Annual Report 2021

ASR Dutch Core Residential Fund

a.s.r. real estate

Cover: **Cruquiuswerf**, Amsterdam

a.s.r.
de nederlandse verzekerings maatschappij voor alle verzekeringen

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Annual Report 2021

ASR Dutch Core Residential Fund

Contents

ASR Dutch Core Residential Fund ('the Fund') provides access to a diversified, mature and sustainable residential real estate portfolio with a value of € 2.1b. The Fund has a core strategy and invests in sustainable, high-quality apartments and single-family houses, particularly in the mid-priced rental segment, in the strongest economic and demographic regions and cities in the Netherlands.

The aim of the Fund is to provide stable, sustainable and attractive returns for investors through investment in, management of and adding value to the portfolio, while keeping risk and leverage at a low level.

Overview

As at 31 December 2021

€ 2,054m
portfolio size
2020: € 1,717m

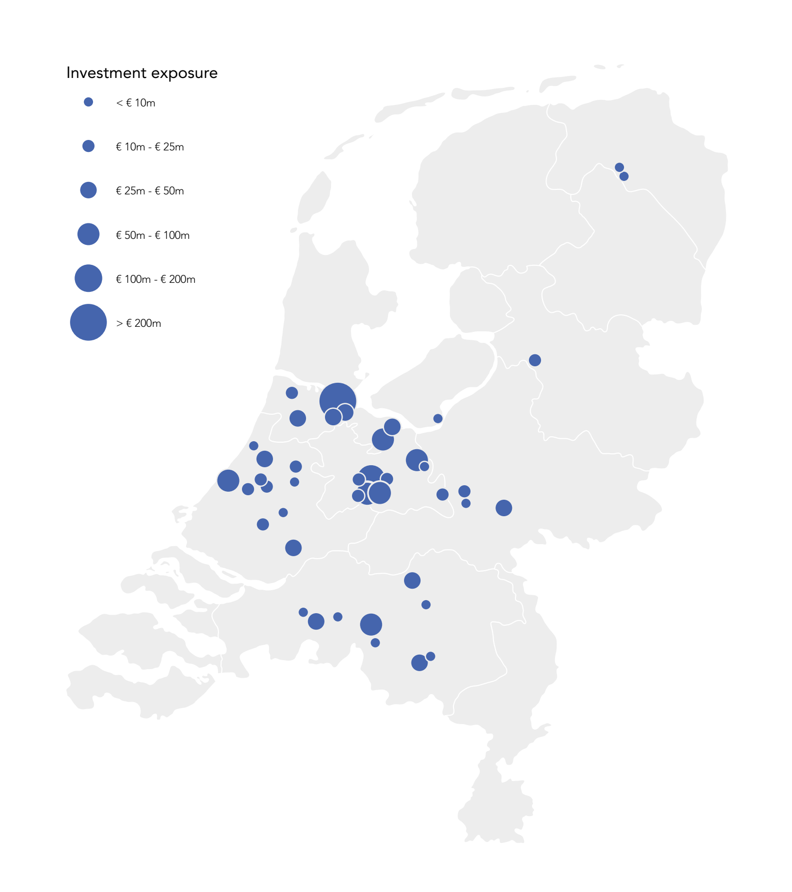
€ 60.7m
annual rent
2020: € 58.0

4,938
residential units
2020: 4,759

€ 348m
commitments
2020: € 353m

10.0%
total rent potential
2020: 9.3%

98.3%
occupancy rate
2020: 98.7%



Performance figures

(amounts in €'000, unless otherwise stated)

Performance

For the year	2021	2020	2019	2018	2017
Total return	12.8%	9.4%	14.7%	15.3%	14.4%
- Income return	2.2%	2.3%	2.7%	3.2%	3.5%
- Capital growth	10.6%	7.1%	12.0%	12.1%	10.9%
Internal rate of return (since first closing at 1 January 2015)	13.1%	13.2%	13.9%	13.8%	13.6%

Performance per unit

amounts in €

For the year	2021	2020	2019	2018	2017
Operating result	27	27	29	28	27
Net result	171	118	165	153	131
Distributable result	29	30	31	33	32

amounts in €

As at	31 December 2021	31 December 2020	31 December 2019	31 December 2018	31 December 2017
IFRS Net Asset Value	1,475	1,335	1,247	1,113	993
INREV Net Asset Value	1,481	1,342	1,255	1,122	1,001
INREV Net Asset Value (after distributions)	1,475	1,335	1,247	1,113	993
Number of Units	1,409,757	1,325,615	1,247,466	1,192,701	1,192,701

Financial figures

For the year	2021	2020	2019	2018	2017
Results					
Operating result	36,201	35,565	35,526	33,961	31,260
Net result	233,129	152,624	202,728	182,404	150,752
Distributable result	39,289	38,199	38,261	38,845	37,068

As at	31 December 2021	31 December 2020	31 December 2019	31 December 2018	31 December 2017
Balance					
Investment properties in operation	1,689,611	1,461,643	1,367,346	1,261,773	1,053,950
Investment properties under construction	253,591	179,961	104,387	28,853	88,018
Investment properties held-for-sale	1,322	2,950	3,008	2,673	3,232
Participations	109,761	72,620	38,950	16,628	-
Total assets	2,099,145	1,788,500	1,575,933	1,345,894	1,200,188
Capital	2,079,531	1,769,905	1,555,419	1,327,552	1,183,993

Financial ratios

As at	31 December 2021	31 December 2020	31 December 2019	31 December 2018	31 December 2017
Solvency	99.1%	99.0%	98.7%	98.6%	98.7%
Loan-to-value ratio	0%	0%	0%	0%	0%
Weighted average cost of debt	n/a	n/a	n/a	n/a	n/a
Payout ratio of distributable result	100%	100%	100%	100%	100%

Portfolio figures

For the year	2021	2020	2019	2018	2017
Results					
Gross rental income	60,707	57,966	56,909	53,888	49,149
Net rental income	45,675	44,736	44,193	41,596	37,981
Revaluation properties	10.2%	7.0%	11.6%	12.1%	10.9%

As at	31 December 2021	31 December 2020	31 December 2019	31 December 2018	31 December 2017
Balance					
Investment properties	1,944,524	1,644,554	1,474,741	1,293,299	1,145,200
Participations	109,761	72,620	38,950	16,628	-
Forward acquisitions (off-balance sheet commitments)	331,672	311,701	345,545	303,855	258,300
Participations (off-balance sheet commitments)	15,893	38,073	66,289	81,318	-
Total number of properties	87	85	101	110	106
Number of dwellings	4,938	4,759	4,794	4,975	4,805
Current gross yield [1]	3.7%	4.0%	4.2%	4.4%	4.8%
Current net yield [2]	2.8%	3.1%	3.3%	3.4%	3.7%
Occupancy rate [3]	98.3%	98.7%	98.6%	98.5%	98.1%

1) Calculated as current gross rental income as at end of the period divided by the value of investment properties in operation and held-for-sale.
2) Calculated as gross yield multiplied with the four-quarter rolling-average net/gross ratio.
3) Occupancy as a percentage of theoretical rental income.

"We are confident that the Fund will continue to prove its worth, through active asset management, focused acquisition management, in-house property management and a long-term emphasis on sustainability."

Robbert W.Y. van Dijk

Foreword

Dear investor,

We are pleased to present the ASR Dutch Core Residential Fund 2021 annual report. This report provides the financial statements, an overview of its performance and the management of the Fund, as well as a glimpse at the year ahead.

2021, a year of contradictions

Many of us hoped that the COVID-19 pandemic would be over in 2021. Unfortunately, we are once more looking back on a year heavily impacted by the virus. That being said, the economy began to recover despite the COVID-19 situation and unemployment and bankruptcies were at record lows.

For the Dutch residential market specifically, COVID-19 has had almost no impact. Despite a dip in the first quarter of 2021, total returns for the residential investment market were at a high level, as a result of the increased real estate transfer tax for (private and institutional) investors. The result was limited to a one-off price correction on the investment market, although investment volumes did see a heavy decrease, as a result of the change in real estate transfer tax. In the remaining quarters of 2021, capital growth saw a considerable rebound and even resulted in the highest quarter-on-quarter increase in capital growth ever recorded by the MSCI Quarterly Benchmark.

Solid financial returns and making social impact

2021 was another highly successful year for the ASR Dutch Core Residential Fund. Throughout the year, the Fund's portfolio grew from € 1,717m to € 2,054m, caused mainly by the portfolio's positive capital growth and term payments for the Fund's assets under construction. Capital growth in 2021 was strong at 10.6%. The income return of the portfolio ended up at 2.2%, bringing the total return for 2021 at 12.8%.

The Fund optimises its income growth through active asset management. As a result, the gross rental income grew to € 60.7m. Occupancy is an essential driver for the portfolio's returns and it remained high in 2021, at 98.3%. Besides focusing on rent optimisation and high occupancy levels, active asset management involves the strict management of operating expenses. In 2021, expenses were in line with that year's budget.

The core quality of the portfolio was further enhanced through new additions and sales. The properties Cruquiuswerf in Amsterdam, Brouwerspoort in Veenendaal and the first phase of properties Laurierkwartier in Utrecht and Sniepkwartier in Diemen were completed and added to the Fund in 2021. The Fund also made individual unit sales in 2021 to further optimise the core quality of its portfolio.

The Fund added three new projects to its pipeline in 2021: Plesman Plaza in Amsterdam, Tree House in Rotterdam and Haave in Haarlem. The result is a strong pipeline with a total off-balance sheet commitment of € 348m. Expected completion dates for the pipeline projects range from 2022 to 2025. The pipeline has a 100% exposure to the Fund's focus agglomerations and cities. Currently, eight out of thirteen pipeline projects are under construction.

During 2021, the Fund had six closings, which meant investors expanded their share in the Fund resulting with a total amount of € 115m. Three closings concerned (part of) the distributable result being paid out in units. In addition, the Fund accepted new commitments which brought in a total of € 50m. Throughout 2021, the Fund maintained its 0% leverage status.

The Fund further held its GRESB rating of five stars in 2021, maintaining its status as being in the top 20% of best performing GRESB funds worldwide. In addition, the Fund is well on track to achieving its CSR targets. In 2021, the Fund reduced its average Energy Index to 1.11 (2020: 1.17) and increased its share of green energy labels to 94% (2020: 91%). Major progress was made in obtaining Green Building Certificates, increasing coverage from 27% in 2020 to 100% in 2021. The newly certified buildings all received the BREEAM-NL In-Use certificate, making the ASR Dutch Core Residential Fund the first Dutch residential fund to be fully certified with BREEAM-NL In-Use certificates. In 2021, the Fund designed a Paris Proof Roadmap, based on the CRREM tool, and raised its ambition to achieving a GHG neutral portfolio by 2045.

In November 2021, the Fund received the 'Woonaward' for project Laurierkwartier in Utrecht, an award given to the Fund for its contribution in the creation of more affordable housing for the Dutch residential market.

Another great accomplishment for 2021 was the implementation of a new property management model. In 2021, we fully insourced the technical and financial management, creating a one-stop shop for our tenants.

The portfolio's excellent performance is a result of the execution of the Fund's solid strategy as described in its Three Year Business Plan and CSR Policy.

A sneak peak at the year ahead

After a successful 2021, we are highly motivated to keep up the good work in 2022. With eight projects under construction and the expected delivery of over 500 dwellings to the Fund, we have an active year ahead.

In 2022, the Fund will continue to focus on further strengthening the portfolio's core profile, with an emphasis on affordable housing, sustainability and customer focus. The Fund will continue to execute its impact investment strategy, concentrating on the addition of affordable dwellings to the portfolio. Sustainability has become an integral part of our strategy and has been formalised in the annually updated CSR policy of the Fund. In 2022, the Fund will strive to further integrate findings from the Paris Proof Roadmap into the multi-year maintenance plan. Furthermore, we aim to start enhancement work on 260 dwellings, based on the experience with asset enhancements we got by renovating over 1,000 dwellings since 2015. Last but not least, customer focus remains an important part of our strategy. In the coming year, the Fund will further optimise the new property management model and insourced tenant contact system.

Part of our ambition to make a social impact is in the emphasis we place on serving different target groups in the Netherlands. We are paying particular attention to the specific needs of the Fund's target group 'seniors', a significantly growing target group with specific requirements for housing and their living environment. To understand their needs, a study towards senior living has been carried out and published in 2022. The Fund aims to put more emphasis in its acquisitions on both suitable and affordable dwellings for senior households.

In a broader (market) perspective, the pressure on the residential market is expected to continue. Affordability continues to remain under great pressure and the scarcity of suitable products is expected to remain high. One result of this is the necessity for the government to interfere in the market. With a new government in place, we expect there to be more clarity on the course of the anticipated legislation. We will be keeping a close eye on developments regarding the anticipated legislation for the mid-priced rental segment.

Nevertheless, the current market fundamentals remain relatively favourable for residential investment, returns are expected to remain high, and the Fund is well-positioned to profit from these developments.

We are confident that the Fund will continue to prove its worth in 2022 through active asset management, focused acquisition management, in-house property management, and a long-term emphasis on sustainability. For 2022, we will once more strive to generate solid returns for our investors and to make a social impact with affordable and sustainable dwellings for our tenants.

Fund Management Team, ASR Dutch Core Residential Fund

Robbert W.Y. van Dijk, fund director
Marsha Sinninghe, fund manager
Johan Kamminga, fund controller

Laurierkwartier, Utrecht

Fund profile

The ASR Dutch Core Residential Fund ('the Fund') was launched on 1 January 2013. On that date, the Anchor Investor transferred its properties to the Fund. The Fund had its initial closing, with the first external investor, on 1 January 2015. The Fund has been growing ever since, currently having eleven investors, as at 31 December 2021. The Anchor Investor is still committed to the Fund, holding a total of 51.9% of the units (as of 31 December 2021), although its control is capped (one vote in the Investment Committee and a maximum of 40% of the votes in the Meeting of Investors).

The Fund is solely open for professional investors ('professionele beleggers') within the meaning of Section 1:1 of the Dutch Financial Markets Supervision Act ('Wet op het financieel toezicht' or 'FMSA') or for a non-professional investor who is designated a professional investor pursuant to Section 4:18c of the FMSA.

ASR Dutch Core Residential Fund is structured as a fund for joint account (fonds voor gemene rekening or 'FGR') under Dutch law. The Fund is not a legal entity (rechtspersoon) but is a contractual arrangement sui generis between the Management Company (ASR Dutch Core Residential Management Company B.V.) and the Legal Owner (ASR Dutch Core Residential Custodian B.V.), subject to the terms and conditions that relate to the Fund and the parties involved (such as the AIF Manager, Management Company, Investors and the Depositary) included in the Fund Agreement. The Fund shall have an indefinite term, subject to early dissolution of the Fund in accordance with Clause 15 of the Fund Agreement.

The Fund is considered transparent for Dutch corporate income tax purposes and Dutch dividend withholding tax purposes.

AIF Manager & Management Company

The AIF Manager (ASR Real Estate B.V. or a.s.r. real estate) is licensed as an alternative investment manager in the Netherlands further to article 2:65 of the FMSA and therefore subject to conduct supervision by the Netherlands' Authority for Financial Markets ('Autoriteit Financiële Markten') and to prudential supervision by the Dutch Central Bank ('De Nederlandse Bank').

The Management Company of the Fund is ASR Dutch Core Residential Management Company B.V., which is a wholly owned subsidiary of the AIF Manager. The Management Company is charged with the management of the Fund. The Management Company shall ensure that the Fund is managed in accordance with the Fund Agreement and therefore in accordance with the Investment Objective & Strategy, Investment Criteria and the Investment Restrictions as set out therein. The Management Company is authorised to represent the Fund.

The Management Company will act in its own name, but will indicate that it is acting on behalf of the Fund. a.s.r. real estate has been appointed as statutory director of the Management Company. The Management Company will rely on the real estate track record and experience of a.s.r. real estate as the AIF Manager of the Fund. The Management Company shall act in the best interest of the investors and shall require the same of the AIF Manager. This is laid down in the Management Agreement concluded between the Management Company and the AIF Manager. The AIF Manager will perform the services as referred to in paragraphs 1 (portfolio management and risk management) and 2 (other functions) of Annex 1 of the AIFMD.

Legal Owner

The Legal Owner of the Fund's assets is ASR Dutch Core Residential Custodian B.V. The Legal Owner keeps the legal title of all assets and liabilities directly and indirectly held for the risk and account of the investors. The management board of the Legal Owner consists of the Stak (Stichting Administratiekantoor ASR Dutch Core Residential Custodian). The AIF Manager serves as the director of the Stak.

Depositary

BNP Paribas Securities Services S.C.A., a company organised under French law, acting in this respect through its Amsterdam branch, has been engaged as the Fund's Depositary.

Governance

Fund Agreement
The Management Company shall ensure that the Fund is managed in accordance with the Fund Agreement and therefore in accordance with the Investment Objective & Strategy, Investment Criteria and the Investment Restrictions as set out therein.

Three Year Business Plan
The Fund has outlined an investment policy in accordance with Investment Objective & Strategy, Investment Criteria and the Investment Restrictions as set out in the Fund Agreement. Each year, the Management Company presents the investment policy as a Three Year Business Plan. This 'Three Year Business Plan' is presented at the Meeting of Investors, after it has been discussed with and formal advice given by the Investment Committee.

Investor influence
Each investor shall be beneficially entitled to the Fund and any income generated on the portfolio assets pro rata the size of its investments (to the number of Units held by each investor) in the Fund. The investors have a certain control over key decision-making of the Fund through the Meeting of Investors and the Investment Committee.

Meeting of Investors
Meetings of Investors will be held as often as required. However, at least one physical Meeting of Investors will be held each year, within 9 months following the end of the Fiscal Year upon the initiative of the Management Company. At this annual Meeting of Investors, the Management Company or the AIF Manager will present the Three Year Business Plan and the Accounts to be considered and approved by such meeting. The Meeting of Investors shall also vote on the appointment or dismissal of the auditor or valuer(s), removal of the Management Company and material amendments to the Fund Agreement.

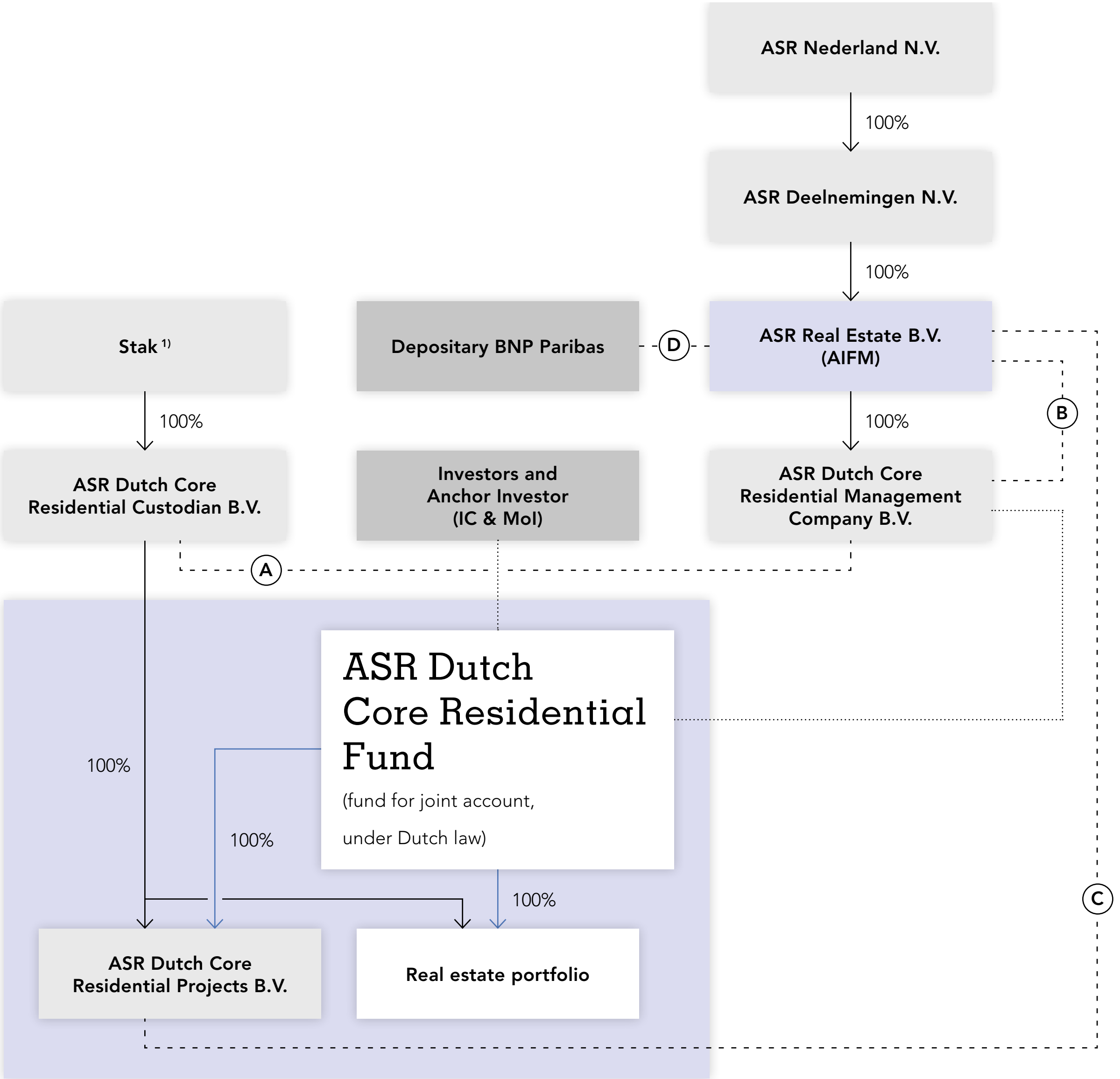
Each investor will have a number of votes equal to the number of Units it holds in the Fund; the Anchor Investor will hold a maximum of 40% of the votes. Two Meetings of Investors were held in 2021.

Investment Committee
The Investment Committee is responsible for monitoring compliance by the Management Company and the AIF Manager with the Investment Objective & Strategy, the Investment Criteria and the Investment Restrictions. Furthermore, it shall be consulted by and render its advice to the AIF Manager whenever the approval or advice of the Investment Committee is required, pursuant to the Fund Agreement. The Investment Committee meets as often as is required. Three Investment Committee meetings were held in 2021

Conflict of interests
The Management Company acts in the interest of the investors. Conflicts of interest may arise in the structure of the Fund, since the Management Company, the AIF Manager, the Legal Owner, Project B.V. and the Anchor Investor are all (indirect) subsidiaries of a.s.r. These companies will be assisted in the conduct of business by directors, officers and agents, including representation by common legal and tax counsels representing both the Fund and a.s.r.

Because of these relationships, certain directors and officers of the Management Company and the AIF Manager may have obligations to others that conflict with their duties in the Fund. Prior written approval of the Investment Committee will be required in relation to transactions which involve a conflict of interest on the part of either the Management Company, the AIF Manager or an Investor, to the extent such transactions materially affect the Fund, are not expressly contemplated or approved by the terms of the Fund Agreement or Prospectus. The member of the Investment Committee, nominated by the Investor who has the conflict of interest, is not allowed to vote.

Figure 1 ASR Dutch Core Residential Fund - fund structure



A	Fund Agreement (Legal Owner – Manco)	——	legal ownership
B	Management Agreement (AIFM – Manco)	——	economic ownership
C	Project Agreement (AIFM – Projects B.V.)	- - -	contractual relationship
D	Depositary Agreement (AIFM – Depositary)	·······	contract relating to

1) Stak (Stichting Administratiekantoor ASR Dutch Core Residential Custodian) is the legal entity for the purpose of to acquire and hold the shares in the Custodian against the granting of certificates to ASR Nederland N.V.

Remuneration policy of the manager

The remuneration policy is set at the level of ASR Nederland N.V. and is part of the HR-policy. The remuneration policy is determined by government policies and societal opinion on remuneration in the financial sector.
The remuneration policy supports the strategy and business objectives of ASR Nederland N.V. and must help ASR Nederland N.V. enable to attract and retain qualified employees. Since July 1, 2014 remuneration includes all remuneration groups of fixed salary only. The fixed remuneration consists of a fixed gross monthly salary, a holiday allowance of 8% and a thirteenth month. The amount of the fixed remuneration (with the exception of the Executive Board) is determined by the weight of the job and the salary group. The growth of the fixed salary concerns an annual increase of 3% (provided that there is room for this in the scale). The fixed salary is indexed according to the collective increase in the insurance business.

The Fund has no employees in 2021. All employees and directors working for the Fund are employed by ASR Nederland N.V. A service agreement ('inleenovereenkomst') is in place between a.s.r. real estate and the HR-department of ASR Nederland N.V. Between ASR Nederland N.V. and a.s.r. real estate a cost-allocation agreement is in place. Allocation of personnel expenses to a.s.r. real estate occurs based on fte-driven cost allocation-keys. The total costs of a.s.r. real estate amount to € 28.6m for 2021 and are recognised in the statement of income and comprehensive income in the period in which they are incurred (on an accruals basis). These costs exist of total personnel expenses of € 20.9m, based on an average of 172 FTE, including two directors. Of the total personnel expenses € 0.5 million can be allocated to the directors of the Manager. The rest of the personnel expenses is related to three identified staff members and other staff. As at 31 December 2021, the total number of FTE in a.s.r. real estate is 180. The other costs, consisting of e.g. ICT-, business support-, advisory- and marketing costs, amount to € 7.7m.

The total remuneration of the employees involved in the Fund is included in the management fees as shown above, which fees are in favor of a.s.r. real estate. The number of employees that are fully or partly involved in the Fund is estimated at 40. This number is based on an estimate of the work employees performed for the Fund.

The total remuneration for the employees of a.s.r. real estate involved in the Fund is € 4.4m. This amount was fully charged by the Manager of the investment entity. The following table shows the composition of the remuneration of the employees involved in the Fund:

Table 1 Remuneration (in € million)

2021	Number of employees	Fixed remuneration	Variable remuneration	Total remuneration	Percentage of remuneration
Executive Board	2	0.1	-	0.1	2%
Identified staff	1	0.2	-	0.2	5%
Other staff	37	4.1	-	4.1	93%
Total	**40**	**4.4**	**-**	**4.4**	**100%**
2020					
Executive Board	2	0.1	-	0.1	3%
Identified staff	1	0.2	-	0.2	5%
Other staff	34	3.6	-	3.6	92%
Total	**37**	**3.9**	**-**	**3.9**	**100%**

The 2021 identified staff remuneration relates to one identified staff member who can be allocated directly to the Fund. All other employees who perform work for the Fund are classified as other staff. In accordance with Article 1: 120 paragraph 2 sub a of the Wft, we report that no person has received a compensation exceeding € 1.0 m.

ISAE
An internal control system according to the International Standard of Assurance Engagements (ISAE) is in place since the launch of the Fund. As of 2018 an integrated ISAE Type II audit (ISAE 3402 combined with COS 3000) is performed annually. This standard for assurance reporting on service organisations gives the auditor a framework to evaluate the efforts of a service organisation at the time of audit to prevent accounting inconsistencies, errors and misrepresentation. It also requires management to provide a description of its 'system' and a written statement of assertion. The internal control system relates to the asset- and property management activities as well as to the Finance and Risk department and the IT management processes. Compliance to the ISAE framework is audited by an external auditor. In 2022, a.s.r. real estate received an ISAE 3402 Type II statement for the test period 2021.

Project BV
To maintain the Fund's and its Investors tax status, no development activities should take place in the Fund. As a consequence, ASR Dutch Core Residential Projects B.V. (Project BV) has been set up as a subsidiary of the Fund. The Fund will engage Project BV for maintenance, renovation and/or extension activities of portfolio assets, as well as for assets to be acquired by the Fund, that qualify as development activities for Dutch tax purposes, on such terms that such refurbishment activities do not jeopardise the tax status of the Fund nor the tax status of the Investors. Project BV will solely engage in any such activities with respect to portfolio assets or assets to be acquired by the Fund and therefore not with respect to assets of parties other than the Fund.

Project BV receives a remuneration at arm's length for the Permitted Project Activities it performs for the Fund. Such arm's length remuneration has to be agreed upon between the Fund and Project BV on a project by project basis and covers the activities performed by Project BV. The remuneration is charged to the Fund. Project BV is subject to corporate income tax, which is charged over the fiscal result.

The Project BV is a 100% subsidiary of the Fund. This means that the Project BV's shares are owned by the ASR Dutch Core Residential Custodian B.V. in a legal sense, while economically the shares are owned by the Fund's investors. In this report, the Project BV's figures are consolidated within the figures of the Fund. No standalone ('enkelvoudig') financial statements of the Fund and the Project BV are presented, since they would only differ marginally from the consolidated figures.

Report of the Management Company

For the period 1 January 2021 - 31 December 2021

Introduction

The ASR Dutch Core Residential Fund ('the Fund') was launched on 1 January 2013. On that date, the Anchor Investor transferred its properties to the Fund. The Fund had its initial closing on 1 January 2015. The Fund has had twenty-four closings in total. As at 31 December 2021, the Fund has eleven investors and the Anchor Investor holds 51.9% of the units in the Fund. This annual report presents the year-to-date figures as at 31 December 2021.

