board, in consultation with the Investment Manager, intends to conduct an internal review of the scope of the Company Secretarial Services and that following such review, the REIT and the Investment Manager will seek agreement (which shall not be unreasonably withheld) to vary the scope of the Company Secretarial Services. Following any such adjustment, the REIT and the Investment Manager shall cooperate in good faith and use reasonable efforts to ensure that the relevant services may be transitioned smoothly to any new services provider.

5 General

- 5.1 Except as set out in clauses 1 and 2 and 3 of this letter, the Investment Management Agreement shall continue in full force and effect.

- 5.2 The parties irrevocably agree that this letter and any dispute or claim arising from or in connection with it or its subject matter or formation (including any non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales, and the Courts of England and Wales shall have exclusive jurisdiction over any dispute or claim arising therefrom.

Yours faithfully,



.....
Director, duly authorised for and on behalf of
Custodian Property Income REIT plc

We confirm our agreement to the terms of the above letter.

Signed by
duly authorised for and on behalf of
Custodian Capital Limited



.....
Authorised signatory