Market developments

Dutch economy

Figure 2 Key economic indicators

Indicator	Measure	2021 / December 2021	2020 / December 2020
GDP growth	y-o-y real	**4.8%**	-3.8%
Consumer prices	y-o-y inflation (HICP)	**2.8%**	1.1%
Consumer confidence	Average balance	**-25**	-20
Unemployment	ILO unemployment rate	**4.2%**	4.8%
Private consumption	y-o-y consumer spending	**3.5%**	-6.6%
Producer confidence	Average balance	**10.2**	-0.4

Source: Statistics Netherlands (CBS), Eurostat, 2022

The arrows refer to the experienced change over the comparison period.

2021, a year of economic recovery

After a year that saw the highest annual economic contraction in the Netherlands in more than seven decades, 2021 was a year of strong economic recovery and can be considered a transitional year towards a future in which COVID-19 becomes endemic. The year saw a beginning that was both cautious and hopeful. With a severe lockdown in the first two months, consumer spending was unable to continue the growth started in the second half of 2020 and, as a result, economic growth was stalled. This was mainly due to commodity shortages and problems with supplying products, which meant that demands could not be met. However, during the first quarter, the vaccination campaign began, coming up to speed in the following months and eventually reaching a vaccination rate of 85%, significantly more than the European average of 73% (ECDC, 2022). As a result, most contact-limiting measures were relaxed during the second quarter, which when combined with sufficient governmental aid, gave the economy and consumer spending the space to grow for the remainder of the year. By the end of the third quarter, the volume of the Dutch economy was at a pre-Covid level and it continued to grow during the fourth quarter.

However, this growth was dampened slightly by the surge of the virus' Omicron variant, causing the government to reintroduce some contact-limiting measures in November followed by a partial lockdown towards the end of the year. Restaurants, bars, non-essential retail and indoor sporting facilities, among others, were to remain closed until mid-January. This turned out to be mainly precautionary as the Omicron variant did not excessively impact the Dutch healthcare system. This resulted overall in a year-on-year economic growth of 4.8% in 2021. This is below the eurozone average of 5.3% (Eurostat, 2022), although it has to be noted that – unlike the Netherlands – the eurozone's economy did not yet reach its pre-COVID level.

Unemployment and bankruptcies at record lows

With approximately 2,100 bankruptcies, 2021 was the year with the least bankruptcies since 1981. In addition, the unemployment rate also showed record lows throughout 2021, ending up at 4.2% by the end of the year (Statistics Netherlands, 2022). While labour participation among the total population decreased significantly in the early phase of the pandemic, mainly due to early retirements and international employees leaving due to travel restrictions, it is currently back at a pre-crisis level. Indeed, governmental aid helped many sectors weather the pandemic storm, but in the case of unemployment, the most recent unemployment rate beat earlier forecasts which assumed a 5% to 6% unemployment rate during the course of 2021 (CPB, 2021).

Growing concerns about inflation

Since the outbreak of COVID-19, inflation figures (HICP) have been erratic due to significantly different household spending patterns but have remained between 1-2% throughout the crisis. However, since August 2021, consumer prices have been surging, reaching 6.4% by the end of December and increasing the annual average to 2.8% (Eurostat, 2022). Beside general price increases, which are the result of production bottlenecks at the start of the crisis in 2020, energy prices (especially natural gas) have been the main driver of this sharp rise, resulting in increased transportation costs and higher food prices. The countries which are particularly affected by these problems are those that still rely heavily on natural resources for heat and electricity and which are transitioning towards sustainable energy sources. Within the eurozone, the Netherlands is currently among the countries which have the highest year-on-year price increases: at the end of December 2021, the eurozone average of the HICP rate stood at 5.0%, while the annual average was 2.6%, slightly lower than the Dutch average (Eurostat, 2022).

Interest rates: ECB holds their nerve

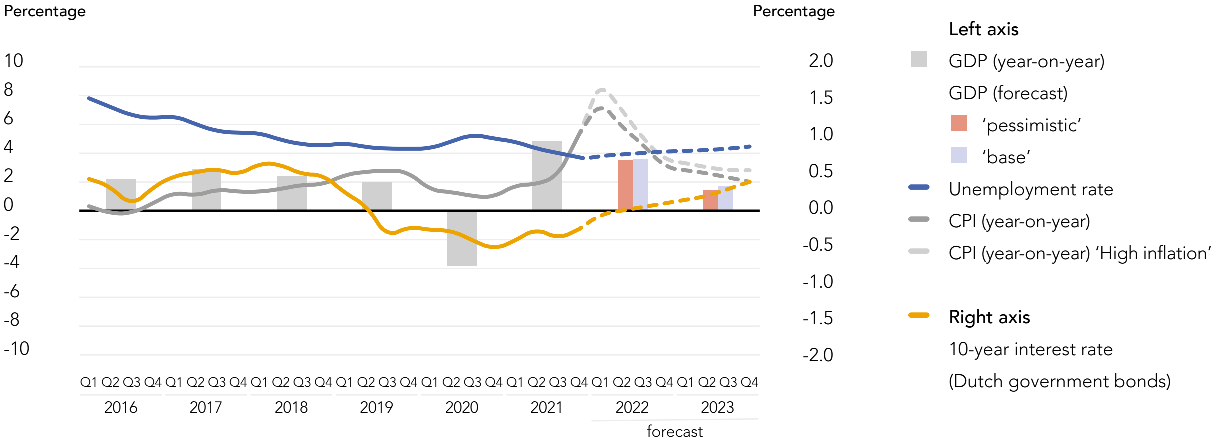
At the end of 2020, the 10-year interest rate on Dutch government bonds was at an all-time low with -0.54%. Throughout 2021, it hovered at a slightly higher level and stood at -0.26% by the end of the year (Dutch Central Bank (DNB), 2022). Despite this slight increase, they are expected to remain low as the EU and ECB want the entire eurozone to recover from the crisis in the coming years and are planning upward steps for their key interest rates no earlier than 2023. Even so, rising concerns about inflation did get the ECB to slowly phase out quantitative easing by discontinuing its net asset purchases under the pandemic emergency purchase programme (PEPP). This will mean that credit market interest rates will increase faster than initially expected (ING, 2022).

Consumers are becoming more pessimistic, producers stay positive

Consumer confidence steadily recovered from the summer of 2020 and was back at its pre-crisis level of -2 during the third quarter of 2021. This means consumers are neither negative nor positive about the economic situation. However, throughout the fourth quarter, consumers were more negative and the confidence indicator decreased significantly, from -5 in September to -25 in December (Statistics Netherlands, 2022). This was partly due to the increased uncertainty surrounding the Omicron variant, but mostly because of the steep increase in the inflation rate towards the end of the year.

Meanwhile, producer confidence has recovered rapidly since its sharp decline in the second quarter of 2020. In fact, it reached an all-time high of 12.7 in November 2021. Economic activity and expected output are rising across all industries. Still, confidence has remained relatively stable since mid-2021 and dropped to 10.2 in December due to slight concerns regarding increased inflation (Statistics Netherlands, 2022). However, the general consensus is positive, although producers are struggling with meeting demand after having scaled back production throughout 2020 and due to the current commodity shortage.

Figure 3 Dutch economic indicators



Source: Statistics Netherlands, Eurostat, CPB, Consensus Forecast, DNB, 2022

The Dutch real estate investment market

Decrease in residential investment volume leads to total volume decreases

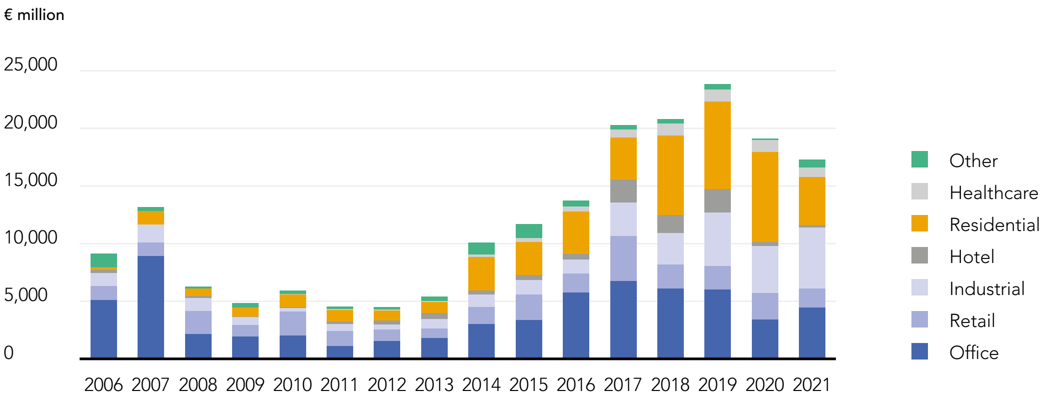
The continued acceleration of the e-commerce trend benefitted the logistics sector on the one hand and diminished investments in parts of the retail sector on the other. However, the increased awareness of health and wellbeing shifted the remaining investor interest in retail towards food-related stores and supermarkets. Although residential real estate is still fundamentally an attractive investment opportunity, changes in real estate transfer tax (RETT) regulations led to a sharp decline in residential investment volumes in 2021. For the office sector, remote working and the limited supply of core products led to a mediocre recovery. Finally, COVID-19 restrictions caused a significant drop in hotel occupancy rates throughout 2020 and 2021, which made investors more hesitant to invest in this sector. Even so, this created additional potential for alternate investments, such as in healthcare, data centres and renewables.

Overall investment volumes decreased by 9.6% in 2021 compared to the year before, most notably due to significantly decreased volumes in residential (-47%), retail (-29%) and hotel (-51%) investments. In contrast, logistics and offices saw an increase in deal volume (32% and 30% respectively). Logistic investments were lifted by the accelerating trend in e-commerce (both non-food and food) and the need for both 'big boxes' and last-mile logistics. Offices saw increased investor interest in the office market's core locations with two significant transactions. The largest ever single-asset office transaction took place in 2021: the High Tech Campus in Eindhoven switched ownership for more than € 1,026 million – a transaction which somewhat distorted the total investment volume. Furthermore, the former ABN AMRO headquarter at the Zuidas was sold for € 765 million (CBRE, 2022).

In addition to these mature asset classes, investors ventured to alternative real estate assets as the volume for the 'Other' category more than tripled compared to 2020. The Dutch investment volume is expected to recover in the coming years as the effects of the pandemic become even clearer.

As previously mentioned, investments in residential real estate decreased by almost 50% compared to 2020. Residential investments accelerated towards the end of 2020 due to the change in RETT regulations, came to a halt in the first half of 2021, and then gathered momentum during the remainder of 2021. Still, after three years as the number one investment category, residential real estate now stands at the third spot, with a volume of € 4.1 billion, after industrial (€ 5.3 billion) and offices (€ 4.5 billion). The coming year will probably see investments in residential real estate surpass 2021's total, but at present it is largely tied to the availability of existing assets and portfolios and to the pace of newly-built assets.

Figure 4 The Dutch real estate investment market



Source: CBRE, 2022

Performance of the Dutch residential market

Residential investment returns continue to outperform

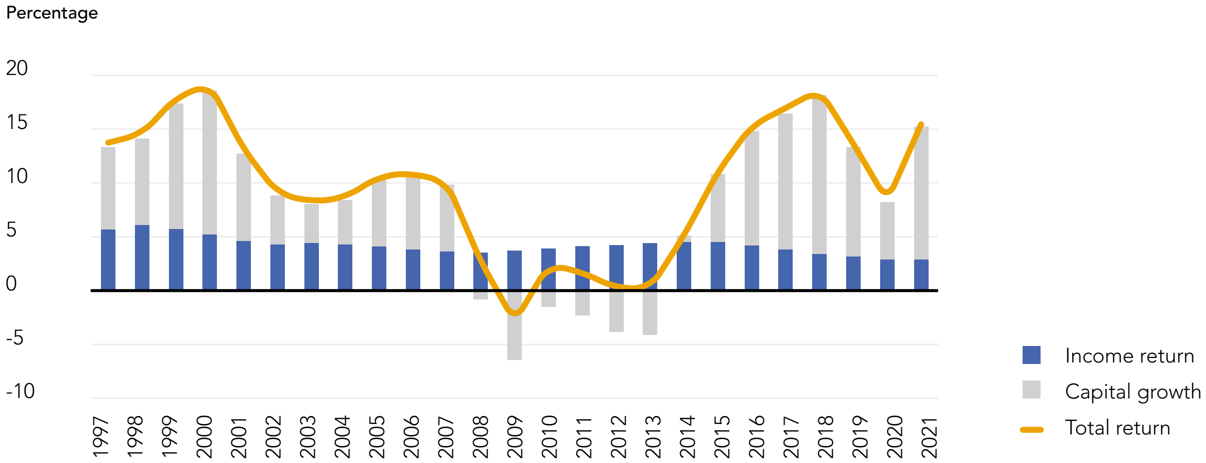
Table 2 Dutch residential investment market returns

			2021, year-on-year
	Single-family houses	Apartments	Total
Total return	19.3%	13.5%	15.4%
Capital growth	15.6%	10.5%	12.3%
Income return	3.2%	2.7%	2.9%
Market rental value growth	4.9%	3.7%	4.1%

Source: MSCI, 2022

On the institutional residential real estate investment market, total return in 2021 was 15.4% year-on-year (MSCI, 2022). The biggest contributor was again capital growth, with an increase of 12.3% year-on-year. This is a notable increase compared to 2020 (5.3%), and the corresponding annual increase of 7.0%-points is the highest ever recorded in the Annual Benchmark. Thus, after almost three years of decelerating price growth, capital value has considerably rebounded (as shown in Table 2 and Figure 5). This indicates an increased pressure on the market towards investment, despite the uncertainties raised by the Dutch government's regulatory intervention. Single-family houses once more outperformed multi-family apartments in terms of capital growth and income return, which is also shown in Table 2.

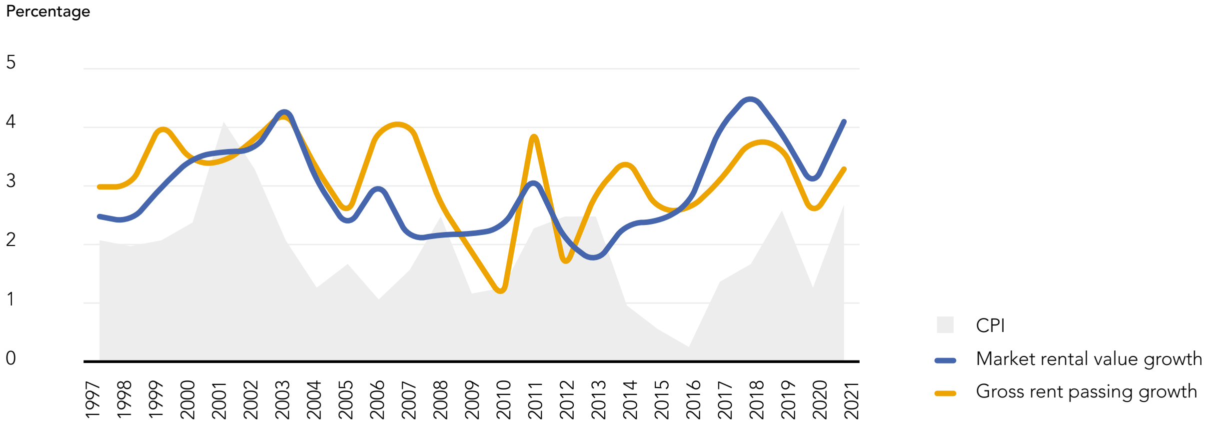
Figure 5 Capital growth and income return Dutch residential investment market (y-o-y % change)



Source: MSCI, 2022

In line with capital growth, the market rental value growth for residential properties was once again quite positive in 2021, rising by 4.1% year-on-year. Now that inflation rates have been surging in the fourth quarter of 2021, we expect rates to remain relatively high throughout 2022 and rental growth will be unable to catch up under the current circumstances. However, as shown in Figure 6, the growth of market rental value has been outpacing the growth of actual passing rents in the last five years, indicating that there is room for growth in the case of reletting.

Figure 6 Rental Growth and Dutch CPI (y-o-y % change)



Source: MSCI, Statistics Netherlands, 2022

When taking into account both the considerable capital growth and market rental value growth in 2021, yields have once again shown a significant decrease after a stable 2020. Due to the change in RETT regulations, the reversionary yield of residential property in Q1 2021 increased for the first time since 2014. However, it has been decreasing ever since, ending the year at 4.2% (2020: 4.5%) (MSCI, 2022). With the imminent increase of interest rates in the eurozone, the yield gap between residential real estate and the risk-free rate will tighten in 2022.

Table 3 Owner-occupied market indicators

	2021	1-year growth	3-year growth	Forecast 2022
House price (average)	€ 386,700	15.2%	32.6%	12.8%
Transactions	226,100	-4.0%	3.5%	-14.3%

Source: Statistics Netherlands, ABN AMRO, ING, 2022, Rabobank, 2021

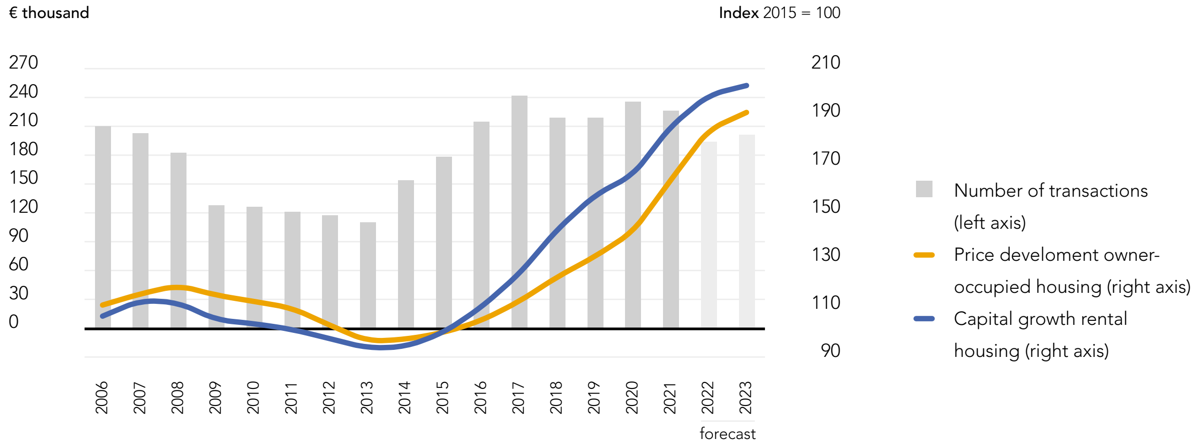
Market fundamentals and increased financing capacity accelerated house price growth

For more than eight years in a row, house prices have been rising and 2021 was the first year since 2001 that saw a year-on-year double-digit price increase in the owner-occupied housing market: 15.2%. Although initial forecasts were relatively prudent, the low interest rate environment combined with a historically low unemployment rate which increased household savings and an extremely low number of houses for sale, made house prices surge even more than in previous years. Because of the shortage of houses for sale, the number of transactions declined as expected. On average, house prices in the Netherlands increased to approximately € 386,700 in 2021, but surpassed the € 400,000 mark in the fourth quarter, a new record high (Statistics Netherlands, 2022). Although mortgage interest rates are already slowly increasing due to the recent economic situation, the market fundamentals still indicate that, even during a crisis, trading dynamics remain at a high level.

Like last year, there were considerable regional differences. The highest price increases were registered in Flevoland (19.2%) and northern provinces Groningen, Friesland and Drenthe. Out of the four largest cities, Utrecht showed an above-average increase of 16.0%, while Amsterdam recorded the lowest price increase in the Netherlands: 11.5% (Statistics Netherlands, 2022). This still indicates that the 'affordability ceiling' in the (formerly) most sought-after residential market is being touched.

The tightness within the housing market is comparable to the situation in the (liberalised) rental sector. Beside the fact that newly constructed homes are lagging behind, the pressure on the housing market in general has been recognised and is subject to discussion by the government. The necessity for more affordable rental homes in the mid-price segment remains.

Figure 7 Price development residential real estate (index, 2015=100) and number of transactions



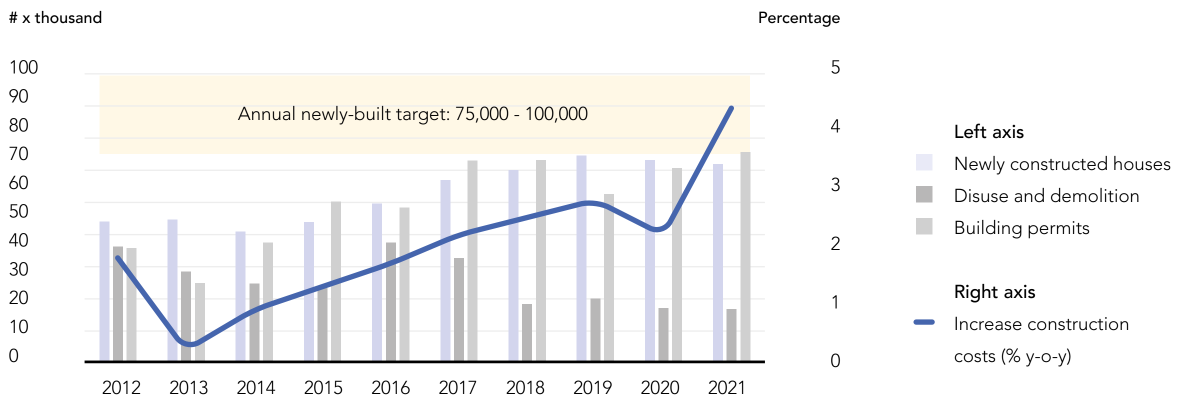
Source: Statistics Netherlands, MSCI, ABN AMRO, ING, 2022, Rabobank, 2021

Pace of construction remains stable, rising concerns over building costs

At the bottom of the increasing house price phenomenon lies, besides low interest rates and imminent governmental regulatory interference, the imbalance between supply and demand. The population is expected to increase by 14.4% to almost 20 million by 2060 and the average household size keeps decreasing (Statistics Netherlands, 2021).

For years, the Netherlands has faced a housing shortage. The pressure on affordability is increasing more and more each year, and the newly installed Dutch government has raised the annual target for newly-built homes from 75,000 to 100,000 to try to catch up with this shortage and to cope with the increasing demand in the future. Although the number of newly-built homes has been increasing since 2013, the increase has somewhat slowed since 2019: approximately 68,600 houses were added to the housing market in 2021, which is a slight decrease compared to the year before (-2.2%). This can be partially attributed to increased workforce absenteeism because of COVID-19, but it was also caused by the regulatory nitrogen and pfas problems which still cause delays in new construction plans. However, the steep increase in construction costs, due to supply chain issues and commodity shortages, could make it even more of a challenge to achieve the construction target. The number of building permits issued in 2021 will probably be the highest in ten years, but with approximately 72,700 permits issued, the target of 100,000 new homes will still be difficult to achieve, as shown in Figure 8.

Figure 8 Developments in housing stock, building permits and construction costs



Source: Statistics Netherlands, 2022

Increasing governmental policy plans aimed at affordability

As previously mentioned, the housing market has perhaps the tightest market fundamentals ever seen and as a result the cost of living is under enormous pressure. In 2021, the Dutch government introduced new plans to increase affordability within the housing markets, both owner-occupied and rental. One of the major policy changes was the redistribution of the RETT which give first-time home buyers a tax advantage. On the other hand, the RETT was increased for (private and institutional) investors to reduce the increasing number of 'buy-to-let' transactions. At present, this has only resulted in a one-off price correction on the investment market and even raised prices on the owner-occupied market, especially in the affordable category (below € 400,000), as many first-time home-buyers immediately took advantage of this tax discount.

In the coming year(s), the government is planning to expand the Rental Valuation Model (WWS) that is currently only applicable for social housing (< € 763 per month). In the new situation, this model might also be used for mid-priced rental homes but the boundaries have yet to be determined. The result is that rent increases are bound to the WWS and are therefore not liberalised. In addition, an investigation is being carried out to see if the property tax value of a home as a component of the WWS should be capped at 33%, which technically would slow down the rent increases of regulated (social) housing, especially in popular municipalities which generate high property tax. Both 'interventions' are soft proposals, but we expect social pressure will make its implementation highly likely in the near future.

Finally, last year, an increasing number of municipalities introduced a 'buyer-occupation obligation' for home-buyers in order to circumvent buy-to-let investors and increase opportunities for first-time buyers. Furthermore, regional and local governments are increasingly setting preconditions for new development projects to meet a minimum requirement of affordable rental homes in the mid-priced sector (€ 763 - € 1,000/€ 1,250 per month), coupled with regulations to prevent major rent increases. To make these developments feasible for all stakeholders, the local governments involved are increasingly planning to secure agreements between themselves, housing associations and institutional investors to develop and invest in these mid-priced rent projects.

Outlook

Economy

During the course of 2021, the world was getting closer to pre-pandemic economic highs. This was the result of an ever-increasing vaccination rate, successful containment campaigns and economic support packages by (supra)national governments. In fact, regarding the pace of recovery, the Netherlands has been among the leading countries in Europe over the past 18 months. With every passing quarter, the country is proving to be highly adaptable and, with the help of financial support policies during all lockdowns, the Dutch economy has managed to weather the crisis quite well. However, rising concerns about hiking inflation rates and increased geopolitical and trade uncertainties due to the escalated conflict in Ukraine and far-reaching economic sanctions for Russia, will impact economies worldwide.

In their latest economic forecast (March 2022), the Netherlands Bureau for Economic Policy Analysis (CPB) assumes that, despite the above-mentioned uncertainties, the Dutch economy keeps growing in 2022 and 2023. Besides a base scenario that assumes 3.6% growth in 2022 and 1.7% in 2023, two separate inflation scenarios have been drawn up and in both these cases economic growth persists. Mainly caused by the Ukrainian-Russian conflict, both the base and pessimistic scenario assume that energy prices remain at levels seen in the second half of 2021 and the beginning of 2022 respectively, for at least two years in a row. In the more optimistic scenario energy prices will normalise in the second half of 2022.

Still, the base and pessimistic inflation scenario will severely impact the purchasing power of the average Dutch household as wages will not increase to the same extent as consumer prices. Although CPB forecasts that this will not affect consumer spending and economic growth considerably, because the Dutch unemployment rate is still very low, they do mention that with persisting high energy prices and a prolonged conflict in the east of Europe, consumer confidence and the willingness to make (larger) purchases will decrease significantly. Especially lower income groups are impacted the most and could face a significantly lower purchasing power in case the Dutch government is not able or willing to specifically support these income groups.

From a business-perspective the conflict and (trade) sanctions for Russia will not impact the Dutch economy notably according to the CPB. Besides the import of gas and oil, the Dutch economy is less dependent on Russian and Ukrainian import/export as other European countries and it is expected that the conflict will mostly affect individual companies instead of whole sectors.

As of writing, the ECB has not yet given their perspective on the current energy price issues in the EU, but the central bank has already announced plans to slowly phase out quantitative easing by discontinuing its net asset purchases under the pandemic emergency purchase programme (PEPP). This has already led to increases in interest rates. Before the Ukrainian-Russian conflict, the ECB has made it clear that we should not expect (steep) increases of their own key interest rates. However, if inflation continues to rise or becomes more widespread the ECB could reconsider increasing them.

Should a solution for the Ukrainian-Russian conflict remain out of sight or should the conflict escalate even further, inflation will increase even further and become more widespread and an interest rate reaction from the ECB seems inevitable. This could eventually lead to increased pressure on real estate values.

Residential real estate

The Dutch residential real estate sector has so far proven to be very resilient during the pandemic. Contrary to the economic shock which occurred during the second quarter of 2020 and the slow subsequent recovery, owner-occupied house prices as well as capital growth in the residential investment market continued to increase, while in the past, developments in house prices have always been strongly correlated with economic growth. The capital growth of rental housing increased at a slower pace than owner-occupied house prices, mainly due to more conservative revaluations in 2020 as a result of the (alleged) uncertainties surrounding COVID-19. Furthermore, the changes in RETT regulations as of 1 January 2021 resulted in a one-off yield increase in the first quarter of 2021, something which also slowed price growth.

Although it is not yet clear when the pandemic will become endemic, it is expected that pressure on the housing market will only increase over the coming years. House price rises, especially in the owner-occupied sector, have recently been accelerating and are expected to keep going up in future years. The latest forecasts by Rabobank (2021), ING (2022) and ABN AMRO (2022) foresee price increases of 12.5-13.5% in 2022 and approximately 4.0% in 2023.

This is mainly driven by the continued low interest rate environment and the expectation that interest rates will not significantly increase over the next two years. Also, extensive government support packages have kept unemployment at a relatively low level and lockdown periods have increased household savings which has boosted people's financial capacity.

In addition to many households having a positive financial base, the fundamentals of the residential market also remain favourable. Indeed, supply and demand are still out of balance in most Dutch municipalities, especially in the larger cities (ABF Research, 2021). Demographic growth will continue in the coming decades as a result of increasing immigration and an ageing population. To cope with the resulting growth in the housing demand, an annual target of 100,000 newly-built houses was set by the new Dutch government, but this target is expected to be difficult to achieve under current circumstances. Ongoing regulatory issues regarding nitrogen emissions, stricter clean soil regulations, long permit procedures, and a shortage of labour and increased material costs are some of the challenges still waiting down the road. Indeed, a major focus area of the new Dutch government is to solve the housing crisis. This was highlighted by the reintroduction of a Minister of Housing and the introduction of a Minister of Nature & Nitrogen.

In the residential rental investment market, yields continued to compress in 2021 and although interest rates are likely to increase in the coming years, it is unlikely that residential yields will follow. But like the owner-occupied market, capital growth will slow down somewhat in 2022, with an expected year-on-year increase of 7.0% after exceeding 12.0% in 2021 (MSCI, 2022). However, the yield gap between residential real estate investments and the risk-free (10-year government bond) rate will tighten, which could make residential investments less attractive for investors still searching for attractive returns, despite the robust fundamentals.

Beside a decreasing yield gap, there are still some market uncertainties. If consumer prices remain high and negative consumer confidence proves persistent, the demand for housing might fall, which would mean fewer transactions and a subsequent price decrease. Still, a potential increase in the unemployment rate and low consumer confidence are likely to affect the owner-occupied market the most, with more people opting to rent in the non-subsidized sector. This could further heighten competition among investors as they remain keen to find good residential properties in the core markets. But the main uncertainty for the rental sector and its investors lies in government regulations and market interference designed to improve the affordability of the housing market. This, too, was emphasized by the plans of the new Dutch government as mentioned on page 21. This could eventually lead to lower rental growth and subsequent investment returns, but the Dutch interest group for institutional real estate investors (IVBN) is already pointing out to the Dutch government that institutional investments in the (rental) housing sector are crucial for expanding the housing stock and providing affordable homes for the Dutch population.

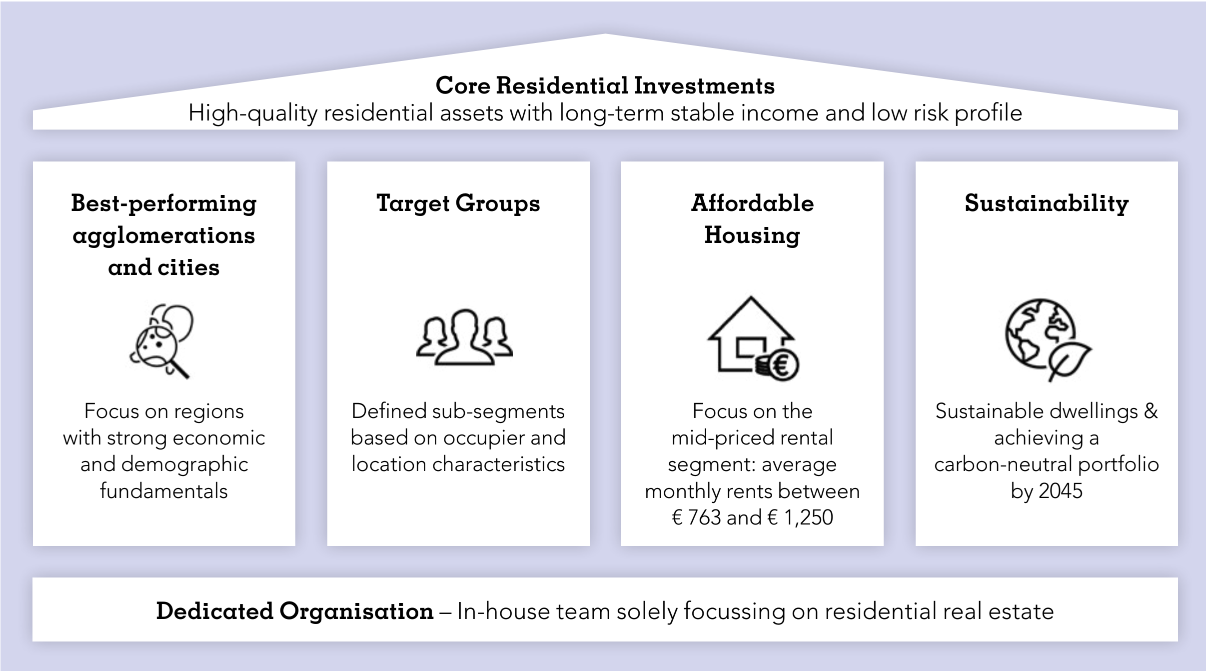
Hagendonk, Prinsenbeek

Fund objectives and strategy

Investment objectives

The ASR Dutch Core Residential Fund provides access to a mature core diversified residential portfolio in the most attractive locations of the Netherlands, as identified by a.s.r. real estate. The investment objectives of the ASR Dutch Core Residential Fund are to provide stable, sustainable and attractive returns by investing in high-quality residential assets, and by actively managing and adding value to the existing portfolio.

Key objectives



Investment policy

The Fund´s policy is to invest capital in a profitable way in direct real estate in clearly defined market segments, while focusing on the growth of its net assets in the long term. The investment objectives are to acquire, own and manage a portfolio of real estate with a focus on core, high-quality residential rental assets in the economically and demographically strongest regions of the Netherlands. The AIF Manager will undertake active asset management initiatives to unlock inherent reversionary potential and generate capital appreciation.

Investment strategy

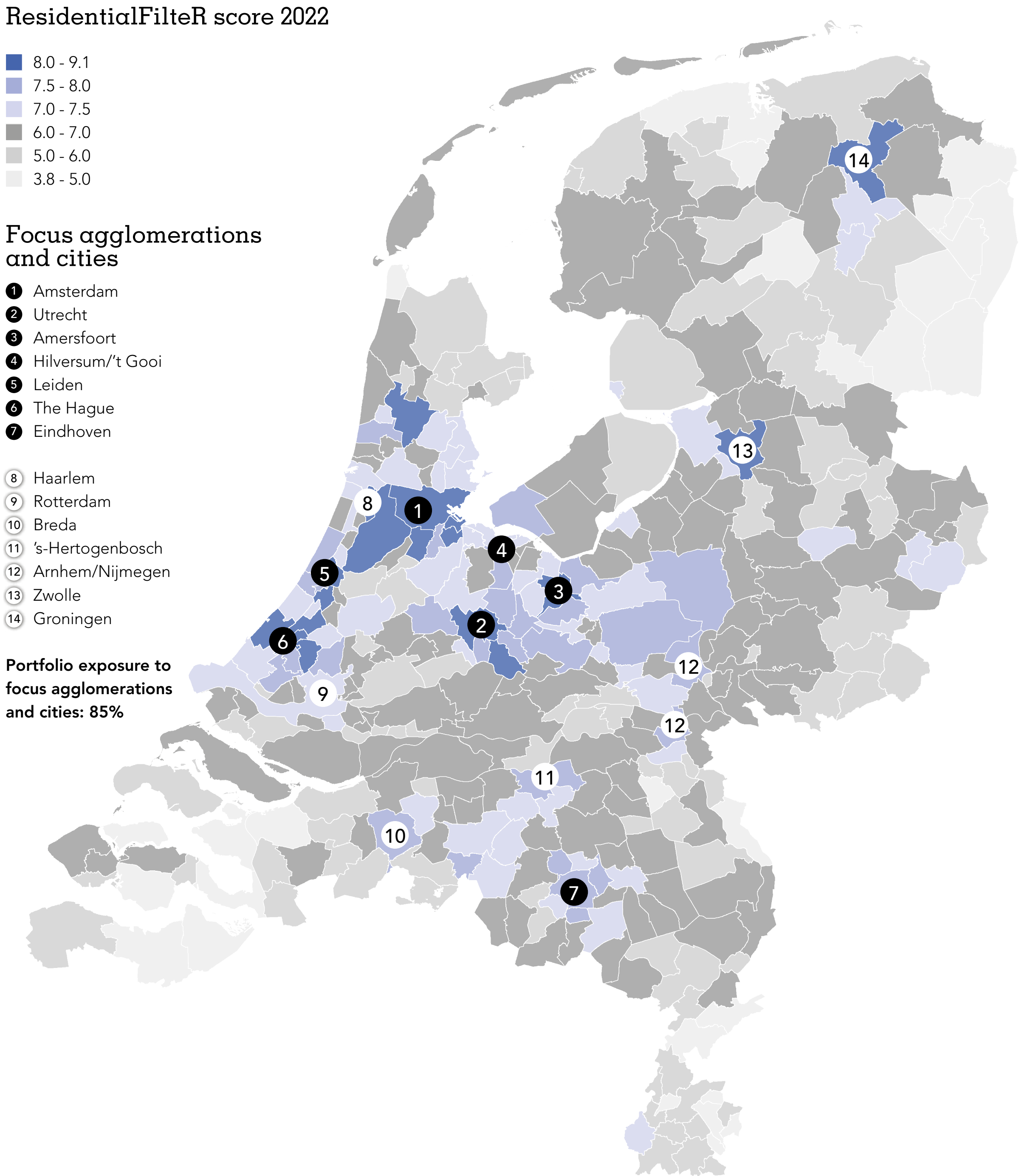
The investment strategy is predominantly to buy, hold and unlock reversionary potential of residential (rental) real estate in the Netherlands. The focus of the portfolio is on investing in apartments and single family houses in the strongest economic and demographic agglomerations and cities in the Netherlands to secure the core character of the portfolio. The investment policy focuses on a diversified portfolio with regards to location, occupier characteristics and residential types. This ensures long-term portfolio quality.

The Management Company executes its strategy by focusing on the following aspects of the Fund:

- **Core residential investments**: the focus of the Fund is on high-quality residential and (limited) other assets with a long-term stable income and low-risk profile. a.s.r. real estate identifies core investments using its internal research tooling (such as ResidentialID and the Asset Analysis Tool).
- **Best performing agglomerations and cities**: based on its long-term background and knowledge of the Dutch residential market and the application of its research tools, a.s.r. real estate has identified a strategy focusing on the best performing agglomerations and cities in the Netherlands. Concentrating on investment opportunities in the identified segments will provide the highest returns due to strong demand and therefore low vacancy levels, inflation hedged returns and stable fair values. a.s.r. real estate's unique ResidentialFilteR identifies the best performing residential areas by tracking key performance indicators of all municipalities in the Netherlands related to demographics, economics and the real estate investment market.

Based on this analysis and expert judgment, the Fund focuses on the following fourteen areas (seven focus agglomerations and seven focus cities), as shown on this ResidentialFilteR map of the Netherlands.

Figure 9 ResidentialFilteR



Source: a.s.r. real estate, 2021

- **Target groups:** based on a research-driven approach, a.s.r. real estate has distinguished three main different residential market segments (by location) and three main target groups, resulting in nine product/market sub-segments. Distinguishing separate segments based on location and target groups allows for:
  - A selective investment approach that recognises different tenant preferences;
  - Focus on those areas in which the resulting long-term residential demand is expected to further increase;

  The Fund focuses on five of these identified sub-segments when investing, as highlighted below.
- **Affordable housing in a non-regulated segment:** the focus of the Fund is to invest in the mid-priced rental segment. This segment is distinguished by rents between € 763 and € 1,250 per month. By doing so, the Fund builds a well-lettable portfolio and fulfils its social responsibility. The Fund has developed an impact investing strategy, focused on the addition of affordable dwellings to the portfolio.
- **Sustainability:** Sustainability has become an essential precondition of a core portfolio. A sustainable portfolio ensures long-term value for both investors and tenants. Sustainable dwellings are attractive to tenants for many different reasons, such as lower energy costs and a healthier indoor climate. They are also attractive to investors, since a sustainable portfolio adds value over time and helps to mitigate risks. The Fund aims to achieve a carbon-neutral portfolio by 2045.
- **Dedicated organization:** The foundation on which the strategy is built is as important as the strategy itself. The exclusive residential vehicle of a.s.r. real estate has an in-house dedicated team solely focusing on this asset category.

Segment diversification as at 31 December 2021

	Urban • Large key cities in metropolitan areas • Population > 100,000	**Suburban** • Suburban residential municipalities and medium sized cities • Population 25,000 - 100,000	**Peripheral** • Villages and small towns • Population < 50,000
Young professionals • Age 20 - 40 • Household size 1 - 2	€ 819m Current: 49%	€ 66m Current: 4%	€ 0m Current: 0%
Families • Age 30 - 55 • Household size 3 - 5	€158m Current: 9%	€ 232m Current: 14%	€ 90m Current: 5%
Empty nesters & Seniors • Age 55+ • Household size 1 - 2	€ 70m Current: 4%	€ 236m Current: 14%	€ 20m Current: 1%

Source: a.s.r. real estate, 2021

Financial performance

Result for 2021

The net result was € 233.1m in 2021 (2020: € 152.6m), which corresponds to a net result of € 171 per unit (2020: € 118) and resulted in a distributable result of € 29 per unit (2020: € 30).

The total return for 2021 was 12.8% (2020: 9.4%), which is composed of an income return of 2.2% (2020: 2.3%) and capital growth of 10.6% (2020: 7.1%). The decrease of income return for 2021, compared to 2020, is explained by strong capital growth figures and an increased share of investment properties under construction.

Figure 10 Net result as at 31 December 2021

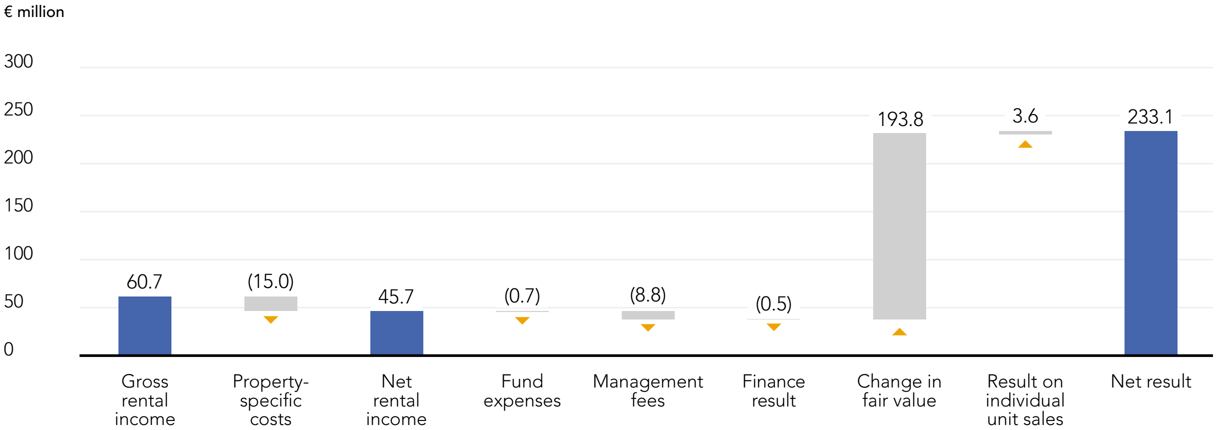


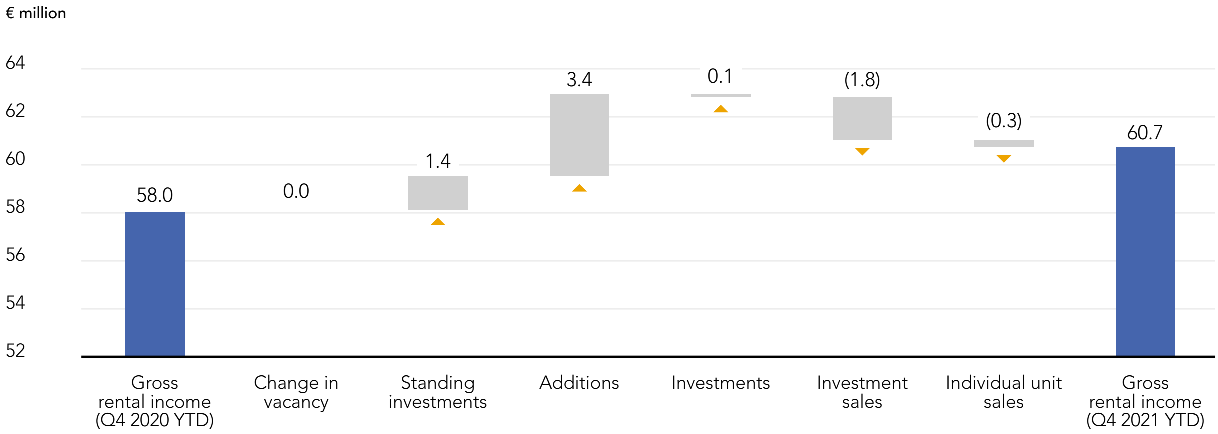
Table 4 Net result per unit (in €)

For the year	2021	2020	2019	2018	2017	2016	2015	2014	2013
Gross rental income	44.56	44.77	46.22	45.18	42.81	45.11	45.37	42.17	48.00
Property-specific costs	(11.03)	(10.22)	(10.33)	(10.31)	(9.73)	(11.09)	(13.83)	(12.07)	(12.81)
Fund expenses	(0.50)	(0.65)	(0.54)	(0.59)	(0.64)	(0.67)	(0.61)	(0.76)	(1.22)
Management fees	(6.46)	(6.44)	(6.49)	(5.81)	(5.21)	(4.73)	(4.28)	(4.13)	(4.60)
Operating result per unit	**26.57**	**27.46**	**28.85**	**28.47**	**27.23**	**28.62**	**26.65**	**25.21**	**29.37**
Finance result	(0.39)	(0.32)	(0.05)	(0.15)	0.30	(0.12)	(0.05)	(0.09)	0.01
Changes in fair value of investment properties	131.17	82.95	123.52	114.57	97.64	83.84	62.15	1.37	(78.45)
Changes in fair value of right-of-use contracts	(0.05)	(0.06)	(0.05)	-	-	-	-	-	-
Changes in fair value of participations	11.16	4.21	5.92	4.82	-	-	-	-	-
Result on sales of investment properties	-	1.27	4.18	0.97	0.94	-	-	(0.10)	0.59
Result on individual unit sales	2.66	2.35	2.27	4.24	5.21	8.46	6.69	4.28	-
Net result per unit	**171.12**	**117.86**	**164.65**	**152.93**	**131.32**	**120.80**	**95.44**	**30.67**	**(48.48)**

Gross rental income

Gross rental income was € 60.7m in 2021, which is an increase of 4.7% compared to 2020 (€ 58.0m). This increase is the result of the completed development of (forward) acquisitions, investments and (annual) rent increases. Like-for-like theoretical rental growth amounted to 2.5%. Financial vacancy amounted to -/- € 0.9m in 2021, compared to -/- € 1.1m in 2020.

Figure 11 Changes in gross rental income



Property-specific costs

Property-specific costs amounted to € 15.0m in 2021, which corresponds to 24.8% of gross rental income. This is an increase compared to 2020 (€ 13.2m or 22.8%), which is mainly the result of higher maintenance costs.

Maintenance costs took up the largest share of property-specific costs and amounted to € 7.8m or 12.9% of gross rental income in 2021, compared to € 6.5m or 11.2% in 2020. This increase in maintenance costs in 2021 is largely explained by a delay in the execution of maintenance works in 2020. On average, maintenance costs are budgeted to amount to 12.0% of gross rental income.

Property management fees increased slightly from € 2.3m in 2020 to € 2.4m in 2021, as a result of a mild increase in gross rental income. The property management fee, including VAT, is set at 4.0% of gross rental income.

Fund expenses

Fund expenses amounted to € 679k or 1.1% of gross rental income in 2021 (2020: € 836k or 1.4%). The major categories within fund expenses concern valuation fees paid to external appraisers (€ 297k), depositary fees (€ 128k) and audit fees (€ 114k).

Management fees

Management fees, which amounted to € 8.8m in 2021 (2020: € 8.3m), relate to the asset (€ 7.9m) and fund management fee (€ 0.9m), calculated as 0.42% and 0.05% of the average NAV for the quarter, respectively.

Finance income and costs

Finance result amounted to -/- € 534k in 2021 (2020: -/- € 413k) and mainly concerns interest costs. These interest costs amounted to -/- € 537k in 2021 compared to -/- 417k in 2020. Interest costs relate to the negative interest paid for cash held in the Fund's bank account. For 2020, the commitment fee on the credit facility was also included in the interest costs. This credit facility expired on 7 April 2020 and was not extended.

The Beacons, Amsterdam

Portfolio performance

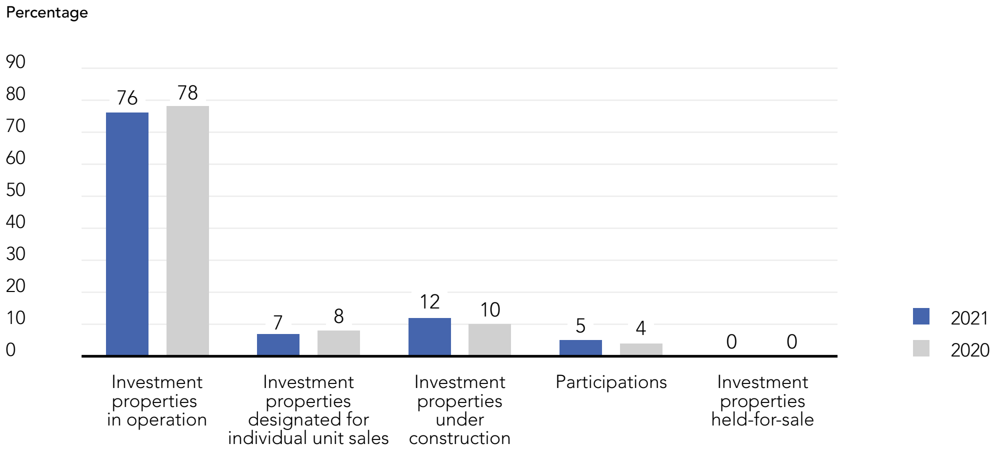
Portfolio overview

The Fund's portfolio consisted of 87 properties (2020: 85), as at 31 December 2021, comprising 4,938 residential units (2020: 4,759) and 2,179 parking spaces (2020: 2,033). The number of properties and residential units showed an increase, compared to the previous year, as a result of the (partial) completion of forward acquisitions in the course of 2021.

Approximately 66% of the portfolio's residential units concerns apartments (2020: 64%). The majority (76%) of the portfolio concerns investment properties in operation, while 7% concerns properties that are designated for individual unit sales. Assets earmarked as individual unit sales will be sold to individuals in the owner-occupied market at tenant turnover. This share decreased, compared to 2020 (8%), as no properties were newly designated for individual unit sales in 2021. Held-for-sale investment properties, which concern residential units that were sold in 2021, but are transferred from the Fund in 2022, are limited in number.

The share of investment properties under construction (including participations) increased from 15% in 2020 to 18% in 2021, due to term payments paid with regard to forward acquisitions. Aside from the Fund's investment properties under construction, the Fund has a total off-balance sheet commitment of € 348m, as at 31 December 2021.

Figure 12 Investment status as percentage of fair value as at 31 December 2021



The portfolio's ten largest properties account for 37.1% of the total portfolio's fair value, as at 31 December 2021. This is an decrease compared to the previous year (38.8%), as a result of additions, sales and revaluations. The completed forward acquisition Cruquiuswerf in Amsterdam newly entered the overview, replacing property Europapoort in Amsterdam, as a result of partial sales.

Table 5 Overview of the ten largest properties as at 31 December 2021

Property	City	Region	Percentage of total portfolio's fair value
Wibautstraat	Amsterdam	Amsterdam	4.8%
Wicherskwartier	Amsterdam	Amsterdam	4.7%
Staalmeesterslaan	Amsterdam	Amsterdam	4.6%
Terwijde-centrum	Utrecht	Utrecht	4.1%
Lamérislaan	Utrecht	Utrecht	3.8%
Cruquiuswerf	Amsterdam	Amsterdam	3.3%
Zuidkwartier	Amsterdam	Amsterdam	3.2%
Vathorst 1	Amersfoort	Amersfoort	3.0%
Dotterbloemstraat	Nieuwegein	Utrecht	2.9%
RiMiNi	Amstelveen	Amsterdam	2.7%
Total			**37.1%**

Occupancy

The overall portfolio's occupancy rate amounted to 98.3% of theoretical rental income as at 31 December 2021, which is a decrease, compared to 31 December 2020 (98.7%). However, the occupancy rate of the portfolio is still considered to be at a healthy level.

Residential units in the portfolio were characterised by an average occupancy rate of 98.6% and represent 82% of the portfolio's total vacancies. The remainder of total portfolio vacancies are mainly attributed to parking. Properties that are designated for individual unit sales, have an average occupancy rate of 97.5%, compared to 98.4% for the portfolio's standing investments.

Table 6 Overview of the top ten vacancies as at 31 December 2021

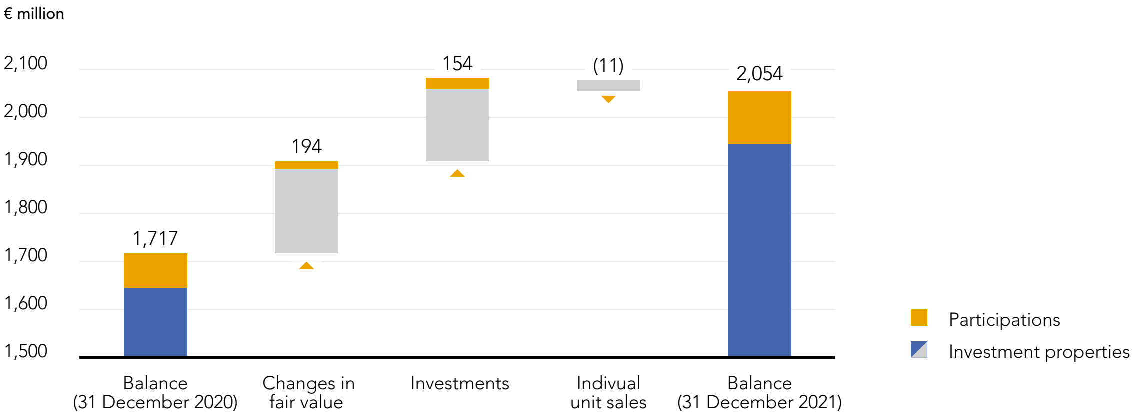
Property	City	Region	Investment type	Vacancy (€ '000)	Vacancy rate (%)	Vacancy as percentage of total portfolio vacancy	Vacancy type
Wibautstraat	Amsterdam	Amsterdam	Residential	114	3.7%	10.6%	Operational
Staalmeesterslaan	Amsterdam	Amsterdam	Residential	107	4.3%	9.9%	Operational
Vathorst 1	Amersfoort	Amersfoort	Residential	99	4.8%	9.1%	Operational
RiMiNi	Amstelveen	Amsterdam	Residential	60	3.7%	5.5%	Operational
Perengaarde	Hendrik-Ido-Ambacht	Other	Residential	51	4.5%	4.7%	Operational
Lamérislaan	Utrecht	Utrecht	Residential	50	2.0%	4.6%	Operational
Europapoort	Amsterdam	Amsterdam	Residential	41	3.0%	3.8%	Partial sales
De Hoge Regentesse	The Hague	The Hague	Residential	39	2.4%	3.7%	Operational
The Beacons	Amsterdam	Amsterdam	Residential	39	5.3%	3.6%	Operational
Karel Doormanstraat	Rotterdam	Other	Residential	37	6.4%	3.5%	Operational
Total				**637**		**59.0%**	

Portfolio additions and sales

Assets under management

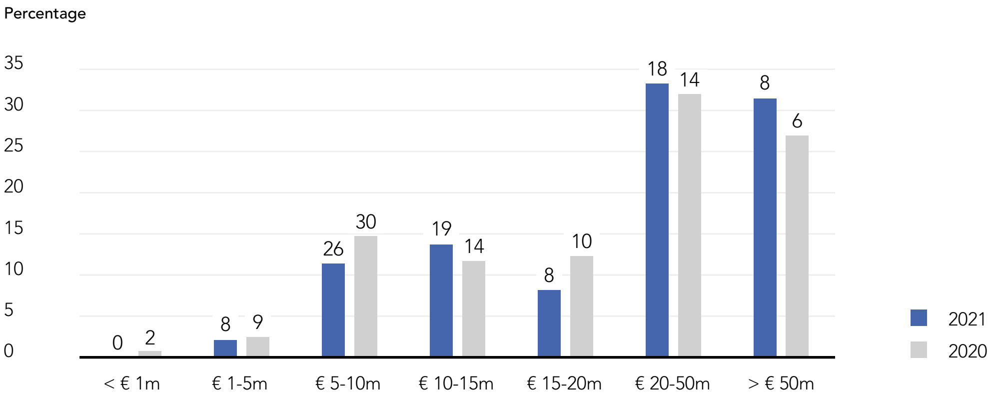
The Fund's assets under management (investment properties and participations) increased by € 337 million in 2021 to € 2,054 million, as at 31 December 2021. This increase is the result of changes in fair value and investments, which mainly concern term payments of off-balance sheet commitments. The growth in assets under management is partly offset by individual unit sales.

Figure 13 Assets under management as at 31 December 2021



Throughout 2021, the Fund's standing investments portfolio (excluding investment properties under construction and participations) grew from € 1,465m to € 1,691m. The portfolio is spread across different value classes as shown in the figure below. Changes in the composition of this overview are mainly the result of additions, sales and revaluations. The number of properties with a fair value below € 1 million decreased to nil, as a result of partial sales. The number of properties with a value of € 50 million and above increased, as a result of revaluations and the completion of forward acquisition Cruquiuswerf in Amsterdam.

Figure 14 Property values as at 31 December 2021



Additions

The construction of four forward acquisitions were (partially) completed and transferred to the Fund in 2021. This concerns Cruquiuswerf in Amsterdam, Sniepkwartier (first phase) in Diemen, Brouwerspoort in Veenendaal and Laurierkwartier (first phase) in Utrecht. These additions are discussed in more detail in the table and text below.

Table 7 Additions in 2021

Property	City	Region	Number of apartments	Number of single-family houses	Number of parking spaces	Commercial space (sq.m.)
Cruquiuswerf	Amsterdam	Amsterdam	122	-	79	251
Sniepkwartier (first phase)	Diemen	Amsterdam	38	-	33	-
Brouwerspoort	Veenendaal	Other	43	-	38	-
Laurierkwartier (first phase)	Utrecht	Utrecht	-	11	11	
Total additions			**203**	**11**	**161**	**251**

Cruquiuswerf in Amsterdam

This project is located east of the centre of Amsterdam. The Cruquiuswerf area is undergoing a transition from a predominantly industrial area to a residential area. Several plans are currently being developed in this area, mainly concerning residential developments for the rental and owner-occupied market. This acquisition consists of 122 apartments, 79 parking spaces and 251 sq.m. of commercial space. The project is gasless. Monthly rents range from € 990 to € 1,675, with an average rent of € 1,150 (rents upon completion, parking excluded). A total of 49 apartments and 33 parking spaces were completed in the first quarter of 2021 and the remainder was completed in the third quarter of 2021.

Sniepkwartier in Diemen

This project is part of a larger development of 207 apartments and 154 parking spaces, of which the Fund acquired 102 apartments and 87 parking spaces. This location in Diemen is easily accessible by car and public transport. The city of Amsterdam is within close range and can be reached by bicycle or public transport within 25 minutes. Diemen's popularity has increased strongly, in part due to the pressure on Amsterdam's residential market. This is likely to have a positive effect on the rentability of the apartments in Sniepkwartier. The apartments range in size from 50 to 115 sq.m. Monthly rents range from € 900 to € 1,550, with an average rent of € 1,250 (rents upon completion, parking excluded). A total of 38 apartments and 33 parking spaces were completed in the second quarter of 2021 and the remainder is expected to be completed in 2022.

Brouwerspoort in Veenendaal

This project concerns 43 apartments and 38 parking spaces. It is situated in the city centre of Veenendaal, near the main street with an abundance of shops and facilities. Average size of the apartments is 78 sq.m. Monthly rents range from € 795 to € 1,370, with an average rent of € 945 (parking included).

Laurierkwartier in Utrecht

In district Hoge Weide, near the Leidsche Rijn shopping centre in Utrecht, the Fund acquired 97 residential units, consisting of 50 apartments and 47 single-family houses. Hoge Weide is part of residential area Leidsche Rijn Utrecht and is easily accessible by car and public transport. With regard to both architecture and sustainability, the project is regarded high-quality, with much attention paid to architectural detail and the use of renewable resources. For all apartments and 19 single-family-houses, municipal regulation applies, which means that rents for these residential units are initially maximised, annual rental growth is capped at CPI plus 1% and the units cannot be sold (as individual units) in the first 20 years after completion. For the other 28 single-family houses, no municipal restrictions apply, except that individual unit sales are not allowed in the first 10 years after completion. Monthly rents for the regulated residential units vary between € 830 and € 1,005 (parking excluded), while rents for the non-regulated single-family houses vary between € 1,310 and € 1,410 (parking excluded). The size of the regulated units ranges from 60 to 104 sq.m. and the non-regulated units have an average size of 126 sq.m. A total of 11 single-family houses were completed in the third quarter of 2021 and the remainder is expected to be completed in the first quarter of 2022.

Sales

The Fund utilises an active individual unit sales strategy in order to offer additional return to investors. Approximately 7% of the portfolio is currently earmarked as individual unit sales, which means that when tenants vacate a residential unit, it will be sold to individuals on the owner-occupied market. As part of this individual unit sales strategy, 35 residential units and 15 parking spaces were transferred from the Fund in 2021.

Total proceeds from sales amounted to € 14.7m in 2021, which was 33% above the fair value of € 11.1m. Whereas total proceeds from individual unit sales decreased compared to 2020 (€ 21.1m), average result on sales increased strongly (2020: 17%). This is mainly due to strong price growth in the Dutch residential market throughout 2021.

Table 8 Sales in 2021

Property	City	Proceeds from sales (€ '000)	Fair value (€ '000)	Result on sales (€ '000)	Investment/ individual unit sale	Number of single-family houses	Number of apartments	Number of parking spaces
Ambachtenlaan	Breda	1,598	1,202	396	Individual	5	-	-
Dotterbloemstraat	Nieuwegein	1,056	827	229	Individual	3	-	-
Ereprijsweg	Haren	544	459	85	Individual	2	-	-
Europapoort	Amsterdam	3,247	2,527	719	Individual	-	6	-
Nachtwachtlaan	Amsterdam	7,302	5,201	2,101	Individual	-	15	15
Nijenheim	Zeist	359	267	92	Individual	1	-	-
Zilvermeeuw-hoog	Etten-Leur	247	247	-	Individual	1	-	-
Zonegge	Zevenaar	386	386	-	Individual	2	-	-
Total sales 2021		**14,739**	**11,116**	**3,622**		**14**	**21**	**15**

Commitments

The Fund has twelve forward acquisitions with an original commitment amounting to € 551.4m, as at 31 December 2021. Of this total commitment, € 219.7m concerns settled term payments. As a result, the off-balance sheet commitment with regard to forward acquisitions amounts to € 331.7m. The settled term payments and changes in fair value of forward acquisitions add up to a total amount of € 253.6m of assets under construction, as at 31 December 2021.

Forward acquisitions Cruquiuswerf in Amsterdam and Brouwerspoort in Veenendaal were completed in the course of 2021. Plesman Plaza in Amsterdam, Tree House in Rotterdam and Haave in Haarlem were added to the Fund's forward acquisitions in 2021.

Kop Watergraafsmeer in Diemen was subject to (an additional) approval, as the original project was likely to be amended materially. The amended investment proposition for Kop Watergraafsmeer in Diemen was approved in the first quarter of 2021, which means that the project is no longer subject to approval.

Forward acquisitions Bijlmerbajes in Amsterdam was withdrawn from the Fund's commitments, as the original project was amended materially and is not considered feasible anymore, as a result of revised rental levels and pricing.

Grotiusplaats in The Hague concerns a 50% participation in a Dutch Limited Partnership Agreement, through which property Grotiusplaats in The Hague will be developed. The total, original commitment for the ASR Dutch Core Residential Fund amounts to € 92.2m, of which € 76.3m is already settled. As a result, the off-balance sheet commmitment with regard to this participation amounts to € 15.9m.

All current commitments are discussed in more detail in the table and text below.

Table 9 Commitments (off-balance sheet) as at 31 December 2021

Property	City	Region	Type	Expected year of completion	Number of apart-ments	Number of single family houses	Number of parking spaces	Commercial space (sq.m.)	Original commit-ment (€ '000)	Under construction (€ '000)	Off-balance sheet commit-ment (€'000)
Sniepkwartier (second phase)	Diemen	Amsterdam	Turnkey	2022	64	-	54	-	21,900	20,507	1,393
Boumaboulevard	Groningen	Groningen	Turnkey	2022	78	-	60	-	23,500	22,047	1,453
Laurierkwartier (second phase)	Utrecht	Utrecht	Turnkey	2022	50	36	86	-	27,400	25,120	2,280
Haave	Haarlem	Haarlem	Turnkey	2023	61	-	47	50	19,200	8,630	10,570
The Minister	Rijswijk	The Hague	Turnkey	2023	220	-	220	-	64,300	51,128	13,172
Plesman Plaza	Amsterdam	Amsterdam	Turnkey	2024	327	-	86	850	128,500	54,191	74,309
Kop Watergraafsmeer	Diemen	Amsterdam	Turnkey	2024	51	-	20	-	18,500	-	18,500
Edge	Eindhoven	Eindhoven	Turnkey	2024	175	-	-	378	50,700	-	50,700
Schoemakertoren	Delft	The Hague	Turnkey	2024	72	-	68	-	24,700	-	24,700
Wonderwoods	Utrecht	Utrecht	Turnkey	2024	248	-	-	1,898	93,100	38,105	54,995
Coolsingel	Rotterdam	Other	Turnkey	2025	56	-	20	-	24,400	-	24,400
Tree House	Rotterdam	Other	Turnkey	2025	168	-	-	-	55,200	-	55,200
Change in fair value of forward acquisitions					-	-	-	-	-	33,863	-
Total forward acquisitions					**1,570**	**36**	**661**	**3,176**	**551,400**	**253,591**	**331,672**
Grotiusplaats	The Hague	The Hague	Partici-pation (50%)	2022	655	-	247	698	92,197	76,304	15,893
Change in fair value of participation					-	-	-	-	-	33,457	-
Total participations					**655**	**-**	**247**	**698**	**92,197**	**109,761**	**15,893**
Total commitments					**2,225**	**36**	**908**	**3,874**	**643,597**	**363,352**	**347,565**

Sniepkwartier in Diemen

This project is part of a larger development of 207 apartments and 154 parking spaces, of which the Fund acquired 102 apartments and 87 parking spaces. This location in Diemen is easily accessible by car and public transport. The city of Amsterdam is within close range and can be reached by bicycle or public transport within 25 minutes. Diemen's popularity has increased strongly, in part due to the pressure on Amsterdam's residential market. This is likely to have a positive effect on the rentability of the apartments in Sniepkwartier. The apartments range in size from 50 to 115 sq.m. Monthly rents will range from € 900 to € 1,550, with an average rent of € 1,250 (rents upon completion, parking excluded). A total of 38 apartments and 33 parking spaces were completed in the second quarter of 2021 and the remainder is expected to be completed in 2022.

Boumaboulevard in Groningen

This project concerns two apartment buildings with 78 apartments and 60 parking spaces in total. It is situated at the Boumaboulevard, which is the central axis of Europapark. This area is being redeveloped into a mixed environment with residential, office, education and leisure facilities. The attractive city centre of Groningen is within short reach and the area has its own train station (Europapark). The size of the apartments varies from 70 to 90 sq.m. Monthly rents will range from € 990 to € 1,180, with an average rent of € 1,080 (rents upon completion, parking excluded). Completion is planned for 2022.

Laurierkwartier in Utrecht

In district Hoge Weide, near the Leidsche Rijn shopping centre in Utrecht, the Fund acquired 97 residential units, consisting of 50 apartments and 47 single-family houses. Hoge Weide is part of residential area Leidsche Rijn Utrecht and is easily accessible by car and public transport. With regard to both architecture and sustainability, the project is regarded high-quality, with much attention paid to architectural detail and the use of renewable resources.

For all apartments and 19 single-family-houses, municipal regulation applies, which means that rents for these residential units are initially maximised, annual rental growth is capped at CPI plus 1% and the units cannot be sold (as individual units) in the first 20 years after completion. For the other 28 single-family houses, no municipal restrictions apply, except that individual unit sales are not allowed in the first 10 years after completion. Monthly rents for the regulated residential units vary between € 830 and € 1,005 (parking excluded), while rents for the non-regulated single-family houses vary between € 1,310 and € 1,410 (parking excluded). The size of the regulated units ranges from 60 to 104 sq.m. and the non-regulated units have an average size of 126 sq.m. A total of 11 single-family houses were completed in the third quarter of 2021 and the remainder is expected to be completed in the first quarter of 2022.

Haave in Haarlem

Project Haave in Haarlem concerns 61 apartments, 47 parking spaces and 50 sq.m.of commercial space. The apartments are situated in two buildings, near the park and a small canal. The commercial space concerns one unit and is designated for small-scale commercial activities, for example a lunch café, and included an outside terrace. Haarlem is an attractive residential city and one of the focus cities of the Fund. The project is located on the northside of the Schalkwijk district in Haarlem. This is a mainly residential district and includes a large shopping centre. The city centre of Haarlem is easily accessible in 15 minutes by public transport or bicycle. Amsterdam and Schiphol are also within close reach. The size of the apartments varies from 65 to 90 sq.m. Monthly rents will range from € 825 to € 1,250, with an average rent of € 1,115 (rents upon completion, parking included). Completion is planned for 2023.

The Minister in Rijswijk

Project The Minister in Rijswijk in located at the south-east of The Hague, nearby Delft, right next to shopping centre In de Bogaard. This project concerns a former office building, which will be transformed into a high-quality residential property comprising a total of 310 rental and owner-occupied apartments. The Fund acquired all 220 rental apartments within the project, which are 2- and 3-room apartments with sizes ranging from 67 to 93 sq.m. The Fund also acquired a total of 220 parking spaces. Monthly rents will range from € 955 to € 1,265, with an average rent of € 1,070 (rents upon completion, parking excluded). Completion is planned for 2023.

Plesman Plaza in Amsterdam

Project Plesman Plaza in Amsterdam is located in residential district Nieuw-West, just outside the western ring road of Amsterdam. The Vondelpark and city centre of Amsterdam are relatively close by and accessibility by car and public transport is considered excellent, as the project is situated right across the ring road and metro station. The project is part of a larger redevelopment, comprising five apartment buildings, a parking garage and a building that formerly accommodated a telephone exchange, which will be transformed into commercial space.

The Fund acquired three out of the five apartment buildings, comprising a total of 327 apartments and 850 sq.m. of commercial space, as well as the parking garage with a total of 86 parking spaces. The other two apartment building are acquired by a social housing association. The former telephone exchange is not acquired by the Fund. The apartments comprise one to four rooms, with total sizes ranging from 40 to 80 sq.m. and an average size of 55 sq.m. Monthly rents will range from € 737 to € 1,400, with an average rent of € 1,065 (rents upon completion, parking excluded). About 80% of the apartments are rented out in the affordable segment, with monthly rents up to € 1,250. Completion is planned for 2024.

Kop Watergraafsmeer in Diemen

This project in Diemen consists of 51 apartments and 20 parking spaces. Project Kop Watergraafsmeer in Diemen is situated adjacent to the Watergraafsmeer district in Amsterdam and the Amsterdam city centre is easily accessible in 15 minutes by public transport or bicycle. Part of the property (10 apartments) concerns 'Friends apartments', which allow friends to jointly rent an apartment. These apartments comprise one living room and kitchen, with double bedrooms and bathrooms. They range in size from 67 sq.m. to 80 sq.m. and rents range from € 1,250 to € 1,320 per month (parking excluded). The other 41 apartments, which are 2- to 4-room apartments, range in size from 50 to 90 sq.m. and rents range from € 960 to € 1,450 per month (parking excluded). Completion is planned for 2024.

Edge in Eindhoven

Project Edge in Eindhoven is centrally located between the central train station and city centre. For this area, a large-scale transformation (Eindhoven Internationale Knoop XL) is planned, which includes an upgrade of the area and the addition of commercial and residential functions. The Fund's commitment comprises 175 rental apartments, 52 parking spaces and 378 sq.m. of commercial space. The majority of the apartments range in size from 48 to 81 sq.m., with an average size of 59 sq.m. Monthly rents will range from € 850 to € 1,650, with an average rent of € 1,000 (rents upon completion). Completion is planned for 2024.

Schoemakertoren in Delft
This project concerns 72 apartments and 68 parking spaces in Delft. It is part of the large-scale redevelopment of the Professor Schoemaker Plantage area, where research institute TNO was formerly situated. The project is located near the university, and the city centre of Delft. Average size of the apartments is 84 sq.m. Monthly rents will range from € 1,050 to € 1,400, with an average rent of € 1,190 (rents upon completion, parking excluded). Completion is planned for 2024.

Wonderwoods in Utrecht
Project Wonderwoods in Utrecht is located in the centre of Utrecht and is situated right across from Utrecht's central train station. There is a strong focus on sustainability with the main feature of Wonderwoods being the extensive use of plants and trees on the property's roofs and facades. The Fund's commitment comprises 248 rental apartments, a gym and a restaurant. The gym and restaurant are embedded in the property and their acquisition means the Fund will have more control over its (commercial) tenants. In addition, Wonderwoods will boast a mixture of commercial space, offices and owner-occupied apartments. These are not acquired by the Fund. Part of the concept of Wonderwoods involves a mobility plan, which results in a relatively low number of parking spaces. The concept is focused on car sharing and public transport facilities. Therefore, the Fund does not acquire any parking spaces, but will receive parking rights for a portion of the tenants. Monthly rents will range from € 850 to € 2,075, with an average rent of € 1,300 (rents upon completion). Although all the apartments are rented out in the liberalised segment, approximately 60 apartments have municipal restrictions on rents. Completion is planned for 2024.

Coolsingel in Rotterdam
This project is located in Rotterdam's city centre, between Hofplein and Beursplein, just across from the city hall. Its central location means that (public) amenities, shops, offices, bars and restaurants are located within close proximity. A total of 114 apartments will be realised. The Fund acquired 56 apartments with an average size of 100 sq.m. as well as 20 parking spaces. Monthly rents will range from € 1,350 to € 1,850, with an average rent of € 1,540 (rents upon completion, parking excluded). The other apartments will be owner-occupied. Completion is planned for 2025.

Tree House in Rotterdam
Project Tree House is located adjacent to Rotterdam's central train station and very close to the city centre with a wide range of (public) amenities, shops, offices, bars and restaurants. This project is part of a larger development of a mixed-use (offices, residential and commercial) tower. A total of 284 apartments will be realised on the 12th to 36th floor, of which the Fund acquired a total of 168 apartments. The other 116 apartments will be sold in the owner-occupied market by the developer. However, the Fund agreed a back-up guarantee with the developer, which means that the Fund will acquire unsold apartments from the developer (at a discount).

Municipal regulations apply to 82 of the 168 apartments. This means that rents for these residential units will initially be maximised, annual rental growth will be capped at CPI plus 1.0% and the units cannot be sold (as individual units) in the first 15 years after completion. The regulated apartments concern 2-room apartments with an average size of 52 sq.m., for which monthly rents will be maximised at € 1,000 (price level 2019). The municipal restrictions do not apply to the other 86 apartments. These apartments concern 2- and 3-room apartments with sizes varying from 55 to 70 sq.m. and monthly rents ranging from € 1,125 to € 1,265. Completion is planned for 2025.

Grotiusplaats in The Hague
This commitment concerns a 50% participation in a Dutch Limited Partnership Agreement, through which property Grotiusplaats in The Hague will be developed. The other 50% participation was acquired by a single Dutch residential fund, with only institutional investors investing in this fund. Project Grotiusplaats in The Hague concerns two residential towers of 100 and 120 metres high, comprising a total of 655 apartments, 247 parking spaces, a communal bicycle storage facility for 1,520 bicycles and 698 sq.m. commercial space on the ground floor. The project is located in the Beatrixkwartier neighbourhood, which is near the central train station of The Hague, the A12 highway and the city centre. Although the area is already regarded as attractive for living and working, Grotiusplaats and its direct surroundings are under large-scale redevelopment, which will result in the area becoming an even more attractive, inner city residential environment. Out of the 655 apartments, a total of 541 concern 2- to 4-room apartments with sizes varying from 50 to 140 sq.m., averaging 67 sq.m. These apartments are for rent in the liberalised rental segment, with monthly rents ranging from€ 910 to € 2,650 and an average monthly rent of € 1,165 (parking excluded). The other 114 apartments concern smaller apartments, ranging from 35 to 50 sq.m., with regulated rents. Completion is planned for 2022.

Portfolio analysis

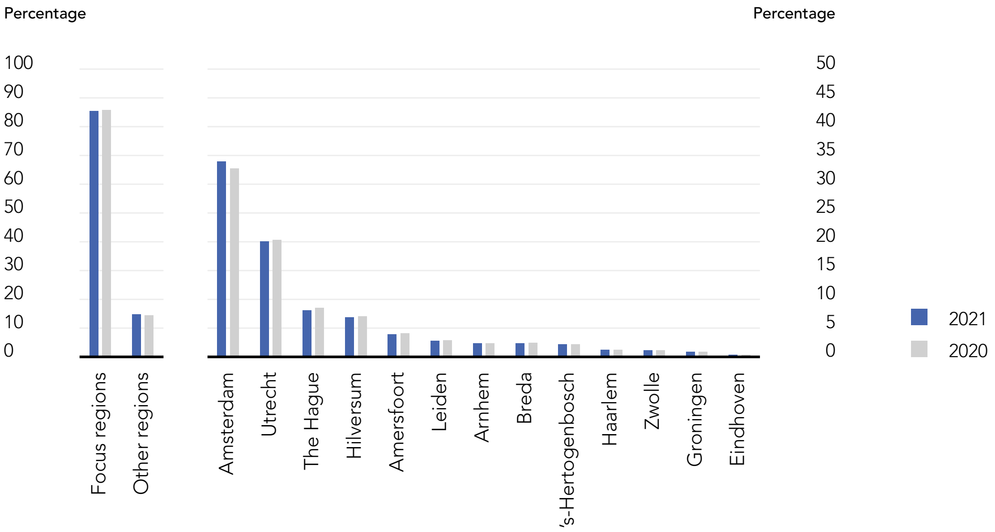
Regional focus

Amsterdam and Utrecht are the most dominant agglomerations in the portfolio and account for 54% of the portfolio's total fair value. This is also reflected in the overview of the ten largest assets, with only property Vathorst 1 in Amersfoort being located outside the Amsterdam and Utrecht agglomerations.

In addition to Amsterdam and Utrecht, the portfolio is well-represented in the Randstad area and other demographically and economically strong regions, such as Hilversum, Amersfoort and The Hague. The portfolio strategy actively targets these residential markets with an above-average market outlook.

The exposure to Amsterdam showed an increase, as a result of the completion of forward acquisition Cruquiuswerf in Amsterdam, while the exposure with regard to the other focus agglomerations and cities only changed marginally in 2021.

Figure 15 Geographical spread as at 31 December 2021



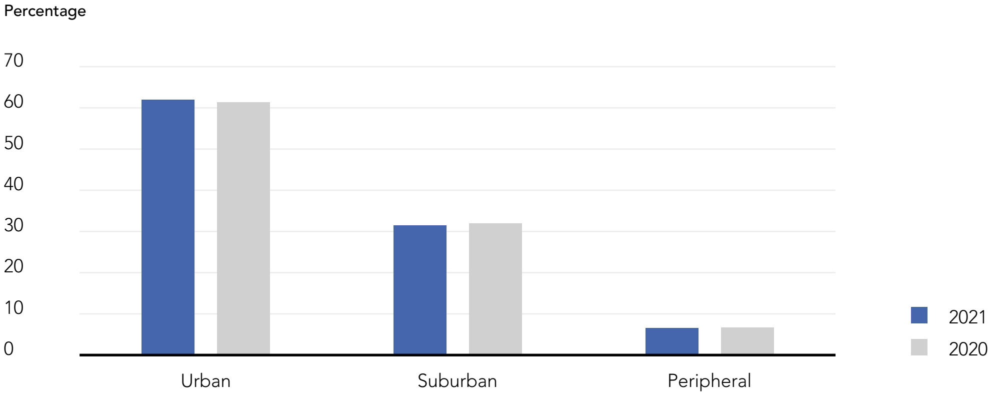
Residential market segmentation

Three different housing market segments are identified by the Fund, based on a combination of target group and location type.

- Urban living: Young professionals, families and empty-nesters with a preference for living in large cities and metropolitan areas with a population exceeding 100,000 residents;
- Suburban living: Families with a preference for living in suburban residential areas and medium-sized cities with a population of between 25,000 and 100,000 residents;
- Peripheral living: Families with a preference for living in villages and small towns with a population below 50,000 residents.

The emphasis of the portfolio strategy is to invest in residential real estate that meets the criteria of urban living. Investments in suburban living environments are also deemed interesting, but these investments should predominantly aim for families, empty-nesters and seniors as their target group. Investing in peripheral living environments is not a primary focus of the portfolio strategy. The portfolio is currently well-represented in the urban and suburban living segments.

Figure 16 Market segmentation as at 31 December 2021

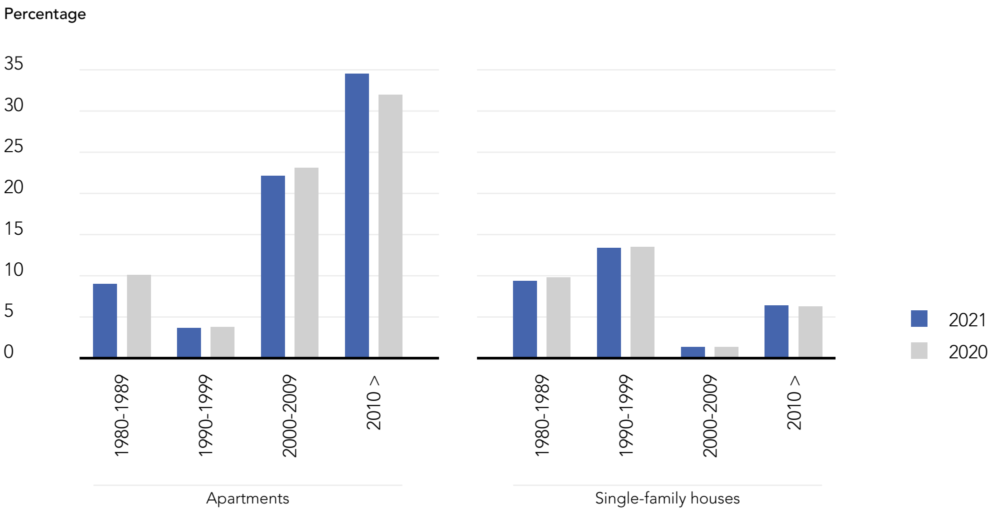


Property age

The Fund continuously invests in the portfolio in order to improve the portfolio's quality and expected long term returns, while building a sustainable investment portfolio. This is done through renovation strategies and the acquisition and sales policy. The average property age of the portfolio was 17.7 years, as at 31 December 2021, which is in line with the previous year (17.6 years), due to the completion of forward acquisition and another quarter having passed.

Property age is measured as the original construction year, corrected for renovations and investments. In cooperation with external advisors, the NEN 2767 guidelines are used to rate the property's technical qualities and assess the technical age of the different parts of a property (for example, the foundation, casco and installations). Technical age is a good indication of the property's lifespan and expected maintenance costs. The Fund constantly invests in feasible projects that add value and increase the quality of the portfolio. The average property age of the portfolio, based on original year of construction, was 23.8 years as at 31 December 2021 (2020: 24.0).

Figure 17 Age classes as at 31 December 2021

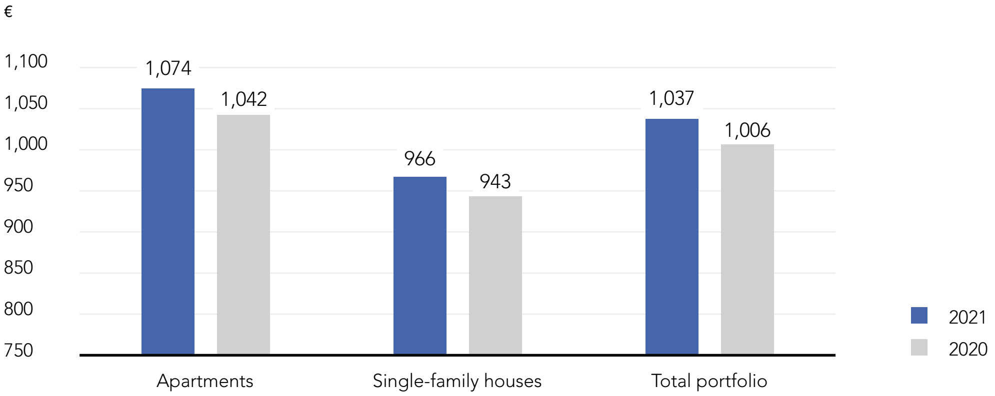


Average monthly rent

The portfolio strategy focuses on residential investments in the mid-priced rental segment and is dominant in the € 752 to € 1,250 rental range. Non-regulated properties with average monthly rents higher than € 752 per month are favoured by the Fund in the long term.

The average monthly rent of a residential unit in the portfolio was € 1,037, as at 31 December 2021, which is an increase compared to 31 December 2020 (€ 1,006). This growth is explained by (annual) rent increases, completion of forward acquisitions and individual unit sales. Single-family houses have a lower average monthly rent (€ 966), compared to the portfolio's apartments (€ 1,074). This difference in rental level is explained not only by residential type, but also by aspects such as location type and property age.

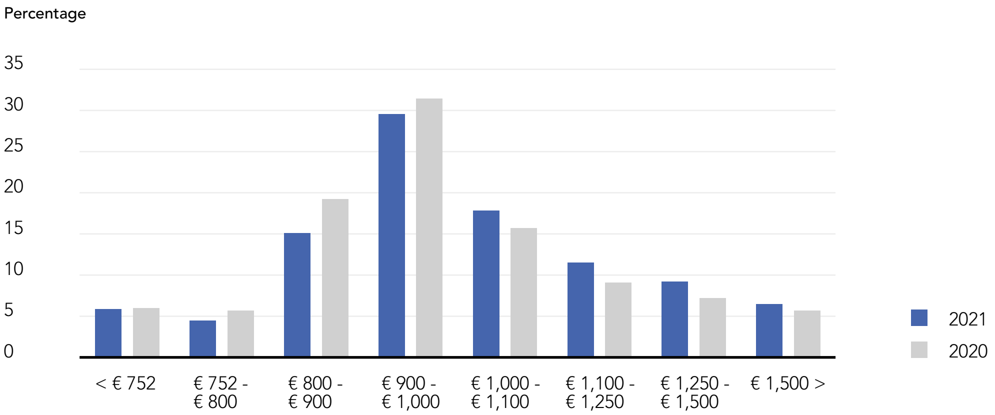
Figure 18 Average monthly rent per market segment as at 31 December 2021



The share of units with rental prices below € 1,000 declined strongly, whereas the share of units with rental prices higher than € 1,000 showed an overall increase. This is mainly due to the completion of forward acquisitions and (annual) rent increases for the portfolio in 2021. For the majority of the portfolio, rents were increased per 1 July 2021. Although rents for regulated rental units were frozen, due to governmental rent regulation, rents were increased for approximately 66% of the portfolio's residential units, per 1 July 2021.
The average rent increase for these units amounted to 2.0% (2020: 2.2%). Like-for-like theoretical rental growth for the entire portfolio amounted to 2.5% in 2021 (2020: 2.8%).

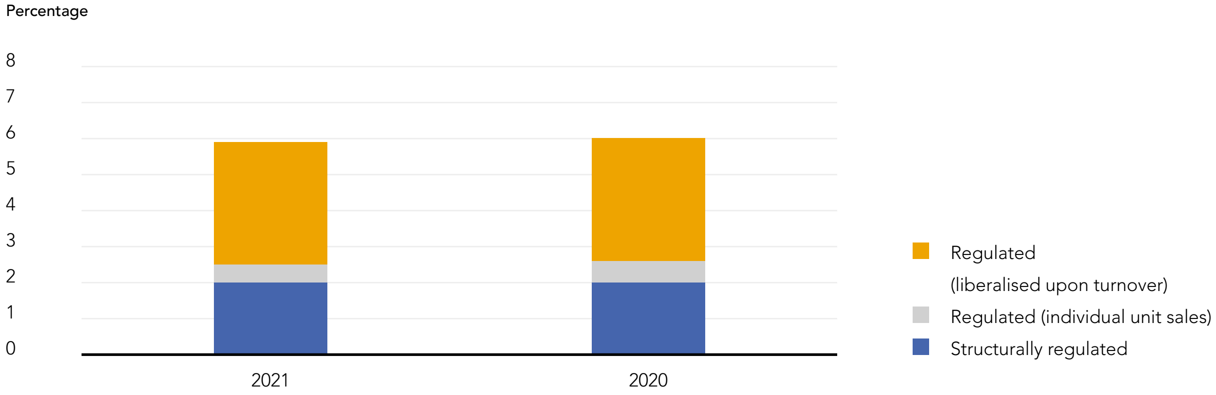
The share of residential units with monthly rents exceeding € 1,250 increased from 13% in 2020 to 16% in 2020. Approximately 80% of all residential units with monthly rents above € 1,250 are located in the Amsterdam region, where demand is relatively strong and higher market rents can be achieved.

Figure 19 Rental price composition as at 31 December 2021



The share of residential units in the regulated segment (monthly rents below € 752) remained stable in 2021. As at 31 December 2021, this share was 5.9%, compared to 6.0% in 2020. Through additions, tenant turnover and individual unit sales, the share of regulated residential units is expected to decrease further in the next few years.

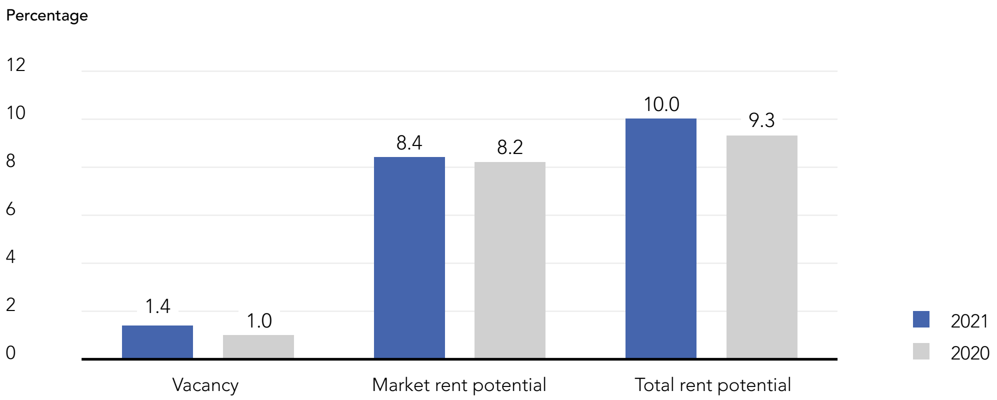
Figure 20 Regulated rents as at 31 December 2021



Rent potential

Rental income of the portfolio can be increased by reducing vacancy, as well as by bringing current rents up to market rent through annual rent increases and at tenant turnover. Total market rent potential of the portfolio's residential units is on average 10.0%, which is an increase compared to 2020 (9.3%). The average vacancy rate for residential units in the portfolio increased to 1.4% in 2021 (2020: 1.0%).

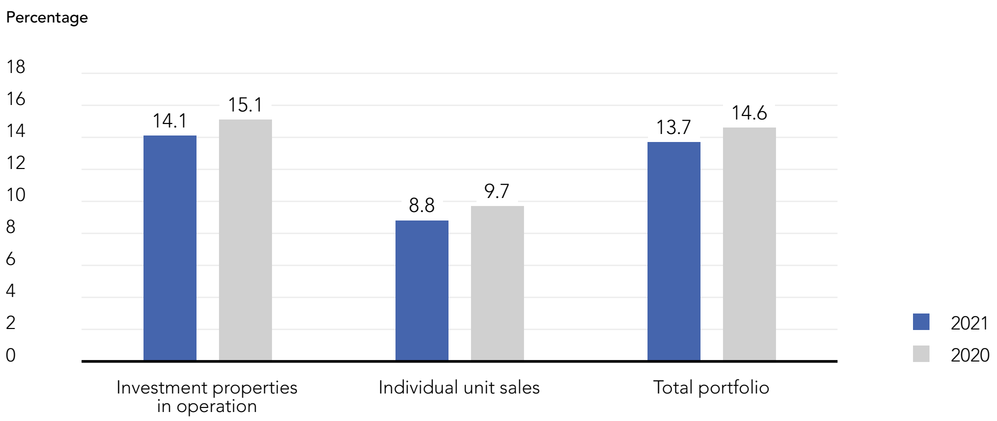
Figure 21 Vacancy and market rent potential as at 31 December 2021



Turnover rate

The portfolio's turnover rate is defined as the number of residential contract terminations within a period as a percentage of the number of residential units at the start of that period. Average portfolio turnover rates amounted to 13.7% in 2021, which lower compared to 2020 (14.6%). Turnover rates for properties that are designated for individual unit sales are significantly below those of investment properties in operation.

Figure 22 Average turnover rates



Performance of Fund versus MSCI Netherlands Residential Annual Property Index

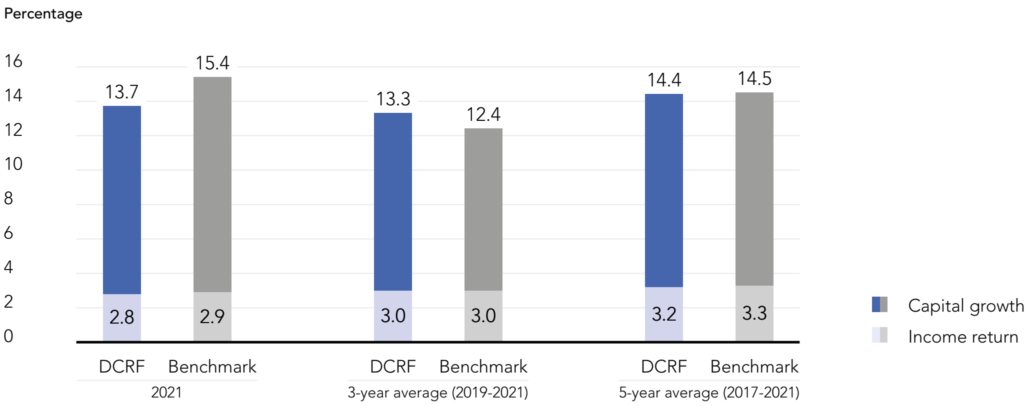
Total return (all benchmarked assets level) for the Fund amounted to 13.7%, compared to 15.4% for the benchmark in 2021. This difference in performance is attributable to capital growth (10.7% versus 12.2%) scoring below the benchmark, while the Fund's income return was in line with the benchmark (2.8% versus 2.9%). On a 3-year (13.3% versus 12.4%), the Fund showed a significant outperformance compared to its benchmark on an all benchmarked assets level, while total return on a 5-year average (14.4% versus 14.5%) were in line with the benchmark.

Capital growth is mainly determined by market rental growth and changes in yield. The underperformance on capital growth in 2021 is attributable to both a more moderate inward yield shift and (market) rental growth for the Fund compared to the benchmark. The average gross reversionary yield for the Fund showed a decrease of 31 bps in 2021, to end up at 4.1%, while the gross reversionary yield for the benchmark decreased with 34 bps to a yield of 4.2%.

The Fund's income return is in line with the benchmark (2.8% versus 2.9%). Net operating costs, as a percentage of gross rental income, amounted to 23.5% for the Fund, compared to the benchmark figure of 24.4%. The average financial vacancy rate of the Fund amounted to 2.0% in 2021, which was somewhat higher than the benchmark's vacancy rate (1.7%).

On standing investments level, the Fund also showed an underperformance in 2021 (10.2% versus 11.8%), while on a 3-year average (9.1% versus 8.4%) the Fund showed an outperformance and performance on a 5-year average (10.0% versus 9.9%) was in line with the benchmark. Returns on standing investments level exclude the effect of the acquisitions, investments and sales.

Figure 23 Performance figures ASR DCRF versus IPD Dutch residential benchmark (all benchmarked assets)



Realised and unrealised gains and losses

All properties were externally valued in 2021 by either MVGM Vastgoedtaxaties, Cushman & Wakefield or Capital Value. Every quarter, 25% of the valuations concern full valuations, whereas 75% concern desktop review update valuations.

Revaluation of the portfolio equated to 10.6% or € 193.9m in 2021. This includes the revaluation of the Fund's participation in Grotiusplaats Den Haag C.V., which equated to 18.5% or € 15.2m in 2021.

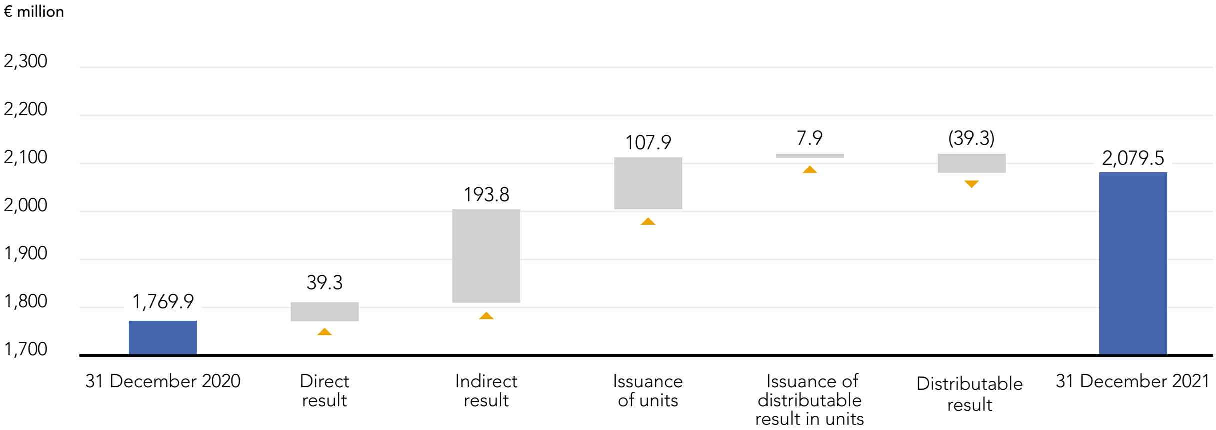
After negative capital growth figures in the first quarter of 2021, as a result of an adjustment of the real estate transfer tax rate, capital growth turned positive again from the second quarter of 2021. In particular in the fourth quarter of 2021, capital growth continued its strong upward trend, as transaction activity and price growth in the Dutch residential market remained relatively solid. The strong capital growth figures apply to a wide range of properties in the portfolio and are predominantly driven by an increase in vacant possession values. In line with the portfolio revaluations, price growth in the owner-occupied market showed a similar trend, with an average price growth of 15.2% in 2021 (Statistics Netherlands, 2022).

Capital

Changes in capital

Total capital amounts to € 2,079.5m, as at 31 December 2021, compared to € 1,769.9m, as at 31 December 2020. Capital increased as a result of positive indirect return (€ 193.8) and a total of six closings (€ 115.8m). Three out of these six closings relate to the distributable result for the first three quarters of 2021 being paid out in units for seven investors. As at 31 December 2021, capital is spread across 1,409,757 units, resulting in an IFRS NAV of € 1,475 per unit.

Figure 24 Movements in capital

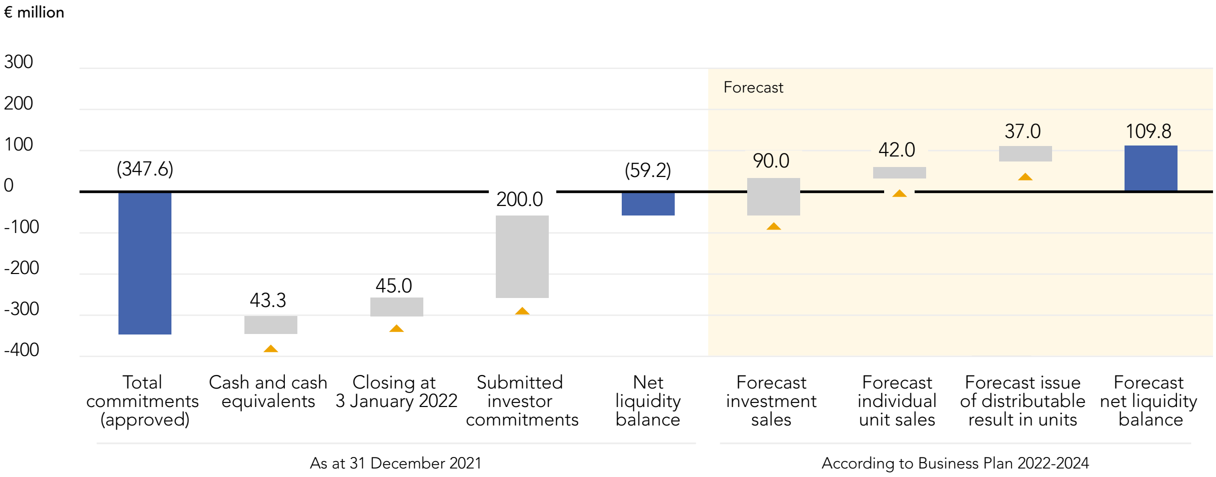


Liquidity management

The total off-balance sheet commitment, with regard to (approved) forward acquisitions and participations, amounts to € 347.6m, as at 31 December 2021. This commitment is well-spread in time, till 2025, and will be mainly funded through the current cash balance and submitted investor commitments. This results in a net liquidity need of € 59.2m, as at 31 December 2021. This net liquidity need is forecasted (in line with the Three Year Business Plan 2022-2024) to be covered by individual unit sales, investment sales and the issuance of distributable result in units.

In addition, new investor commitments and/or loans are not taken into account in this overview, but might be used to fund the net liquidity need. However, the Fund does intend to remain a full-equity fund and does not expect to use leverage in the medium term.

Figure 25 Net liquidity balance, as at 31 December 2021



Corporate Social Responsibility

The Fund's vision of Corporate Social Responsibility (CSR) is to accommodate the interests of tenants and investors in the best possible way by creating and maintaining residential properties that have long-term value from both a financial and a social perspective, and to achieve this in a sound and responsible manner with engaged and aware partners and employees. The investment objective of the Fund is to provide stable, sustainable and attractive returns by investing in high-quality assets and by actively managing and adding value to the existing portfolio. Future-proof dwellings are an essential part of this strategy. Dwellings must be comfortable, sustainable and affordable for different types of households, and must meet the current and future needs and preferences of tenants. Sustainable dwellings are attractive to tenants for many different reasons, such as lower energy costs and a healthier indoor climate. They are also attractive to investors, since a sustainable portfolio adds value over time and helps to mitigate risks.

As per 10 March 2021 the Sustainable Finance Disclosure Regulation (SFDR) is applicable towards the Fund. The Fund's SFDR statement is published on the website. In this statement, the approach to sustainability and how the Fund has embedded sustainability in the strategy and in its investment decisions is explained.

SFDR Level 1

The Fund promotes various environmental and social characteristics. The Fund is classified as a financial product that promotes environmental characteristics within the meaning of Article 8(1) SFDR.

The ASR Dutch Core Residential Fund draws up its own annual Corporate Social Responsibility (CSR) policy which sets out its specific sustainability objectives. This policy is also published on the website of a.s.r. real estate. The Fund's vision on CSR is to accommodate the interests of tenants and investors in the best possible way by creating and maintaining assets that have long-term value from both a financial and a social perspective, and to achieve this in a sound and responsible manner with engaged and aware partners and employees. To work towards these goals, the Fund develops a strategic CSR policy around the following four themes:

1 Property: create a sustainable portfolio.
2. Partners: liaise with sustainable partners in long-term relations.
3. Planet: contribute to environment and society.
4. People: deploy sound business practices and have healthy and satisfied employees.

EU Taxonomy

The Fund promotes at least one of the climate and environmental objectives as included in Article 9 of the Taxonomy Regulation, being the 'climate mitigation' objective. The Fund's underlying investments are in economic activities, namely 'acquisition and ownership of buildings', 'renovation of existing buildings' and 'construction of new buildings', which qualify as environmentally sustainable under Article 3 of the Taxonomy Regulation for the following reasons:

- The Fund promotes these objectives in its underlying investments by promoting the stabilisation of greenhouse gas concentrations in the atmosphere at a level which prevents dangerous anthropogenic interference with the climate system, consistent with the long-term temperature goal laid down in the Paris Agreement. The Fund does so by promoting the improvement of energy efficiency, except for power generation activities as referred to in Article 19(3). The Fund does not promote activities if they lead to significant greenhouse gas emissions.
- At the same time, the economic activities do not significantly harm any other of the environmental objectives (i.e. climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems), for the following reasons:
  - (i) the economic activities do not lead to an increased adverse impact on the current climate and the expected future climate, on these activities themselves or on people, nature or assets;
  - (ii) the economic activities are not detrimental to the good status or the good ecological potential of bodies of water or to the good environmental status of marine waters;
  - (iii) the economic activities do not lead to significant inefficiencies in the use of materials or in the direct or indirect use of natural resources, do not lead to a significant increase in the generation, incineration or disposal of waste and do not lead to the long-term disposal of waste which may cause significant and long-term harm to the environment;
  - (iv) the economic activities do not lead to a significant increase in the emissions of pollutants into air, water or land, as compared with the situation before the activities started; and
  - (v) the economic activities are not significantly detrimental to the good condition and resilience of ecosystems or detrimental to the conservation status of habitats and species.

The 'do no significant harm' principle applies only to those investments underlying the Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

- Furthermore, the economic activities are carried out in compliance with the minimum safeguards laid down in Article 18 of the Taxonomy Regulation.
- Finally, the economic activities have been assessed on the basis of the technical screening criteria established by the Commission. The outcome of the assessment is as follows:
  - 'acquisition and ownership of buildings': the Fund's underlying investments that pertain to 'acquisition and ownership of buildings' comply partially with the technical screening criteria relating to 'substantial contribution to climate change mitigation' because of the number of A energy labels. In addition, the Fund's underlying investments that pertain to 'acquisition and ownership of buildings' comply with the technical screening criteria relating to 'do no significant harm ('DNSH')'. Our Fund Management Teams and our ESG professionals use our 'Climate Monitor' tool to continuously monitor our standing investments for compliance with the Appendix A criteria. Additionally, new investments are assessed with regard to climate risks in the acquisition proposals.
  - 'renovation of existing buildings' and 'construction of new buildings': the Fund's underlying investments that pertain to 'renovation of existing buildings' and 'construction of new buildings' do not comply with the technical screening criteria relating to 'substantial contribution to climate change mitigation'. In addition, the Fund's underlying investments that pertain to 'renovation of existing buildings' and 'construction of new buildings' do not comply with the technical screening criteria relating to 'do no significant harm ('DNSH')'.

The sustainability indicators that are used to measure the attainment of the environmental or social characteristics promoted by the Fund are presented in the table below.

Strategic objectives 2021

		Objective 2021	Progress 2021
Property	**Sustainable portfolio**		
	Average Energy Index of portfolio	≤ 1.15	1.11
	Green Labels	≥ 93%	94%
	Energy-saving measures (excl. projects, yearly)	≥ € 150k	€ 423k
	Coverage of Green Building Certificates	100%	100%
Partners	**Sustainable partners in long-term relations**		
	Partnership documents containing CSR requirements and goals	100%	100%
	Tenant satisfaction	≥ 7 ≥ benchmark	6.9 < benchmark
	Active tenant participation programme (# of projects yearly)	≥ 6	9
	Addition of affordable dwellings (#)	150	123
Planet	**Contribution to environment and society**		
	Paris Proof roadmap	Design	Completed
	Energy intensity (average yearly reduction / reduction 2015-2022)	≥ 1.7% / ≥ 20%	0.9% / 27.3%
	CO_2 intensity (average yearly reduction / reduction 2015-2022)	≥ 3.3% / ≥ 15%	4.3% / 33.2%
	Renewable energy (# of PV panels)	≥ 10,000	8,176
	Invest in neighbourhood and sustainable mobility (# of yearly projects)	≥ 5	6
	Climate adaptation (greening measures yearly)	≥ 500 sq.m.	514 sq.m.
People	**Sound business practices and healthy and satisfied employees**		
	Sound business practices (implementation sustainability in risk control framework)	TCFD & SFDR	Compliant with current implementation targets
	Personal development of employees		
	- Training (% annual salaries)	≥ 1%	1.2%
	- Sustainable employability (% annual salaries)	≥ 1%	1.0%
	Focus on employee's health and wellbeing	Improvement of vitality score	In progress
	Employee satisfaction	≥ 94/100	94/100

Property

Average Energy Index of portfolio

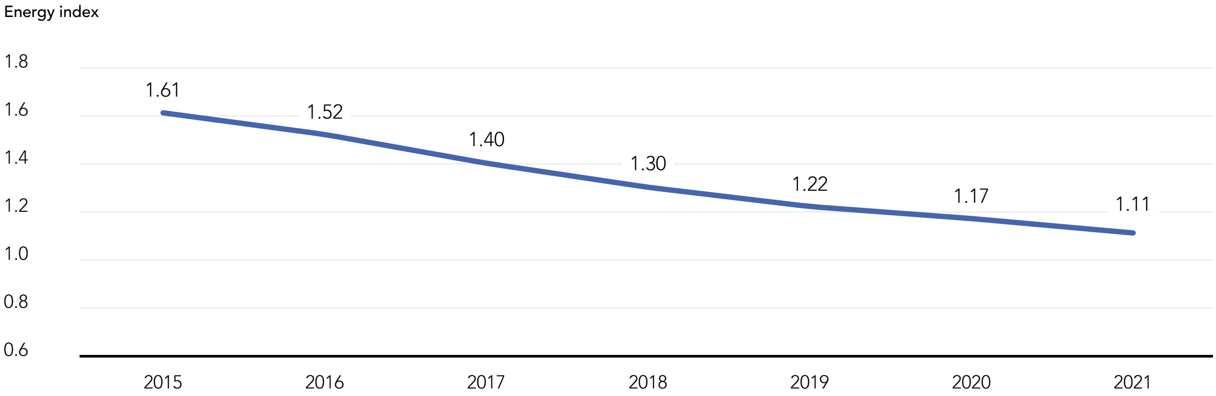
Objective 2021	≤ 1.15
Progress 2021	1.11

The average Energy Index was 1.11, as at 31 December 2021 (2020: 1.17), which means that the objective for 2021 is achieved. This improvement throughout 2021 is mainly due to the fact that the Energy Index was determined for completed forward acquisitions:
- Cruquiuswerf in Amsterdam (122 residential units)
- First phase of Sniepkwartier in Diemen (38 residential units)
- First phase of Laurierkwartier in Utrecht (11 residential units)
- Brouwerspoort in Veenendaal (43 residential units)

In addition, the improvement of the Energy Index, as a result of the renovation of property RiMiNi in Amstelveen, was taken into account.

In 2022, the Energy Index will be replaced by a new method, which is NTA 8800. From 2022, we will report according to the new method.

Figure 26 Average Energy Index 2015-2021

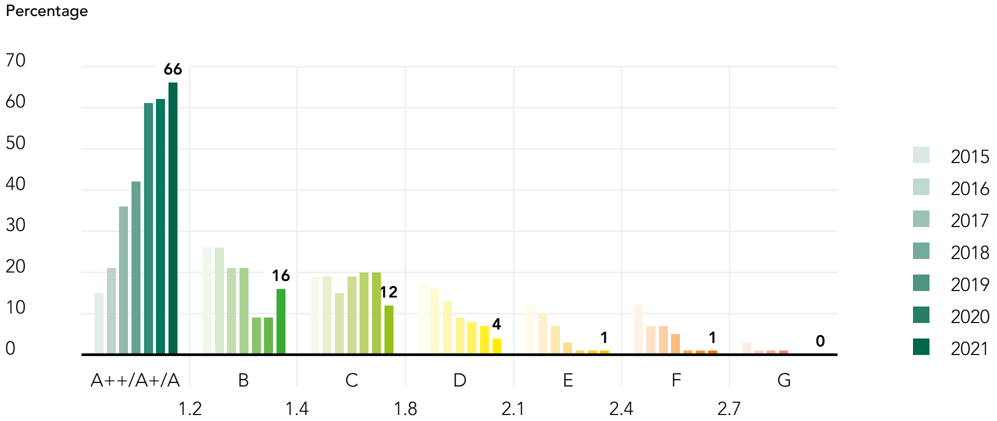


Green labels

Objective 2021	≥ 93%
Progress 2021	94%

The share of green labels in the portfolio showed amounts to 94%, as at 31 December 2021 (2020: 91%), with completed forward acquisitions and the renovation of RiMiNi in Amstelveen being taken into account. This means that the objective for 2021 is achieved.

Figure 27 Energy labels (EPA) for ASR DCRF as at 31 December 2021



Energy-saving measures (excl. projects, yearly)

Objective 2021	≥ € 150k
Progress 2021	€ 423k

Total costs for energy-saving measures amounted to € 423k in 2021, which is well above the objective of at least € 150k. A total of 239 PV panel sets, 63 kitchen water-saving taps and 163 sustainable central heating boilers were installed in 2021.

Coverage of Green Building Certificates

Objective 2021	100%
Progress 2021	100%

Throughout 2021, major progress has been made in achieving the objective of a full coverage of Green Building Certificates, as coverage increased from 27.5% at year-end 2020 to 100% in 2021. The newly certified buildings all received the BREEAM-NL In-Use certificate.

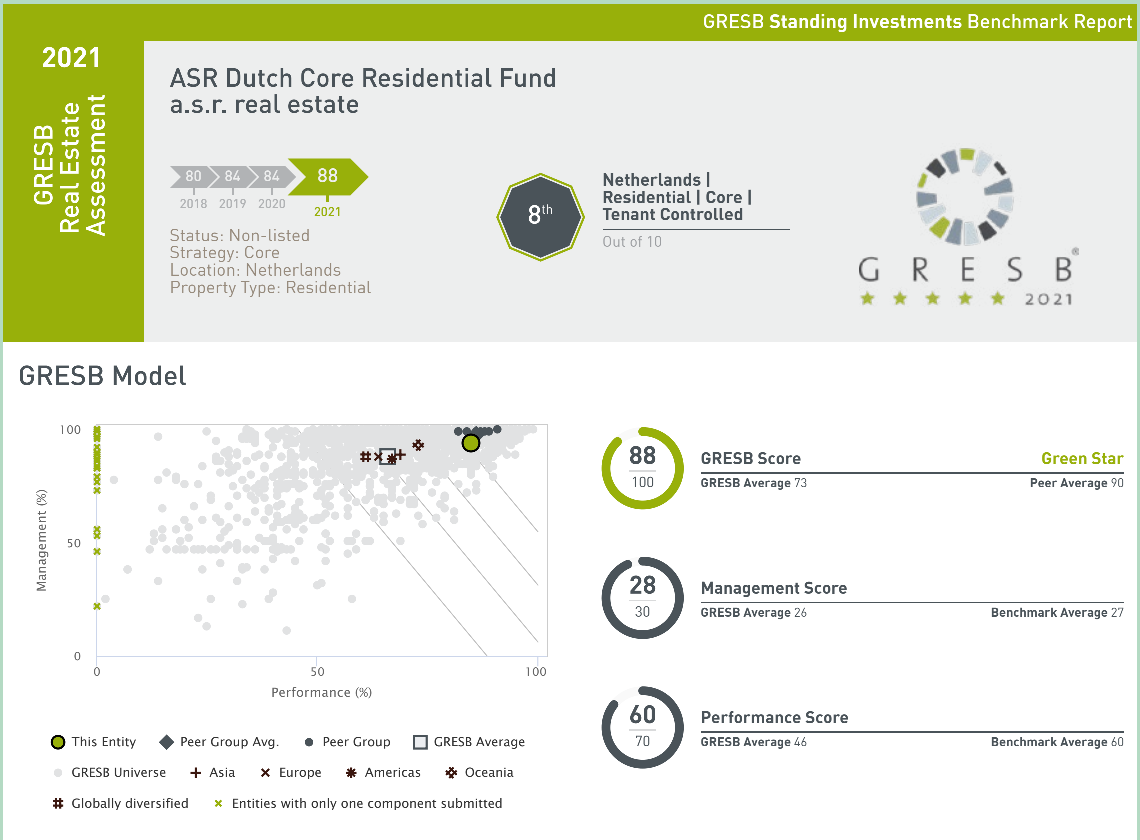
The forward acquisitions that were completed in 2021 were excluded from the certification coverage, as it is not yet possible to obtain a certificate for these properties. In order to obtain BREEAM-NL In-Use certificate, a property must be in operation for at least one year. In 2022, these buildings are expected to be assigned a BREEAM-NL In-Use certificate.

GRESB - Five stars for ASR DCRF

ASR DCRF maintained a GRESB five-star rating, making it one of the 20% best-performing GRESB funds worldwide. The GRESB score improved from 84 points in 2020 to 88 points in 2021. With this rating, the Fund scored above the GRESB average (73). The improvement of the GRESB score is mainly achieved by the Fund's continuing improvement of tenant engagement and its energy performance. The Fund expects a further improvement of the GRESB score in 2022, since the Fund's Green Building Certificate coverage improved from 27% to 100% in 2021.

The outperformance on both Management and Performance (scoring 28 out of 30 and 60 out of 70 respectively) demonstrates the Fund's high-quality sustainability governance. These scores were achieved, among other things, through detailed policies and procedures, as well as through improved insight into environmental performance and a reduced carbon footprint.

GRESB score and model



Partners

Partnership documents containing CSR requirements and goals

Objective 2021	100%
Progress 2021	100%

CSR provisions were part of the new property development agreements with developers and utility companies. Besides, in the new agreements with the Fund's rental partners VB&T, Van 't Hof Rijnland and MVGM, CSR provisions were included.

Tenant satisfaction

Objective 2021	≥ 7.0 and ≥ benchmark
Progress 2021	6.9 and < benchmark

The Fund aims to continuously improve its services and tenant satisfaction. In order to monitor this, the Fund organises annually a tenant satisfaction survey and participates in a benchmark together with other Dutch professional real estate funds (IVBN). This benchmark allows the Fund to monitor market developments and compare the Fund's results with the performance benchmark. In line with past years, the survey in 2021 was executed by an independent research agency (Customeyes). The agency carried out a survey among a representative sample of tenants.

Results tenant satisfaction survey 2021

	Residential unit	Living environment	Services external property manager	Services internal property manager	Overall
2021	7.2	7.5	6.2	6.8	6.9
Δ Benchmark	(0.1)	0.0	(0.3)	(0.1)	(0.1)
2020	7.2	7.5	6.3	6.8	7.0
2019	7.2	7.5	6.3	6.7	7.0
2018	7.3	7.5	6.1	6.7	6.9
2017	7.2	7.6	6.2	6.7	6.9
2016	7.6	7.7	6.4	6.6	7.1
2015	7.6	7.6	6.3	7.1	7.2

As in previous years, tenants are interviewed about their satisfaction with their residential unit, living environment and property management services. About 39% of the a.s.r. real estate tenants participated in this years' survey. In 2021, the overall tenant satisfaction for the Fund was 6.9, which is just below the Fund's result in 2020 (7.0), as well as the Fund's target and the average benchmark result (7.0).

The average score that tenants awarded to a.s.r. real estate as the owner (6.8), to the residential unit (7.2) and to their living environment (7.5) are unchanged, compared to 2020. The score for the external real estate manager was 6.2 which is slightly lower than in 2020 (6.3).

The outcome of the survey are discussed both internally and with the external property managers, and improvement measures are identified. In the years ahead, the Fund aims to achieve a score of at least 7.0 and to outperform the benchmark with regard to overall tenant satisfaction.

Active tenant participation programme (# of projects yearly)

Objective 2021	≥ 6 projects
Progress 2021	9 projects

In 2021, the Fund initiated nine tenant participation projects in order to create more awareness around sustainability:

- **New tenant associations.** Four new tenant associations started, which concern properties De Hoge Regentesse in The Hague, Hagendonk in Prinsenbeek, Dotterbloemstraat in Nieuwegein and Milestones in Utrecht;
- **Information and community.** The new tenant portal was rolled out and in several apartment buildings narrowcasting was installed. In properties Sniepkwartier in Diemen and Cruquiuswerf in Amsterdam, the community application Area of People was introduced to tenants;
- **CSR newsletter.** All tenants of a.s.r. real estate received the yearly CSR newsletter, including tips for awareness around sustainable living. The Fund's new year's wish included a link to sustainable living tips as well;
- **Green gifts.** New tenants of properties Sniepkwartier in Diemen and Cruquiuswerf in Amsterdam received a box with flowers for their balcony or their house;
- **Refurbishment of entrance halls.** The entrance hall for properties Van Randwijkstraat in Leiden and Hagendonk in Prinsenbeek have been refurbished;
- **CSR bags.** All new tenants of a property of a.s.r. real estate receive a CSR bag, that includes sustainable articles. In 2021, the Fund distributed over 800 CSR bags, of which 214 for tenants in newly completed properties;
- **Energy Box.** In cooperation with the municipalities of Utrecht and Zeist, the Energy Box project started. The Energy Box aims to stimulate a more sustainable way of living. In Utrecht, 303 tenants were approached to participate, in Zeist, 74 tenants were approached;
- **Green energy.** The Fund started a project together with sustainable partner VandeBron. Tenants can receive a discount if they make an agreement with VandeBron, which is a provider of green energy. With this project, the Fund aims to make tenants more aware of sustainability and sustainable behaviour;
- **City gardens.**The Fund realized little city gardens on the sidewalk in front of the single-family homes of property Milestones in Utrecht. The initiative for this plan came from the tenants of Milestones.

Addition of affordable dwellings (#)

Objective 2021	150
Progress 2021	123

A total of 123 affordable dwellings were added to the portfolio in 2021. These additions mainly concern the (partial) completion of forward acquisitions the forward acquisitions Cruquiuswerf in Amsterdam, Sniepkwartier in Diemen and Brouwerspoort in Veenendaal.

Due to the delayed completion of a number of properties under construction, the objective for 2021 was not fully met. However, construction of these properties is expected to be largely completed in the first quarter of 2022.

Planet

Paris proof roadmap

Objective 2021	Design
Progress 2021	Completed

The Paris proof roadmap for ASR DCRF has been designed and is published in the Fund's Three Year Business Plan 2022-2024 and in the Fund's CSR policy 2022-2024. From January 2022 onwards, the climate mitigation strategy of the Fund will be based on the data driven model that was used in the design of the Paris proof roadmap.

Energy intensity (average yearly reduction)

Objective 2021	1.7%
Progress 2021 (results for 2020)	0.9%
Objective 2015-2022	20.0%
Progress 2015-2020	27.3%

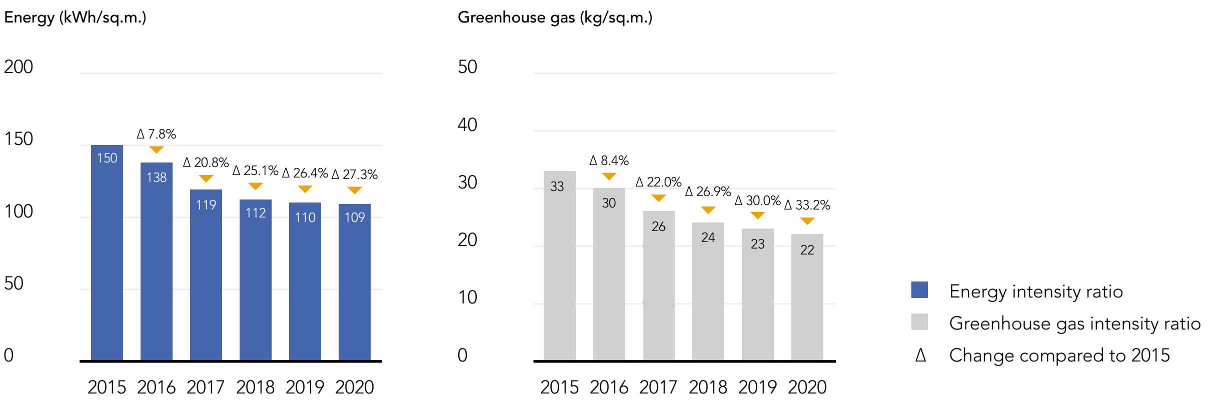
CO_2 intensity (average yearly reduction)

Objective 2021	3.3%
Progress 2021 (results for 2020)	4.3%
Objective 2015-2022	15.0%
Progress 2015-2020	33.2%

In order to minimise carbon emissions, the Fund is aiming to scale back the energy consumption and greenhouse gases of its total portfolio. The main goal is to reduce the energy consumption by at least 20% and reduce the CO_2 intensity by at least 15% in the period from 2015 to 2022. This is measured by the absolute energy and CO_2 intensity ratios per sq.m.

The results for 2020 have become available in the second quarter of 2021. The INREV Sustainability Reporting Recommendations and GRESB reporting standards have been applied and all data has been analysed and verified (ISAE 3000 certification) by Cushman & Wakefield. The energy and greenhouse gas intensity trends slightly changed compared to previous results, due to an analysis improvement.

Figure 28 Energy and greenhouse gas intensity ratios 2015-2020



The energy intensity amounted to 109 in 2020, compared to 110 kWh/sq.m. in 2019, which is a reduction of 0.9%. When compared to the energy intensity in 2015 (150 kWh/sq.m.), we see a reduction of 27.3%. This means that although the reduction for 2020 is below the target of 1.7%, the main goal to reduce the energy intensity by at least 20% is already achieved.

The CO_2 intensity amounted to 22 in 2020, compared to 23 kg/sq.m. in 2019, which is a reduction of 4.3%. When compared to the energy intensity in 2015 (33 kg/sq.m.), we see a reduction of 33.2%. This means that the target reduction for 2020, as well as the main goal to reduce the CO_2 intensity by at least 15% were achieved.

These reductions are primarily the result of the sustainable acquisitions and renovations in past years. In total, the Fund has now considerably improved the sustainability of 1,028 dwellings. As a result, the total annual amount of greenhouse gas emissions per € million of invested capital was 6,092 kg CO_2e in 2020 (2019: 7,177 kg CO_2e). CO_2e stands for carbon dioxide equivalent, which is a standard unit for measuring carbon footprints.

Renewable energy (# of PV panels)

Objective 2021	10,000 PV-panels
Progress 2021	8,176 PV-panels

The number of PV-panels increased from 5,175 to 8,176 in 2021, due to completed forward acquisitions and (mainly) due to a further roll-out of the PV-panels project together with Zonneplan. As a result of the delayed completion of a number of new projects, the ambition of 10,000 panels in 2021 was not fully achieved.

Invest in neighbourhoods and sustainable mobility (# of yearly projects)

Objective 2021	5 projects
Progress 2021	6 projects

The Fund initiated six projects in 2021, in order to invest in neigbourhoods and sustainable mobility:
- **Electric charging stations.** 16 electric charging stations were placed in properties Wibautstraat in Amsterdam (10), Sniepkwartier in Diemen (4) and Brouwerspoort-in Veenendaal (2);
- **AED's.** Defibrillators (AED's) were installed in properties Van Randwijkstraat in Leiden, Lamérislaan in Utrecht and Van Reeshof in Nieuwegein;
- **Benches.** Two a.s.r. real estate-benches were placed in Schrijverspark in Veenendaal (close to the Fund's property Brouwerspoort). The sustainable benches are intended to facilitate meetings between local residents or just to relax in a green environment;
- **Bicycle storage.** A sustainable bicycle storage was placed next to property Hagendonk in Prinsenbeek;
- **Greener roof gardens.** The roof garden of Amadeus in The Hague was made more green, in cooperation with the private owners of the apartment building;
- **75 new trees.** On Zeeburgereiland in Amsterdam, 75 trees were planted. The Fund is one of the initiators and one of the financiers of this project that makes the neighbourhood much greener. On Zeeburgereiland, the Fund is the owner of property The Beacons.

1) During the 2022-2024 period

Climate adaptation (greening measures yearly)

Objective 2021	Addition of ≥ 500 sq.m
Progress 2021	514 sq.m

In 2021, several projects were completed, totalling 514 sq.m. of greening measures:
- The roofs of the barns (totalling 111 sq.m.) of property Ebbingekwartier in Groningen were fitted out with sedum;
- A total of 175 trees were planted, as commissioned by the Fund. On Zeeburgereiland in Amsterdam, approximately 75 tree parks were placed around existing trees in collaboration with De Gezonde Stad and the municipality of Amsterdam. In addition, in order to provide an incentive for a higher participation in the tenant satisfaction survey, 100 trees were planted in Het Groene Woud (Noord-Brabant);
- On a roof of property Sniepkwartier in Diemen, several big flower boxes were placed to stimulate the biodiversity;
- In properties Sniepkwartier in Diemen and Cruquiuswerf in Amsterdam, all 160 tenants received a flower box for their balcony;
- In property Hagendonk in Prinsenbeek, the entrance hall was made greener by adding plants.

People

Sound business practices

For a.s.r. real estate, it goes without saying that corporate social responsibility can only be achieved by means of sound, transparent business practices. In accordance with the Alternative Investment Fund Managers Directive (AIFMD), a.s.r. real estate is required to be licensed for the financial services it provides in the field of collective and individual asset management. The AIFMD licence was granted in February 2015 by the Dutch authority for the Financial Markets AFM. In accordance with the AIFMD, 'Wet op het financieel toezicht' (Wft) and 'Besluit Gedragstoezicht financiële ondernemingen' (Bgfo), a.s.r. real estate has an appropriate risk management system in place to adequately recognize, measure, manage and monitor all relevant risks associated with the activities, processes and systems of the investment firm. a.s.r. real estate has a business risk manager who operates independently of the operational departments. Independence of the business risk manager is guaranteed by a hierarchical reporting line to the CFRO of a.s.r. real estate and escalation lines with the Director Risk Management (CRO) of a.s.r.

In addition, independence is guaranteed because the remuneration of risk management employees is not based on commercial objectives. a.s.r. real estate has set up and implemented its own ISAE Control Framework based on the key processes and key risks. Each year, this is coordinated with and tested by the external auditor. A Product Approval and Review Process (PARP) has also been set up in the context of financial services and the products of a.s.r. real estate. In addition, IT risks are managed in accordance with the Cobit standards of the Dutch central bank (DNB) and integrity risks are managed on the basis of DNB's SIRA (Systematic Integrity Risk Assessment).

A risk self-assessment is conducted annually with the board of directors based on the company's objectives and the relevant strategic risks. Key policies are reviewed yearly, addressing aspects such as conflicts of interest, incidents and outsourcing. Where necessary, existing controls are supplemented or changed. Since 2020, risk management has been closely involved in the implementation and risk monitoring of new sustainability regulations in Europe. This concerns the implementation across the entire operational management of the Task Force on Climate-related Financial Disclosures (TCFD), the Sustainable Finance Action Plan (SFAP) and the underlying Sustainable Finance Disclosure Regulation (SFDR). From 2021 onwards, risk management will implement the most important management measures for the sustainability objectives relating to TCFD and SFDR in the risk control framework, so that the external auditor can rely on this when drawing up the non-financial section for the annual accounts. This goal is ongoing and compliant with current implementation targets.

Personal development of employees

Training (% annual salaries)	
Objective 2021	≥ 1.0%
Progress 2021	1.2%
Sustainable employability (% annual salaries)	
Objective 2021	≥ 1.0%
Progress 2021	1.0%

The main focus of a.s.r.'s human resource management policy is the personal development of its employees in terms of professional expertise, competences and skills. One percent of annual salaries is devoted to training and development and 1% is devoted to sustainable employability. A dedicated HR team provides guidance for employees who wish to develop their talents and, in doing so, take control of their own future, who wish to move to another position (sustainable employability) or leave a.s.r. altogether. In 2021, 1.2% and 1.0% of annual salaries, respectively, were spent on these themes.

Focus on employees' health and well-being

Prioritizing health and well-being and avoiding stress are important issues for office-based companies. a.s.r. considers it important to help employees remain mentally and physically fit and vital, especially during the COVID-19 pandemic. Awareness, prevention and guidance are three important instruments in this regard. a.s.r. provides a wide range of workshops and has a dedicated team to support employees. It also devotes a lot of attention to ensuring a healthy (home) office and flexible working conditions. During COVID-19, a.s.r. has been polling its employees weekly through a short online Mood Monitor survey to make sure it is assisting them to the greatest possible extent.

a.s.r. has set an important objective of measuring the health and well-being of its departments by carrying out a vitality scan. Key themes are stress, employee satisfaction, energy level, burn-out, enthusiasm, physical complaints, work/life balance and workload. The outcomes will be used to draw up a customized vitality programme. The last survey among a.s.r. real estate's employees took place in 2021. The participation rate was 56% and a.s.r. real estate scored equal to or better than the Dutch average on six out of eight themes. With the programme it is currently conducting, a.s.r. real estate hopes to improve themes where it received lower scores. The next survey takes place in 2022.

Employee satisfaction

Objective 2021	≥ 94/100
Progress 2021	94/100

On a yearly basis, a.s.r. real estate conducts the Denison Organizational Success Survey among all its employees. This survey measures the success of an organization on several dimensions, for example employee satisfaction, engagement and adaptability. The results are compared to a global benchmark of large organizations that use the Denison Survey. Following each survey, the results are analysed and discussed intensively by the board, the internal Denison workforce and all business lines. Where necessary, steps are taken to improve a.s.r. real estate's standing as an excellent employer. In 2021, a.s.r. real estate scored 94/100 for employee satisfaction. The goal is to maintain this excellent score.

CSR goals 2022 -2024

In the overview below, the CSR goals for 2022 and 2024 are presented. These goals were defined in the Fund's Three Year Business Plan 2022-2024.

Strategic objectives 2022-2024

		2022	2024
1	**Planet**		
	Energy Intensity (kWh per sq.m. / year)	≤ 100	≤ 93
	GHG Intensity (kg CO_2 per sq.m. / year)	≤ 20	≤ 18
	Renewable energy (# PV panels)	≥ 13,000	≥ 17,000
	Resource efficiency (# projects, yearly)	≥ 5	≥ 5
	Invest in neighbourhood and sustainable mobility (# projects, yearly)	≥ 6	≥ 8
	Climate adaption and improvement (sq.m. greening, yearly)	≥ 500	≥ 500
2	**Property**		
	Green labels	≥ 95%	≥ 98%
	Energy saving measures (yearly, excl. projects)	≥ € 250k	≥ € 300k
	Coverage of green building certificates	100%	100%
3	**Partners**		
	Tenant satisfaction	≥ 7.0	≥ 7.0
		> benchmark	> benchmark
	Tenant engagement (# projects, yearly)	≥ 7	≥ 10
	Addition of affordable dwellings (#)	≥ 400	≥ 1,250 [1]
4	**People**		
	Employee satisfaction rating	≥ 94/100	≥ 94/100
	Personal Development		
	- Training (% of annual salaries)	≥ 1.0%	≥ 1.0%
	- Sustainable employability (% of annual salaries)	≥ 1.0%	≥ 1.0%
	Health & Well-being	Improvement of vitality score	
	Diversity & Inclusion	Execute diversity, equity and inclusion policy	
	Sound business practices	Further implementation of SFDR and EU Taxonomy	

1) During the 2022-2024 period

Brouwerspoort, Veenendaal

AIFMD

The Fund is an Alternative Investment Fund (AIF). In accordance with Alternative Investment Fund Managers Directive (AIFMD), the Fund Manager is obliged to apply for an AIFMD license from the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten, or AFM). The license was issued in February 2015.

The AIFM Directive requires a depositary to be appointed to monitor the Fund. This is to safeguard against fraud, book-keeping errors and conflicts of interest. Therefore, a contract has been signed with BNP Paribas Securities Services to act as depositary as of 1 June 2014. An information platform has been set up to provide the depositary with the appropriate information in an effective way.

As the Netherlands Authority for the Financial Markets (AFM) granted a.s.r. real estate the AIFMD license, the Fund is under the obligation to submit comprehensive reports on risks and restrictions. As of the first quarter of 2015, the Fund Manager reports to the Dutch Central Bank (DNB) about results and risks on a quarterly basis.

The Fund's strategy as described in the Fund Agreement is subject to strategic risks as well as financial restrictions, subscription and redemption restrictions, and investment restrictions. Operational risks apply directly to operating activities and financial risks apply to developments in the financial and real estate markets. These financial risks are monitored on a continuous basis.

The Fund Agreement sets out the Fund's investment objectives and strategy, investment criteria and investment restrictions. These requirements, which are monitored on a quarterly basis and on a case-by-case basis for acquisitions and sales, relate to:

1 Financial restrictions

The financial restrictions relate to the loan-to-value (LTV) position of the Fund and are as follows:

- The LTV is capped at 30%.
- If the LTV exceeds 25%, the Fund Manager is required to prepare plans to lower the LTV.
- No more than 12.5% of the LTV can be used for redemption purposes. If the percentage for redemption purposes exceeds 7.5%, the Fund Manager is required to take action to lower this percentage.

2 Subscription and redemption restrictions

The subscription and redemption restrictions are as follows:

- Subscription threshold of € 10m for new investors.
- Subscription threshold of € 100k for current investors.
- No investor is permitted to exceed a total financial position of 25% of the units, except for the Anchor Investor, unless the Management Company has granted its specific approval. Nevertheless, the financial position is never to exceed one-third of the total units.

3 Investment restrictions

- Focus on core, residential assets in the Netherlands.
- Maximum of 20% of GAV invested in a single asset.
- The Fund needs to be in control of the assets.
- No investment in any other Fund or vehicle that results in investors paying duplicative fees or a greater fee rate.
- The Fund shall avoid development risk and Project BV shall not engage in any development activities with respect to other parties than the Fund.

As at 31 December 2021, the Fund met the financial restrictions, the subscription and redemption restrictions, and the investment restrictions.

Depositary statement

Considering that:
- BNP Paribas Securities Services is appointed to act as depositary ASR Dutch Core Residential Fund ('the Fund') in accordance with subsection 21(1) of the Directive 2011/61EU (the 'AIFM Directive');
- Such appointment and the mutual rights and obligations of the fund manager, title holder and depositary of the fund are agreed upon in the depositary agreement dated 11 June 2015, between such parties, including the schedules to that agreement ('the agreement');
- The depositary delivers this statement to the fund manager in relation to the activities of the fund manager and the title holder and this statement refers to the year ended 31 December 2021 (the relevant year hereafter referred to as 'the period').

Responsibilities of the Depositary
The Depositary acts as a depositary within the meaning of the AIFM Directive (the 'AIFMD') and shall provide the services in accordance with the AIFMD, EU implementing regulation, relevant Dutch laws and the policy rules issued by the European Securities and Markets Authority (ESMA) or the Dutch Authority for Financial Markets (AFM). The responsibilities of the Depositary are described in the agreement and include, in addition to the Safekeeping, Recordkeeping and Ownership Verification (as described in article 21(8) AIFMD), also a number of monitoring and supervisory responsibilities as defined by article 21(7) and 21(9) of the AIFM Directive, namely:
- Cash flow monitoring, including the identification of significant and inconsistent cash flows and the reconciliation of cash flows with the administration of the fund;
- Ensuring that the sale, issue, re-purchase, redemption, cancellation of units or shares of the fund and valuation are carried out in accordance with the applicable national law and the fund rules or instruments of incorporation;
- Ensuring that investment transactions of the fund are timely settled;
- Monitor and check that the total result of the fund is allocated in accordance with the applicable national law and the fund rules or instruments of incorporation;
- Monitor and check that the Alternative Investment Manager ('AIFM') performs its investment management duties within the fund rules or instruments of incorporation;

Statement of the Depositary
We have carried out such activities during the period as we consider necessary to discharge our responsibilities as depositary of the fund. Based on the information available to us and the explanations provided by the fund manager, we did not uncover any information indicating that the fund manager has not carried out its activities, in scope of the monitoring and oversight duties of the depositary, in accordance to the applicable laws, fund rules and instruments of incorporation.

Miscellaneous
No rights can be derived from this statement, other than the rights resulting from laws and regulation mentioned above. This statement does not create, and does not intend to create, any right for a person or an entity that is not a party to the agreement.

Utrecht, 15 February 2022

BNP Paribas Security Services

Risk management

The AIF Manager makes a distinction between financial, strategic and operational risks. Financial risks apply to developments in the financial and real estate markets. Strategic risks apply to the Fund's strategy as described in the Fund Agreement. Operational risks apply directly to operating activities. A description of the Fund's main risks, the specific measures to manage these risks and, if applicable, their impact on result and equity are described in the notes of the financial statements.

ASR Dutch Core Residential Management Company B.V. (the Management Company) has an agreement (Management Agreement) with a.s.r. real estate (the Manager). This agreement states that the Manager will provide fund management services, asset management services and property management services to the Management Company. The following (not limitative) items are included under the fund management services: legal and structuring, compliance, business and financial advisory, human resource, risk management, communication and marketing and finance and tax. The ASR Dutch Core Residential Management Company B.V. has outsourced all responsibilities to the Manager (a.s.r. real estate). a.s.r. real estate also acts as the Manager of the Fund under the AIFMD requirements. Risk management is therefore described from the perspective of the Manager (a.s.r. real estate).

The Manager reviews key processes through ISAE 3402 Type II. A Type II report not only includes the service organisation's description of controls, but also includes detailed testing of the service organisation's controls. Every year, compliance to the ISAE framework is audited by an external auditor. In 2022, a.s.r. real estate received an ISAE 3402 Type II statement without remarks for the test period 2021.

Risk matrix

Risk	Risk appetite	Risk mitigating aspects	Impact
Financial risks			
Rental risk	The Fund strives to obtain stable rental income. Furthermore, a high occupancy rate is a core objective.	The Fund focusses on the best performing agglomerations and cities. Continuous monitoring of market rents and their movements. Maintaining contact with tenants. Standard lease terms state that rent mus be paid in advance.	The vacancy as percentage of theoretical rent was 1.4% in 2021.
Market risk	Market risk is a result of a variety of trends, such as the impact of global macro-economic shifts or the impact of a pandemic that cannot be fully mitigated. Disease outbreaks, such as COVID-19, bring to light a critical threat (pandemic risk) that should be proactively addressed.	Monitoring market transactions and developments. The portfolio is valued by independent appraisers.	Capital growth has had a positive effect on total return, whereas it had a mitigating effect on income return. In 2021, the impact of COVID-19 on the Fund was limited.
Interest rate risk	The Fund is intended to be predominantly an equity fund. Therefore interest rate risk is limited.	The Fund's interest rate risk is assessed continually.	The Fund maintains a low leverage status with a LTV ratio of 0%.

Risk	Risk appetite	Risk mitigating aspects	Impact
Credit risk	The Fund has a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral. The Fund has opted not to insure against credit risk.	High number of individual tenants. No single tenant or group under common tontrol contributes more than 1% of the Fund's revenues. Standard lease terms are paid in advance. A deposit is required within the standard lease terms.	Bad debt provision increased with 30% from € 369k in 2020 to € 478k in 2021. Bad debt provisions as a percentage of gross income increased to 0.79%, as at 31 December 2021, compared to 0.64% in 2020.
Liquidity risk	The Fund strives to obtain an adequate cash position in order to fund future investments. Units in the Fund represent an illiquid investment as the Fund Manager will accept Redemption Requests Quarterly. The Fund is a closed-end investment company under AIFMD definitions.	Maintaining adequate reserves, obtaining loan facilities if applicable, monitoring forecast and actual cash flows and matching maturity profiles of financial assets and liabilities After the lock up the Fund is allowed to issue new units or purchase existing units. A trade on the Secondary Market is possible whereby an Investor can reach agreement with one or more (prospective) Investor(s).	The credit facility with NIBC for € 50m expired on 7 April 2020 and was not extended in 2020, nor 2021.
Funding risk	The Fund wants to keep its low leverage status to support the equity character of the Fund.	The Fund may enter into loan facilities in order to finance either; the committed forward acquisitions, acquisition of new properties, short term working capital requirements or liquidity for redemptions requests.The use of leverage may enhance returns and increase the number of investments that can be made, it also may increase the risk of loss.	LTV ratio was 0%, as at 31 December 2021.
Project risk	The Fund may undertake maintenance, renovation and/or extension of an asset or invest in an asset that requires maintenance, renovation and/or extension prior to acquiring the asset either by itself or through ASR Dutch Core Residential Projects B.V. The Fund may invest in maintenance, renovation and/or extension which include several risks. Such risks include, without limitation, risks relating to the availability and timely receipt of planning and other regulatory approvals.	In order to mitigate the risk regarding projects, the ASR Dutch Core Residential Projects B.V. was set up.	The ASR Dutch Core Residential Projects BV did not perform any activities during 2021.

Risk	Risk appetite	Risk mitigating aspects	Impact
Contract risk	The Fund is exposed to the probability of loss arising from the tenants reneging on the contract.	The probability of loss arising from failure in contract performance by contractors, vendors or any other third party is mitigated by the AIF Manager's risk management framework on outsourcing risk.	No major events occurred in 2021.
Uninsured risk	The Fund is exposed to certain risks that are uninsurable or not generally insured against because it is not economically feasible to insure against such losses.	Extreme scenario's such as war, terrorism etc. are uninsurable or economically not feasible. The Fund understands that tail risks may occur.	No major events occurred in 2021.
General risk for the Fund	The Fund seeks to limit the liability of each Investor to the amount of their investment.	The Fund Agreement expressly states that the Fund does not constitute or qualify as a partnership (maatschap), general partnership (vennootschap onder firma) or limited partnership (commanditaire vennootschap) and is not deemed to constitute a cooperation agreement (samenwerkingsovereenkomst) among the Management Company, the Legal Owner and the Investors, or among the Investors within the meaning of Dutch law. Any obligation of an Investor to make contributions to the Fund only creates an obligation between that individual Investor and the Legal Owner. Consequently, neither the Management Company nor the Investors shall be deemed to be partners (maten/vennoten) in the Fund.	No major events occurred in 2021.

Risk	Risk appetite	Risk mitigating aspects	Impact
Strategic risks			
Strategic risks	Strategic risk relates to the risk that the Fund's objectives are not achieved because of the management's poor decision-making, incorrect implementation and/or insufficient response to changes in the environment. However, the risk appetite for such risks is very low. The Fund's investment restrictions relate to the following criteria: • There is a focus on core, residential assets in the Netherlands • A maximum of 20% of GAV can be invested in a single asset • The Fund needs to be in control of the assets • The Fund must avoid development risk The Fund Agreement sets out the Fund's investment objectives & strategy, investment criteria and investment restrictions.	The Management Company mitigates strategic risk by drawing up every year a Three Year Business Plan. The investment objective and strategy, investment criteria and investment restrictions, as set out in the Fund Agreement, are monitored on a quarterly basis and on a case-by-case basis for acquisitions and sales. The Management Company continuously monitors portfolio deviation and the consequences of potential acquisitions and sales on the investment restrictions.	The Fund has fulfilled its strategy and objectives as defined in the Three Year Business Plan 2021-2023. During 2021, the Fund met all investment objectives and strategy, investment criteria and investment restrictions.
Sustainability risk	Sustainability risks arise in relation to general market conditions that are changing and could have a negative impact on the future letting potential and marketability of buildings in the portfolio if no action is taken.	The main sustainability risks for the sustainability targets will be mitigated in accordance with the other fund objectives by an integrated risk management system based on a risk control matrix and enterprise risk management. Furthermore, sustainability targets are incorporated in the Fund's Three Year Business Plan.	In 2021, most of the Fund's sustainability objectives were met.
Country risk	The Fund solely holds investments in the Netherlands.	a.s.r. real estate has a research department to closely monitor the developments that are relevant for the property markets in which the Fund operates.	No major events occurred in 2021.
Dossier, information and consultancy risks	Factors limiting the Fund's ability to assert or enforce statutory or contractual warranty obligations could leave the Fund without recourse to third parties for potentially significant liability for property defects.	The Fund uses an extensive investment process and benefits from the vast expertise within a.s.r. real estate.	No major events occurred in 2021.

Risk	Risk appetite	Risk mitigating aspects	Impact
Maintaining the fund's tax status	The risk of losing the status as a tax transparent fund for joint accounts for Dutch corporate income tax purposes and for Dutch dividend withholding tax purposes. The Fund does not accept any risk of losing its taks status.	The Dutch tax authorities have confirmed the transparency of the Fund for corporate income tax and Dutch dividend withholding tax purposes. In order to maintain this tax status, no development activities should take place in the Fund. As a consequences, the Management Company continuously monitors its pipeline projects.	No major events occurred in 2021.
Relative performance risk	Risk that the performance falls behind the Fund's targets and peers.	Quarterly monitoring	The performance is closely monitored on a quarterly basis.
Concentration risk	Investments in Dutch residential properties.	This risk factor is mitigated by establishing fourteen focus agglomerations and cities. Within the strategy concentration risk is further mitigated by diversifying asset types such as apartments, single family houses and different types of tenants.	The Fund has acted in line with the terms and restrictions.
Valuation risk	The valuation of the Portfolio Assets depends on the valuation methods used. The value of the assets in the portfolio is determined by market value.	The market value property valuations will be prepared in accordance with the generally accepted international valuation standards, currently regarded to be the RICS Valuation Standards, 9th Edition (the “Red Book”). These standards are in line with IAS and IFRS. To assure the proper fair value for the Assets is reflected in the Financial Statements the Fund relies on independent valuers. In order to further mitigate the valuation risk the Fund has assigned three independent valuers who will be replaced after a maximum assignment period of three years.	No major events occurred in 2021.
Operational risk			
Operational risk	Operational risk is the risk that errors are not observed in a timely manner or that fraud can take place as a result of the failure or inadequacies of internal processes, human and technical shortcomings, and unexpected external events.	Operational Risk Framework is in place. The ORF controls are monitored and reported to the management on a monthly base by business riskmanagement. Annually an ISAE 3402 audit is performed with certification by an external auditor.	a.s.r. real estate received an ISAE 3402 Type certification without remarks in 2021. In 2022 a.s.r. real estate will receive an ISAE 3402 Type II statement as well.

Risk	Risk appetite	Risk mitigating aspects	Impact
Risk factors on Asset Management and Property Management	The Fund considers sustainable investments a prerequisite.	The Fund acts as an active asset manager closely monitoring the technical quality, readiness and representation level of the properties to assure the value of the real estate assets in the portfolio to its users.	No major events occurred in 2021.
Continuity risk	Continuity risk is the risk that the management organization discontinues as a result of, for example, bankruptcy or failing IT systems. In such situations the agreements with principals can no longer be carried out.	This risk is mitigated by maintaining service level agreements with subcontracting partners, drawing up and maintaining the business continuity plan, and pursuing a data protection policy.	No specific issues have occured during 2021. The AIFM has a Business Continuity Plan in place.
Compliance risks			
Integrity risk	Unethical behaviour of employees, internal managers and business partners can damage or prevent the realization of the Fund's objectives and yield. The AIFM does not tolerate this kind of behaviour.	A whistleblower policy, CDD, pre-employment screening, COI policy are in place.	No major events occurred in 2021.
Financial reporting risk	The Fund faces the risk that erroneous reports present an inaccurate representation of the Fund's financial situation.	The quality of the Fund's financial reports is guaranteed by the performance of periodic internal and external audits.	No major events occurred in 2021.
Safety, Health, Environmental risk issues (SHE risk)	The Fund may face substantial risk of loss from environmental claims based on environmental problems associated with its assets, as well as from occupational safety issues and third party liability risks nevertheless.	A Due Diligence is part of the investmentment process. The identification of potential environmental risk is always part of the independant risk analyses of each investment process.	No major events occurred in 2021.
Sustainability risk	Sustainability risks arise in relation to general market conditions that are changing and could have a negative impact on the future letting potential and marketability of buildings in the portfolio if no action is taken.	The main sustainability risks for the sustainability targets will be mitigated in accordance with the other fund objectives by an integrated risk management system based on a risk control matrix and enterprise risk management. Furthermore, sustainability targets are incorporated in the Fund's Three Year Business Plan.	In 2021, most of the Fund's sustainability objectives were met. In addition, rent arrears were minimal.

Risk	Risk appetite	Risk mitigating aspects	Impact
Legislation and regulation risk	The Fund cannot influence or change amendments to legislation and regulation. The Fund is well aware that changes in laws and regulations may influence the results of the Fund.	Legislation and regulation risk can be mitigated by anticipating upcoming (possible) amendments in a timely manner. The Management Company has designated a Compliance Officer who is charged with supervising the Fund's compliance with legislation and regulation.	No major events occurred in 2021.
Tax and legal risk	The Fund avoids any incorrect legal or fiscal assessments.	This risk is mitigated by obtaining, when necessary, advice from external tax advisors and lawyers of reputable organizations.	No major events occurred in 2021.
Depositary Risk	The Fund will only accept a financially solid depositary that is of excellent reputation.The Fund's Depositary will be liable to the Fund for losses suffered by the Fund as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations under such agreement and under the relevant rules and regulations under and further to the AIFMD, in accordance with the requirements and limitations of Book 6 of the Dutch Civil Code (Burgerlijk Wetboek).	Next to the performance with regard to the depositary's AIFMD obligations, the financial stability and integrity of the depositary is monitored by the AIFM on a quarterly basis.	No major events occurred in 2021.
Custody Risk	The Legal Owner shall hold legal title (juridisch eigendom) of the Assets on behalf of the Fund only. The Legal Owner's balance sheet is sound.	This risk is limited and mitigated by the fact that the Legal Owner has no activities other than acting as the legal owner of the assets of the Fund. The Legal Owner's balance sheet strength and liquidity position is constantly monitored by the AIFM.	No major events occurred in 2021.

Fund outlook

Last year was again clearly marked by the COVID-19 pandemic, with the resurgence of virus mutations and extensive lockdown periods. However, 2021 is also considered to be a transitional year towards a future where COVID-19 will become endemic, with most lockdown measures being lifted from the end of February 2022.

The economic recovery in the Netherlands has been among the leading countries in Europe in the last 18 months. With every passing quarter, the country has proved to have a large adaptive capacity and with the help of the financial support policies during all lockdowns, the Dutch economy has managed to weather the crisis quite well. This is reflected in economic indicators, such as GDP and unemployment rate. However, rising concerns about hiking inflation rates and increased geopolitical and trade uncertainties due to the escalated conflict in Ukraine and far-reaching economic sanctions for Russia, will impact economies worldwide.

The residential real estate sector has proven to be resilient during this crisis. House price growth accelerated and price growth of residential real estate is expected to continue its upward trend throughout the next few quarters. Strong demand for mid-priced rental housing, high occupancy rates, market rent potential and sound cost control remain the foundation for a stable operating result of the portfolio.

Competition between investors for good products is likely to remain high, despite the COVID-19 pandemic. Investors remain keen on good (residential) products in the core markets. Therefore, pressure on yields is likely to remain. Government policy will leave a stronger mark on the regulation of the mid-priced rental segment and will continue to focus on affordability and the reduction of the housing shortage. However, it is expected that investments in Dutch residential real estate remain attractive for investors, due to the strong fundamentals.

a.s.r. real estate continues its commitment to being a full-service fund platform for institutional investors, through its retail, residential, office, farmland and science park funds. The fund platform is well-equipped to serve its investors to the high standards that are expected of a professional real estate fund platform.

Utrecht, the Netherlands, 8 April 2022

ASR Real Estate B.V.
On behalf of the ASR Dutch Core Residential Management Company B.V.
Dick Gort, *CEO*
Henk-Dirk de Haan, *CFRO*

IFRS financial statements

Statement of income and comprehensive income

(amounts in € '000, unless otherwise stated)

Statement of income and comprehensive income

For the year	Notes	2021	2020
Gross rental income	5	60,707	57,966
Service charge income	5	2,981	2,759
Total operating income		**63,688**	**60,725**
Property-specific costs	6	(15,032)	(13,230)
Service charge expenses	5	(2,981)	(2,759)
Fund expenses	7	(679)	(836)
Management fees	8	(8,795)	(8,335)
Total operating expenses		**(27,487)**	**(25,160)**
Operating result		**36,201**	**35,565**
Finance income	9	3	4
Finance costs	9	(537)	(417)
Finance result		**(534)**	**(413)**
Changes in fair value of investment properties	11	178,709	107,405
Changes in fair value of right-of-use contracts	12	(71)	(74)
Changes in value of participations	13	15,202	5,453
Result on sales of investment properties	10	-	1,641
Result on individual unit sales	10	3,622	3,047
Realised and unrealised gains and losses		**197,462**	**117,472**
Net result		**233,129**	**152,624**
Other comprehensive income		-	-
Total comprehensive income		**233,129**	**152,624**
In €			
Direct result per unit (distributable result per unit)		29	30
Indirect result per unit		142	88
Net result per unit		**171**	**118**

Click on a note reference to go to that note. Use the button to return.

Statement of financial position

after appropriation of result (amounts €'000, unless otherwise stated)

Statement of financial position

As at	Notes	31 December 2021	31 December 2020
ASSETS			
Non-current assets			
Investment properties in operation	11	1,689,611	1,461,643
Investment properties under construction	11	253,591	179,961
Right-of-use assets	12	1,202	1,222
		1,944,404	**1,642,826**
Participations	13	**109,761**	**72,620**
Current assets			
Trade and other receivables	14	331	807
Cash and cash equivalents	15	43,327	69,297
		43,658	**70,104**
Investment properties held-for-sale	11	1,322	2,950
Total assets		**2,099,145**	**1,788,500**
CAPITAL AND LIABILITIES			
Capital	16		
Issued capital		1,410	1,326
Additional paid-in capital		1,274,023	1,158,321
Revaluation reserve		758,157	594,801
Retained earnings		45,941	15,457
		2,079,531	**1,769,905**
Non-current liabilities			
Lease liabilities	17	1,202	1,222
		1,202	**1,222**
Current liabilities			
Trade and other liabilities	18	18,412	17,373
Total capital and liabilities		**2,099,145**	**1,788,500**

Statement of changes in capital

(amounts in € '000, unless otherwise stated)

Statement of changes in capital

For the period 1 January 2020 - 31 December 2021	Issued capital	Additional paid-in capital	Retained earnings	Revaluation reserve [1]	Total
Balance as at 1 January 2020	**1,247**	**1,058,339**	**(17,079)**	**512,912**	**1,555,419**
Comprehensive income					
- Profit for the year	-	-	152,624	-	152,624
- Movement arising from market valuations	-	-	(103,283)	103,283	-
- Movement arising from participations	-	-	(5,453)	5,453	-
- Movement arising from divestments	-	-	26,847	(26,847)	-
Total comprehensive income	**-**	**-**	**70,735**	**81,889**	**152,624**
Transactions with the owners of the Fund					
Contributions and distributions:					
- Issue and redemption of ordinary units	79	99,982	-	-	100,061
- Issue of distributable result in units	-	-	-	-	-
- Distributable result	-	-	(38,199)	-	(38,199)
Total transactions with the owners of the Fund	**79**	**99,982**	**(38,199)**	**-**	**61,862**
Balance as at 31 December 2020	**1,326**	**1,158,321**	**15,457**	**594,801**	**1,769,905**
Comprehensive income					
- Profit for the year	-	-	233,129	-	233,129
- Movement arising from market valuations	-	-	(154,004)	154,004	-
- Movement arising from participations	-	-	(15,202)	15,202	-
- Movement arising from divestments	-	-	5,850	(5,850)	-
Total comprehensive income	**-**	**-**	**69,773**	**163,356**	**233,129**
Transactions with the owners of the Fund					
Contributions and distributions:					
- Issue and redemption of ordinary units	78	107,849	-	-	107,927
- Issue of distributable result in units	6	7,853	-	-	7,859
- Distributable result	-	-	(39,289)	-	(39,289)
Total transactions with the owners of the Fund	**84**	**115,702**	**(39,289)**	**-**	**76,497**
Balance as at 31 December 2021	**1,410**	**1,274,023**	**45,941**	**758,157**	**2,079,531**
In €					
NAV per unit					1,475
Distributable result per unit					29

Distributable result

For the year	2021	2020
Operating result	36,201	35,565
Finance result	(534)	(413)
Result on individual unit sales	3,622	3,047
Distributable result	**39,289**	**38,199**

1) The revaluation reserve concerns the revaluation of the investment properties and participations. The (unrealized) positive difference between the cumulative increase in the fair value of the property as at the end of the year has been included in the revaluation reserve. The revaluation reserve as at year-end has been determined at individual property level.

Statement of cash flows

(amounts in € '000, unless otherwise stated)

Statement of cash flows

For the year	Notes	2021	2020
Net result		233,129	152,624
Adjustments for:			
Interest result	9	534	413
Change in fair value of investment properties	11	(178,709)	(107,405)
Change in value of participation	13	(15,202)	(5,453)
Result on sales	10	(3,622)	(4,688)
Changes in working capital	14, 18	1,591	(1,480)
Amortized provision on borrowings	7	-	4
Cash flows from operating activities		37,721	34,015
Interest paid	9	(537)	(417)
Interest received	9	3	4
Net cash flows from operating activities		**37,187**	**33,602**
Cash flows from or used in investing activities			
Investment properties in operation	11	(3,738)	(5,932)
Investment properties under construction	11	(128,640)	(119,702)
Investment properties participations	13	(21,939)	(28,217)
Divestments	10	14,739	67,914
Net cash flows from or used in investing activities		**(139,578)**	**(85,937)**
Cash flows from or used in financing activities			
Issue of ordinary units		107,927	100,061
Distributed result (excluding distribution in units)		(31,506)	(39,207)
Net cash flows from or used in financing activities		**76,421**	**60,854**
Net movement in cash		**(25,970)**	**8,519**
Cash and cash equivalents as at the beginning of the period		69,297	60,778
Net increase in cash and cash equivalents		(25,970)	8,519
Cash and cash equivalents at end of the period		**43,327**	**69,297**

Notes to the financial statements

(amounts €'000, unless otherwise stated)

The accounting principles adopted in the preparation of the financial statements of the Fund are set out below.

1 General

The Fund is a fund for joint account (fonds voor gemene rekening) under Dutch law. The Fund is not a legal entity (rechtspersoon), but a contractual arrangement sui generis, subject to the terms hereof, among the Management Company, the Custodian and each Investor individually. The Fund shall have an indefinite term subject to early dissolution of the Fund in accordance with Clause 15 of the Fund Agreement.

The Fund was established on 1 January 2013 and has its legal base in Utrecht, the Netherlands with address at Archimedeslaan 10, 3584 BA.

Its main activities are to invest in, to manage and to add value to a portfolio of core quality residential properties in the Netherlands. The intention is to deliver a stable income return while preserving a balanced risk structure.

The reporting year encompasses the period from 1 January to 31 December.

These financial statements have been prepared by the Management Company and will be adopted for issue by the Meeting of Investors.

2 Summary of significant accounting principles

2.1 Basis for preparation

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS-EU), Standing Interpretation Committee and IFRS Interpretation Committee as adopted by the European Union, Part 9 of Book 2 of the Dutch Civil Code and the Act on Financial Supervision (Wet op het financieel toezicht, Wft).

Income and cash flow statement

The Fund has elected to present a single statement of profit or loss and other comprehensive income and presents its expenses by nature.

The statement of cash flows has been drawn up according to the indirect method, separating the cash flows from operating activities, investment activities and financing activities. The result has been adjusted for accounts in the statement of income and comprehensive income and movements in the statement of financial position which have not resulted in cash income or expenditure in the financial year. The cash and cash equivalents and bank overdraft amounts in the statement of cash flows include those assets that can be converted into cash without any restrictions and with insignificant change in value as a result of the transaction. Distributions are included in the cash flow from financing activities. Investments and divestments are included in the cash flow from investment activities at either the acquisition price or the sale price.

Preparation of the financial statements

The financial statements have been prepared on a going concern basis, applying a historical cost convention, except for the revaluation of investment property that has been measured at fair value. Except for cash flow information, the financial statements are prepared using the accrual basis of accounting.

In preparing these financial statements in conformity with IFRS-EU, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Functional and presentation currency
Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in euros, which is the Fund's functional currency and the Fund's presentation currency.

Subsidiaries
Subsidiaries are those entities over which the Fund has control. Control exists when the Fund is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. This is the case if more than half of the voting rights may be exercised or if the Fund has control in any other manner.

A subsidiary's assets, liabilities and contingent liabilities are measured at fair value on the acquisition date and are subsequently accounted for in accordance with the Fund's accounting policies, which are consistent with IFRS.

The financial statements include the financial statements of the Fund and its subsidiary, ASR Dutch Core Residential Projects B.V. (hereafter Project BV), in which the Fund has an 100% equity interest.

The Fund will engage Project BV for maintenance, renovation and/or extension activities of portfolio assets to be acquired by the Fund, that might qualify as development activities for Dutch tax purposes. The Project BV will solely engage in any such activities with respect to portfolio assets and therefore not with respect to assets of other parties than the Fund.

The financial impact of the Project BV in the Fund's financial statements is not significant and therefore the financial statements of the Fund are an actual reflection of both the consolidated and the separate financial statements.

Impact of COVID-19
Like 2020, the COVID-19 pandemic also caused a significant number of confirmed infections in 2021, both in the Netherlands and worldwide. After the advance of the delta variant in the middle of the year, the omicron variant, with predominantly milder symptoms but more infectious, became the dominant virus variant at the end of the year. The growing immunity through vaccinations, including the booster campaign, and the relatively mild nature of the omicron variant of COVID-19, with less serious consequences, led to a new phase. Alertness remains necessary as COVID-19 has often caused surprises, e.g. with more infectious subvariants. The Dutch government issued a series of far reaching measures to stop the spread of COVID-19 and to mitigate its impact on the Dutch society and economics. At the same time, uncertainty remains high and economic developments are difficult to predict. The Dutch economy was hit hard by COVID-19 in 2020, but a strong recovery was visible in 2021.
The economy was able to show resilience because its core was healthy when COVID-19 struck. With the exception of a few sectors, the extensive government economic relief programme has now been phased out.

As published in this report, the Fund is financially healthy and its capital position is solid and the financial statements have been prepared on a going concern basis. Although the COVID-19 pandemic will have an impact on the real estate markets, there are no signs yet that the residential real estate sector will be impacted significantly. The solid fundamentals of the Dutch residential market and the low mortgage interest rate environment continue to contribute to the performance of the Dutch residential market. House price growth even accelerated, despite the COVID-19 pandemic, and house prices are expected to continue its upward price trend in the next few quarters. Strong demand for mid-priced rental housing, high occupancy rates, market rent potential and sound cost control remain the foundation for a stable operating result of the portfolio of the ASR Dutch Core Residential Fund.

All assets in the portfolio were appraised by independent external valuers on a quarterly basis throughout 2021. The impact of COVID-19 on the revaluations of the Fund, seemed to be (very) limited. In addition, the valuers did not make reservations with regard to the valuations in 2021. After negative capital growth figures in the first quarter of 2021 (-1.1%), as a result of an adjustment of the real estate transfer tax rate, capital growth was positive again in the other three quarters of 2021. Capital growth ended up at 10.6% in 2021

2.2 Changes in accounting policy and disclosures

(a) New and amended standards adopted by the Fund

In 2021, no changes in EU endorsed published IFRS Standards and Interpretations are relevant to the Fund.

(b) New standards, amendments and interpretations issued, but not yet effective

No new standards, amendments to existing standards and interpretations, published prior to 1 January 2022 and effective for accounting periods beginning on or after 1 January 2022, are relevant to the Fund.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in euros, which is the Fund's functional currency and the Fund's presentation currency.

Significant accounting policies

2.4 Investment properties

Investment properties are defined as properties held for long-term rental yields or for capital appreciation or a combination of both.

The following are examples of investment properties:

- A building owned and held for generating rental income and/or capital appreciation;
- A building owned by the Fund and leased out under one or more operating leases;
- A building that is vacant but is held to be leased out under one or more operating leases;
- Property that is being constructed or developed for future use as investment property.

An item of investment property that qualifies for recognition as an investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable.

Investment properties under construction for which the fair value cannot be determined reliably, but for which the management company expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed - whichever is earlier. Prepayments on turnkey projects, as part of investment properties under construction, are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less impairment losses, if applicable.

Fair value of investment property is based on independent market valuations, adjusted, if necessary, for any difference in nature, location or condition of the specific asset. These market values are based on valuations by external valuers. Investment properties are valuated in line with valuation schedule. The external valuers will provide independent market valuations of the Fund's underlying assets on a quarterly basis, while being annually surveyed.
Valuations are performed as of the financial position date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements.
Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

It may sometimes be difficult to determine reliably the fair value of the investment property under construction. In order to evaluate whether the fair value of an investment property under construction can be determined reliably, management considers the following factors, among others:

- Status of construction permits;
- The provisions of the construction contract;
- The stage of completion;
- If finance arrangements are in place;
- The number of contracts pre-let;
- The development risk specific to the property;
- Past experience with similar constructions.

Market value property valuations will be prepared in accordance with the RICS Valuation Standards, 9th Edition (the 'Red Book'). The relevant variables in the valuation methods are net, gross actual rents, theoretical rent, Estimated Rental Value (huurherzieningswaarde), remaining rental period, voids and rental incentives. The net capitalisation factor and the present value of the differences between market rent and contracted rent, of vacancies and maintenance expenditure to be taken into account are calculated for each property separately.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Fund and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the property.

Changes in fair values are recognised in the statement of income and other comprehensive income. Investment properties are derecognised from the statement of financial position on disposal or when the asset is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gains or losses on the derecognizing of an investment property are recognised in the statement of income and other comprehensive income in the year of derecognizing.

See note 2.6 (b) for details of the treatment of letting fees capitalised within the carrying amount of the related investment property.

2.5 Investment properties held-for-sale

Assets are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss.

2.6 Leases

The Fund assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) The Fund is the lessor

Leases in which the Fund does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(b) The Fund is the lessee

The Fund applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Fund recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Fund recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.
The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term.

If ownership of the leased asset transfers to the Fund at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

ii) Lease liabilities
At the commencement date of the lease, the Fund recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Fund and payments of penalties for terminating the lease, if the lease term reflects the Fund exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Fund uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Fund's lease liabilities are included in Interest-bearing loans and borrowings (see note 2.11)

iii) Short-term leases and leases of low-value assets
The Fund applies the short-term lease recognition exemption to its short-term leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.7 Financial instruments

(a) Financial assets
The Fund determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial assets expire or the Fund transfers substantially all risks and rewards of ownership.

The Fund's financial assets consist of cash and cash equivalents, loans and receivables.

Financial assets recognised in the statement of financial position as trade and other receivables are classified as loans and receivables. They are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

Trade receivables are amounts due from tenants under the lease agreements. Standard lease terms require upfront payment of rent and therefor trade receivables are all classified as current. Trade receivables are recognized initially at the amount of consideration that is as current. Trade receivables are recognised initially at the amount of considerations that is unconditionals unless they contain significant financing components, when they are recognised at fair value. The Fund holds trade receivables with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised costs less expected credit losses.

The Fund applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables at each reporting date. The Fund has established a provision matrix that is based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Cash and cash equivalents are subsequently measured at amortised cost. Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Fund will not be able to collect all of the amounts due under the original terms of the invoice. Impaired debts are derecognised when they are assessed as uncollectible.

If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.
Any subsequent reversal of an impairment loss is recognised in the statement of income and other comprehensive income.

(b) Financial liabilities
Liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss or other liabilities at amortised cost, as appropriate. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

All loans are classified as other liabilities. Initial recognition is at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans are subsequently measured at amortised cost using the effective interest method (see note 2.11 for the accounting policy on borrowings).

Financial liabilities included in trade and other payables are recognised initially at fair value and subsequently at amortised cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

2.8 Cash and cash equivalents
Cash includes cash in hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value.

2.9 Capital
Capital is classified as equity.

When capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a change in the other reserves in capital. Repurchased units are classified as treasury units and deducted from total capital. Distributable results are recognised as a liability in the period in which they are declared.

Share premium
Amounts contributed by the shareholder(s) of the Company in excess of the nominal share capital are accounted for as share premium. This also includes additional capital contributions by existing shareholders without the issue of shares or issue of rights to acquire or acquire shares of the Company.

2.10 Current assets and liabilities
Loans and receivables are initially recognised at fair value and subsequently measured at amortised cost, less impairment losses, if applicable.

The current assets and liabilities are due within one year. Current assets, for which provisions are necessary, are netted against the provision to reflect the estimated amount that will be settled. Rent receivables from tenants are stated at historical cost and reduced by appropriate allowances for estimated irrecoverable amounts.

2.11 Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised as finance costs (note 2.15) over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs if it is not probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates. Borrowings are classified as current liabilities unless the Fund has an unconditional right to defer settlement of the liability for at least 12 months after the date of the statement of financial position.

2.12 Provisions
Provisions for legal claims are recognised when:
- the Fund has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2.13 Dividend distribution
The distributable result to the investors is recognised as a liability in the Fund's financial statements. The distributable result for the fourth quarter of 2021 has been paid in February 2022.

2.14 Revenue recognition
Revenue includes rental income, and service and management charges from properties. The Fund presents the service charge income and service charge expenses separately in the financial statements because the Fund bears the risk of recovery of these costs from tenants. Revenue on sales of investment properties is separately disclosed in the financial statements. A property is regarded as sold when the significant risks and rewards of ownership of the investment property have been transferred to the buyer, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognised only when all the significant conditions are satisfied.

Rental income from operating leases is recognised on a straight-line basis over the lease term. When the Fund provides incentives to its tenants, the cost of incentives is recognised over the lease term, on a straight-line basis, as a reduction of rental income.

Gross rental income
Gross rental income is the actual rents charged to tenants plus turnover rent, mall income and parking revenues, less a possible loss from uncollectible rents, including the net effect of straight-lining of granted rent incentives.

Theoretical rental income
The theoretical rental income is based on passing rent of existing contracts for leased units and the estimated market rent (estimated rental value as given in the valuation report) for vacant properties.

Rent incentives and premiums
All (rent) incentives for contracts of a new or renewed operating lease are recognised as an integral part of the net considerations, irrespective of the incentive's nature or form or the timing of the payments. The Fund recognises the aggregate benefit of incentives as a reduction in rental income over the lease term, on a straight-line basis. (Rental) premiums are treated as inverse incentives. Premiums are also recognised as an integral part of the net consideration and added to the rental income over the lease term, on a straight-line basis.

2.15 Finance income and finance costs
Interest income and expense are recognised within 'finance income' and 'finance costs' in the statement of income and other comprehensive income using the effective interest rate, except for amortised costs relating to qualifying assets, which are capitalised as part of the cost of that asset. The Fund has chosen to capitalise amortised costs on all qualifying assets irrespective of whether they are measured at fair value or not. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument (for example, pre-payment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

2.16 Fund expenses and Management fee expenses
Fund expenses include legal, accounting, auditing and other fees. Management fee expenses include fund, asset and property management fees. Fund expenses and management fees are recognised in the statement of income and other comprehensive income in the period in which they are incurred (on an accruals basis).

2.17 Income tax
The Fund is transparent with respect to corporate income tax, therefore no corporate income tax is applicable for the Fund. The corporate income tax presented in the consolidated statement of income and comprehensive income relates to the Project BV. Corporate income tax in 2021 amounted to nil, as no activities took place in Project BV during 2021.

3 Risk management
Investing in real estate involves an element of financial risk. Potential investors in the ASR Dutch Core Residential Fund (the 'Fund') are requested to read each of the following sections carefully.

3.1 Introduction to investment risks
The value of participations will fluctuate. Likewise, the net asset value of the Fund is subject to price fluctuations. It is possible that the investment will increase in value; however, it is also possible that the investment will generate little to no income and that an unfavourable price movement will result in losing some or all of your capital. Past performance does not guarantee future results. The different risks associated with investing in the Fund, as well as those risks associated with the Fund's management and risk management systems, are defined in more detail below.

3.2 Risk management model
The AIF Manager, a.s.r. real estate, and the Fund's Investment Committee attach great importance to sound risk management. Such an approach helps a.s.r. real estate to pursue strategy and achieve objectives for the real estate funds that it manages in an adequate and controlled manner.

The risk management system of a.s.r. real estate and of the funds it manages follows the principles of The Committee of Sponsoring Organisations of the Treadway Commission II-Enterprise Risk Management (hereafter called COSO II-ERM). These principles provide a standard and common framework that is generally accepted in the market for internal control and audit purposes. The framework comprises the following components:
1. The objectives of the Fund with respect to risk management
2. The tasks and responsibilities of the Risk Manager
3. The planning of the risk management model within the Manager's organisation so that procedures and measures guarantee the functional and hierarchical separation of those tasks concerning risk management and those tasks conducted by the operating units

The Alternative Investment Fund Managers Directive (AIFMD) license was granted to a.s.r. real estate on 9 February 2015. From this date continuous maintenance, if necessary, is carried out to the existing system to improve risk management in the organisation a.s.r. real estate. The Manager set out the risk policy in a policy document and the organisation employed an independent risk manager as required by the Act on Financial Supervision (Wft) and AIFMD.
The AIF Manager has integrated the risk management system into the organisation's processes and procedures. The aim is to effectively manage the risks of the organisation's operations, the financial position of the portfolio and any subcontracting relationship with regard to the Fund's objectives.

The Fund reports the mandatory AIFMD fund details and results to the Dutch Central Bank (DNB). This is done on a quarterly basis through 'Digitaal Loket Rapportages'.

3.3 Responsibility for risk management within a.s.r. real estate
Ultimate responsibility for risk management tasks within a.s.r. real estate lies with the Chief Finance and Risk Officer (CFRO). Portfolio management tasks fall under the responsibility of the Chief Executive Officer (CEO). This structure ensures that risk management and portfolio management are hierarchically and functionally segregated. The CFRO is supported by four senior members of staff and one team:
1) The Business Risk Manager (BRM)
2) The IT Risk Officer (IRO)
3) The Compliance Officer (CO)
4) The Fund Controller (FC)
5) The Internal Control Team (Team IC)

Risk management mission
The role of risk management is to control risk and value creation. It is carried out by making risk management an integrated, visible and consistent part of the organisation's decision-making processes.

Risk management entails:
- Delivering and translating policy and frameworks for a.s.r. real estate
- Identifying and quantifying risks
- Managing risks;
- Monitoring the management of risk and issuing reports on the findings

Risk management is conducted in the interest of several interested parties such as investors, tenants, employees and supervisory bodies.

Risk management objectives

The Manager (a.s.r. real estate) believes that the quality and status of its risk management must be evident internally and externally and that the funds and associated responsibilities that it manages must be accounted for. The objectives of risk management are to:
- Promote a risk management culture that enables a.s.r. real estate to make the correct assessments between risk and return for optimal value creation
- Ensure a risk framework and risk policy are implemented so that risks are managed and reported
- Issue solicited and unsolicited opinions to monitor financial solidity, manage operational processes effectively and protect the reputation of a.s.r. real estate
- Contribute to risk awareness with regard to operational risks, information security and business continuity
- Support those responsible for first line of defence risk management tasks, and in doing so fulfill the role of countervailing power
- Optimise the risk profile of a.s.r. real estate and the Fund, taking into account the objectives of the Fund (effectiveness, efficiency and economy)
- Ensure quality improvements of the management of a.s.r. real estate and the Fund
- Reduce the chance of operational losses and make better use of opportunities
- Demonstrate that the Manager is 'in control'
- Ensure that all relevant risks to which the Fund is exposed can be effectively identified, mitigated, monitored and reported. In addition, support supervisory bodies in their efforts to ensure that legislation, rules and policies are observed
- Show that risk management is a 'license to operate' for the Fund and the mandate

Governance of the Fund

A Risk Committee (RC) and a Beleggingscomité (BC) have been set up within a.s.r. real estate. In addition, the Fund established an Investment Committee (IC) and a Meeting of Investors (MoI). The decisions and actions of these committees are monitored, recorded and reported.

Risk Committee (RC)

The RC assesses among other things management reports within the framework of investment restrictions and various operational risk reports. Reports relate to the progress of Strategic Risk Analysis- assessment action points, compliance issues, data protection and company continuity reviews, operational loss recordings and the Non-Financial Risk report. The RC meets once a quarter.

Beleggingscomité (BC)

The BC discusses investment, divestment and portfolio plans and deals with the frameworks for investment plans and mandates. The BC meets once every two weeks.

Investment Committee (IC)

The IC constitutes of three to five representatives of the investors in the Fund, of which the Anchor Investor is one of the representatives. The meetings are event-driven and assess/approve investment, refurbishments and divestments with a value exceeding € 25m and/or that are outside the mandate of the Management Company and/or that deviate from the Investment Objective & Strategy, Investment Criteria and/or Investment Restrictions. In addition, each year the IC provides a written advice on the Fund's Three Year Business Plan, to be approved in the Fund's Meeting of Investors.

Meeting of Investors (MoI)

The MoI means the Meeting of Investors in which all investors are represented. The MoI will be held as often as required, but at least one physical Meeting of Investors will be held each year. The MoI approves for example the Fund's Three Year Business Plan and the Fund's audited financial statements.

3.4 Risk management system

Strategic Risk Analysis (SRA)

The risk management system is a cyclical process of one year. It starts when the Executive Board of a.s.r. draws up the risk management strategy, which is done on a yearly basis. To help identify opportunities and threats at a strategic level, the BRM conducts an annual SRA. This strategy is then translated by the Executive Board of a.s.r. real estate into objectives for a.s.r. real estate and for the funds that it manages.
The BRM also assists the Executive Board of a.s.r. real estate in conducting an annual SRA, which ascertains the risks of new and existing objectives of the management organisation and of the investment funds.

Any policy amendments based on findings that emerge during the annual SRA are processed into the risk management policy of a.s.r. real estate and submitted to the Executive Board of a.s.r. real estate for approval.

In order to mitigate these risks, actions are identified and documented so that they can be monitored every quarter by the BRM. The BRM reports on these actions every quarter to the Executive Board and to the ERM department of a.s.r. Progress on these actions is also discussed within the RC of a.s.r. real estate.

Non-Financial Risk (NFR) report

The NFR report is monitored and reported by the Business Risk Manager and provides insight into the degree of risk management on the following categories:

- External risk
- Operational risk
- IT risk
- Integrity risk
- Legal risk
- Outsourcing risk

The NFR report indicates the risk appetite of a.s.r. in relation to each of the above risks. The NFR report is jointly updated each quarter by the Legal Department, the Compliance Officer and the Head of Quality Management & Process Management of a.s.r. real estate. If necessary, the BRM recommends actions to improve risk control.
The RC of a.s.r. real estate discusses and comments on the report and any proposed actions.

Properties with an increased risk

Properties with an increased risk are logged and monitored by a.s.r. real estate. The risks that are monitored include:

- Reputation risk
- Legal risk
- Debtors risk
- Operational risk
- Tax risk

The list is discussed each quarter in the RC and mitigating measures are taken if necessary.

Operational losses

Operational losses are analysed monthly so that causes can be investigated and improvements carried out. Operational losses must be reported.

Raising risk awareness

a.s.r. real estate strives to ensure that risk awareness is transparent and measurable throughout the organisation, embedded in procedures, and embraced by employees. This means that decision- making at all levels in the organisation must allow for the right questions to be asked in a clear way. It must also ensure that the answers to these questions lead to adequate action when appropriate. Consequently, managers at all levels are responsible for promoting risk awareness and ensuring that managers and employees know what it is to be risk aware.

Three Lines of Defense model
The Three Lines of Defense model is used within a.s.r. real estate to implement risk management. In other words, different parts and levels of an organisation play different roles in risk management. The organisation's managers are responsible for the effectiveness of standardised internal control procedures.

A number of controls designed as first line of defence are documented within a.s.r. real estate. These controls focus on data quality (master data such as property, contracts, debtors and creditors), suspense accounts and taxation (VAT). They are drawn up by the business and Finance and Risk department within a.s.r. real estate and are monitored as a first line of defence. These controls are essential for producing effective management reports.

In order to guarantee independence, risk managers and compliance officers in the second line of defence are responsible for translating the prevailing laws and rules into an internal standard framework and requirements so that the managers can monitor implementation from a supervisory role. Team IC is responsible as second line of defence for testing the ISAE key controls and report on monthly basis to the management board of a.s.r. real estate.

The third line of defence (internal audit and the depositary) gives an objectified judgement on the operation of the standards system.

The role of the depositary
The AIFMD license requires a.s.r. real estate to appoint a depositary for the funds that it manages. BNP Paribas Securities Services S.C.A. (BNP) is the depositary for the ASR Dutch Core Residential Fund. BNP is competent to monitor real estate investment funds on the basis of laws, regulations and administrative provisions.

In the execution of their respective tasks, a.s.r. real estate and the depositary conduct themselves in a reasonable, professional, independent and trustworthy manner and in the interest of the Fund and the investors in the Fund. The role of the Fund's depositary is to:
a) Monitor cash flows, including the identification of significant and inconsistent cash flows and the reconciliation of cash flows with the administration of the Fund;
b) Ensure that the sale, issue, re-purchase, redemption, cancellation of units or shares of the Fund and valuation are carried out in accordance with the applicable national law and the fund rules or instruments of incorporation;
c) Ensure that investment transactions of the Fund are timely settled;
d) Monitor and check that the total result of the Fund is allocated in accordance with the applicable national law and the fund rules or instruments of incorporation;
e) Monitor and check that the Alternative Investment Manager ('AIF Manager') performs its investment management duties within the fund rules or instruments of incorporation.
f) Verifying asset ownership of the Fund's assets.

Supervisory bodies
a.s.r. real estate is supervised by the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). These supervisory bodies, appointed by the government, are independent and impartial institutes that guarantee the compliance of organisations with legislation and regulation.

Legal issues
Legal expertise has been guaranteed in the first and second line of defense. For its first line of defense, a.s.r. real estate has a Legal Department that has specific knowledge of real estate and of setting up and managing funds.

This department also checks the activities of the business as a second line of defense. The objectives of the Legal Department are providing legal advice and managing legal risks.

Compliance
The Compliance Department is a subsection of the Integrity Department within a.s.r. The aim of the Compliance Department is to promote and monitor the proper management of the business and to protect the reputation of a.s.r. and its labels. There is a dedicated Compliance Officer for a.s.r. real estate.

The Compliance Officer of a.s.r. real estate is responsible for:
1. Designating a member of the management team who is responsible for compliance issues on behalf of the Manager and the funds
2. 'Translating' (written) policy concerning rules at a.s.r. level into a format suitable for a.s.r. real estate and ensuring its implementation
3. Managing compliance risks at a.s.r. real estate level
4. Monitoring compliance with all relevant rules
5. Taking and implementing (new) control measures regarding identified compliance shortcomings within a.s.r. real estate
6. Producing periodic reports on compliance risks and the compliance with rules in co-operation with the Compliance Department
7. Ensuring the adequate provision of information and training to employees concerning the application of relevant rules and procedures

Compliance report

Every quarter the Compliance Officer of a.s.r. real estate reports to a.s.r. and its subsidiaries on compliance matters and the progress of relevant action points. The quarterly report is submitted to the Executive Board of a.s.r. real estate and discussed separately with members of the Executive Board of a.s.r. The report is then presented to the Audit and Risk Committee. In effect, the Compliance Officer reports directly to the Executive Board and/or the Audit and Risk Committee.

The quarterly report outlines:
1. Pursued compliance policy and the way in which this policy has been conducted
2. Findings from the monitoring of activities, and the follow up and effectiveness of control measures taken
3. Any compliance incidents
4. Relevant developments concerning rules.

The Compliance Officer also draws up the quarterly business reports and acts as a consultant for the sale and purchases processes of any property selected by a.s.r. real estate.

Guaranteeing the independence of the compliance function

In order to guarantee the independent position of the Compliance Officer and to be able to operate autonomously, the following measures have been taken:

The Compliance Officer of a.s.r. real estate has, in addition to the direct reporting obligation to the Chair of the Executive Board, a formal reporting obligation to the Chair of the Audit & Risk Committee and, if compliance matters need to be escalated, to the CEO of a.s.r. real estate.

Internal audit

Audit a.s.r. is the internal audit department of a.s.r. It acts as a third line of defense by appraising independently the quality of the organisation's management and its processes and by making solicited and unsolicited recommendations for improving the organisation's management and its processes. Audit a.s.r. reports its findings to the CEO of a.s.r. and to the Audit Committee (AC) of the Supervisory Board of a.s.r. It conducts audits on various processes, projects or topics regularly within a.s.r. real estate.

Manager's declaration

At the beginning of 2022, the Executive Board of the Manager issued a management control statement on risks in the financial reports and the risk management model (including compliance risk) at the Manager. The Executive Board is responsible for sound risk management and effective internal control systems.

3.5 Specific financial risks in respect of direct real estate

These risks and the approach that the Manager takes in dealing with these risks are described extensively in the section on accounting principles in the notes to the financial statements.

Financial risks can be divided into several risks:
- Real estate risk
- Rental risk
- Market risk
- Interest rate risk
- Credit risk
- Liquidity risk
- Funding risk
- Project risk
- Contract risk
- Uninsured risk
- General risks for the fund

The following describes the involved risks and applied risk management.

Real estate risk

The returns available from investments in real estate depend primarily on the amount of income earned and capital appreciation generated by the relevant properties, as well as expenses incurred. If investment properties do not generate sufficient revenues to meet expenses, including debt service if applicable and capital expenditures, the Fund's income will be adversely affected. Income from investments properties may be adversely affected by the general economic climate, local conditions such as oversupply of properties or a reduction in demand for properties in the market in which the Fund operates, the attractiveness of the properties to tenants, the quality of the management, competition from other available properties, and increased operating costs (including real-estate taxes). In addition, income from investment properties and real estate values may also be affected by factors such as the cost of regulatory compliance, interest rate levels and the availability of financing.

Investments made by the Fund are generally illiquid. The eventual liquidity of all investments of the Fund will be dependent upon the success of the realisation strategy proposed for each investment which could be adversely affected by a variety of risk factors. Realisation of the Fund's assets, for instance in connection with full redemption requests, on termination or otherwise could be a process of uncertain duration.

In addition, the Fund's income would be adversely affected if a significant number of tenants were unable to pay rent or its properties could not be rented on favourable terms. Certain significant expenditure associated with each equity investment in real estate (such as external financing costs, real-estate taxes and maintenance costs) generally are not reduced when circumstances cause a reduction in income from properties. Due to the high number of residential units which are leased to mainly individual tenants, the portfolio risk is diversified.

The report from the Management Company describes the portfolio strategy. By implementing the described strategy, the Management Company expects to mitigate the above real estate risks to an acceptable level. The Fund has a core strategy and focuses to invest in apartments and single-family houses situated in stronger economic regions and cities in the Netherlands. By diversifying both in terms of risk spread (primarily low and medium risk) and location of its assets, the Management Company expects to lower the risk profile of the portfolio.

The properties are valued by independent valuers. In 2021, the independent valuers were MVGM Vastgoedtaxaties, Cushman & Wakefield and Capital Value. The whole portfolio is valued each quarter. Every property is valued by a full valuation once a year, and three times a year by a desktop review. The market value (fair value) of the Fund's portfolio as determined by the valuers is reflected in the financial statements, while a complete overview of all properties in the Fund's portfolio is provided in Appendix 2 of this annual report.

Real estate risks that investors are exposed to can be divided in to multiple risk factors. Real estate risk can be disposed in multiple risk factors, such as rental risk, market risk and interest rate/yield risk.

Rental risk

Investors in the Fund are exposed to rental risk. Rental risk involves the risk of lettability and movements in market rents. As market rents can differ from contract rents, adjustments in rental income may occur when lease contracts terminate and new tenants take up residence in the Fund's dwellings. When properties are over-rented a risk of lower future rental income occurs. The Manager continuously monitors market rents and their movements. The occupancy rate of the portfolio is considered to be high and stable. Asset managers and our external property managers are in constant contact with tenants and their developments. Furthermore, the Manager's organisation has a research department that analyses and reports on developments in this area. The standard lease terms state that rent must be paid in advance. In some cases a bank guarantee is required for new tenants.

Impact on change in rent (sensitivity analysis)

				Change in rental income
	-10.0%	-5.0%	0.0%	5.0%
Impact on direct return Fund	-0.6%	-0.3%	0.0%	0.3%

Market Risk

Market risk relates to the impact of overall market changes on the value of assets and rental income. A decrease in market values affect capital growth. Investors need to realise that the Fund cannot protect itself fully against macro economical events.

Value development of the portfolio

The portfolio's fair values are affected by market rents and general economic developments. Lower market values affect capital growth returns. The Manager carefully monitors transactions in the market and the development of the occupancy rate. The portfolio's fair value development is also monitored closely. Every quarter, the entire portfolio is valued by independent external appraisers. Properties are valued at market value and according to International Valuation Standards, recommendations of the Platform Valuers and Accountants (PTA), AIFMD and RICS standards. By diversifying both in terms of risk spread (primarily low and medium risk) and location of its assets, the Management Company expects to lower the risk profile of the portfolio.

Interest rate risk and yield risk

The Fund may use leverage in its capital structure. Therefore investors need to realise that the Fund is exposed to interest rate risk which principally arises from long-term borrowings. Borrowings issued at floating rates expose the Fund to cash flow interest rate risk. The Fund has borrowings at variable rates. With regards to leverage, interest rate risk is low as the Fund has a LTV target of 0%. Interest rate risk with regard to leverage is not hedged.

The Fund's interest rate risk is assessed continually. As at 31 December 2021 the Fund's interest rate risk is not significant.

Impact of interest rate change (sensitivity analysis)

				Change in interest rate
	+200bps	+100bps	0bps	-100bps
Impact on direct return Fund	0.0%	0.0%	0.0%	0.0%

Trade and other receivables and trade and other liabilities are interest free and with a term of less than one year, so it is assumed that there is no interest rate risk associated with these financial assets and liabilities.

As the risk free interest rate and the risk premium are components of the Fund's discount rate, a change in either one of the components can have an effect on the value of assets as they are considered to be yield risk.

Furthermore, the impact of inflation rate risk and interest rate risk on valuations is measured, mitigated and monitored as part of the valuation methods.

Impact of yield change (sensitivity analysis)

				Change in yield
	+100bps	+50bps	0bps	-50bps
Impact on indirect return Fund	-25.0%	-14.3%	0.0%	20.1%
Impact on direct return Fund	0.6%	0.3%	0.0%	-0.3%

The Fund expects COVID-19 to have an immaterial impact on the impact of yield change for the Fund.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Fund. An increase of the credit risk can impact an investment in the Fund negatively. The Fund has opted not to insure against this credit risk. The Fund has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Fund's exposure of its counterparties is continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Revenues are derived from a large number of tenants, spread across geographical areas and no single tenant or group under common control contributes more than 10% of the Fund's revenues. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, a bank guarantee from tenants is obtained. Debtor's positions are monitored on a monthly basis. The standard lease terms state that rent is paid in advance. Furthermore, either a guarantee deposit or a bank or concern guarantee is required within the standard lease terms. The Fund's credit risk is primarily attributed to its rental receivable and lease receivable. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Fund's management based on prior experience and their assessment of the current economic environment.

At the reporting date there are no significant concentrations of credit risk. The carrying amount reflected in the financial statements represents the Fund's maximum exposure to credit risk for tenants. As at 31 December 2021 the debtor's position amounts to € 0.8m, 1.3% of gross rental income. The outstanding amount can be divided into the following aging categories.

Rent receivables from tenants

	December 2021
< 30 days	274
31-60 days	50
61-180 days	105
180-365 days	138
> 365 days	239
Total rent receivables from tenants	**806**
% of gross rental income	1.3%
Total > 30 days	532
Provision for doubtful debt	478

Liquidity risk

Investors may only dispose of their Units by offering them to the Fund for redemption. Consequently Investors cannot sell and transfer their Units to a Subscriber or a third party. Disposal of Units may take place through the following methods:

(a) an Investor may request the Management Company for redemption of (part of) its Units

(b) a trade on the Secondary Market is possible whereby an Investor can reach agreement with one or more (prospective) Investor(s) on the redemption of all or part of its Units and transfer of all or part of its Undrawn Investor Commitment (if any), provided the acquiring (prospective) Investor(s) will subscribe for an equal number of Units and will assume an equal amount of the Undrawn Investor Commitment. If the Management Company accepts the Secondary Subscription Form together with a Secondary Redemption Request in respect of such trade, the Management Company will facilitate the implementation of such agreement.

The issuance and redemption of Units in respect of a trade on the Secondary Market shall not be valid or effective - and accordingly the same shall not be recognised by the Management Company - unless the prior written consent of the Management Company for such trade has been obtained.

The Fund is exposed to liquidity risk due to the illiquid nature of the portfolio assets. Liquidity risk implies that the Fund may not be able to sell a portfolio asset, for instance in connection with full redemption requests, on favorable terms.

Ultimate responsibility for liquidity risk management rests with the Management Company, which has made a liquidity risk management framework for the management of the Fund's liquidity management requirements. The Fund manages liquidity risk by maintaining adequate reserves, obtaining loan facilities if applicable by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Fund faces very low solvency risk, since 0.0% of the Fund's GAV is financed with borrowings, as at 31 December 2021.

The exposure to risk mainly relate to the obligation to finance forward acquisitions. All direct result is paid out to the investors on a quarterly basis, therefore the loan facility will be used to finance forward acquisitions Afterwards such loan facility will be converted into new equity, to keep the equity character of the Fund. No specific issues have occured during 2021.

Funding risk
The Fund may enter into loan facilities in order to finance either; the committed forward acquisitions, acquisition of new properties, short term working capital requirements or liquidity for redemptions requests. Although the use of leverage may enhance returns and increase the number of investments that can be made, it also may increase the risk of loss. This includes the risk that available funds will be insufficient to meet required payments and the risk that possible future indebtedness will not be able to be refinanced or that the terms of such refinancing will not be as favourable as the terms of possible future indebtedness. No specific issues have occured during 2021.

Subject to the expected future trends of the interest rates and the nature of real estate, the policy of the Fund is to make use of a certain level of debt financing. The loan facility as per 31 December 2021 results in a loan-to-value ratio of 0%). The Fund wants to keep its low leverage status to support the equity character of the Fund.

Closed-end structure under AIFMD definitions
The Fund is a closed-end investment company under AIFMD definitions. This means that the Fund's capital is fixed at the initial offer. Afterwards the Fund may issue new units, or purchase existing units, but this is neither an obligation of the Fund nor a right of the unit holders. No specific issues have occured during 2021.

Project risk
Since some may qualify planned activities of the Fund as 'activities that exceed normal asset', a separate ASR Dutch Core Residential Projects B.V. was set up. Corporate income tax is paid to the tax authorities. The Project BV carries out tasks exclusively for the Fund. To this end, an agreement (Real Estate Project Agreement, dated 6 September 2016, amended and restated 16 June 2020) was arranged between a.s.r. real estate and the Fund in which a.s.r. real estate appoints ASR Dutch Core Residential Projects B.V. to perform certain projects.

The Fund may undertake maintenance, renovation and/or extension of an asset or invest in an asset that requires maintenance, renovation and/or extension prior to acquiring the asset either by itself or through ASR Dutch Core Residential Projects B.V. The Fund may invest in maintenance, renovation and/or extension which include several risks. Such risks include, without limitation, risks relating to the availability and timely receipt of planning and other regulatory approvals. Before such work needs to be performed, there are procedures to overcome the risks associated with these projects. After a significant analysis for each investment project, it is decided whether such activity should be performed by either the Fund directly or ASR Dutch Core Residential Projects B.V., to mitigate the risk of losing the tax status of the Fund. In case ASR Dutch Core Residential Projects B.V. should perform the project, the Fund gives a formal appointment to ASR Dutch Core Residential Projects B.V. to carry out the requested work. If ASR Dutch Core Residential Projects B.V. performs the work, an arm's length remuneration is paid by the Fund for the applicable project.

As the Fund may invest in maintenance, renovation and/or extension, it will be subject to the risks normally associated with such activities. Such risks include, without limitation, (i) risks relating to the availability and timely receipt of planning and other regulatory approvals, (ii) the cost, quality and timely completion of construction (including risks beyond the control of the Fund, such as weather or labor conditions or material shortages, or discovery and legally required preservation work of archaeological or historic sites), (iii) general market and lease-up risk such as inability to rent or inability to rent at a rental level sufficient to generate profits, (iv) cost overruns and (v) the availability of both construction and permanent financing on favorable terms. A license is usually required to commence construction of a project. There can be no guarantee when and if such licenses will be obtained. These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of refurbishment activities once undertaken, any of which could have an adverse effect on the financial condition and results of operations of the Fund and on the amount of funds available for distribution or redemption. No specific issues have occured during 2021.

Contract risk
Contract risk is defined as the Fund's exposure to the probability of loss arising from the tenants reneging on the contract. The probability of loss arising from failure in contract performance by contractors, vendors or any other third party is mitigated by the AIF Manager's risk management framework on outsourcing risk. In summary a.s.r. real estate only deals with competent parties that understand our business needs and regulatory requirements and we remove poor or perverse incentives from our contracts as integrity is a key asset to our reputation. Any outsourcing partner is contractually obliged to verifiably provide the level of operational excellence serving time to market flexibility and quality consistency, (data) integrity, and business continuity at a cost that is a benefit to our clients. No specific issues have occured during 2021.

Uninsured risk
Although it is intended that the investments (to be) made by the Fund will have the benefit of insurance cover against risks such as fire and/or accident and liabilities to third parties, there are certain types of losses that are uninsurable or not generally insured against because it is not economically feasible to insure against such losses. Examples of losses that are generally not insured against include war or acts of terrorism and certain natural phenomena such as tornados, earthquakes, flooding and any other natural disasters. Any such event will adversely impact the value of the property. No specific issues have occured during 2021.

Certain impacts to public health conditions particular to the COVID-19 virus outbreak that occurred in Q1 2020 may have a significant negative impact on the operations and profitability of the Fund's investments. The extent of the impact to the financial performance will depend on future developments, including the duration and spread of the outbreak, the restrictions and advisories, the effects on the financial markets, and the effects on the economy overall, all of which are highly uncertain. If the financial situation of tenants is impacted because of these things for an extended period, the Fund's investment results may be materially affected.

General risks for the Fund
Certain fund characteristics entail risks for the Fund and subsequently for its investors. The Fund is a fund for joint account (fonds voor gemene rekening) under Dutch law. This means that for the purposes of Dutch law the Fund is not a legal entity (rechtspersoon), but is a contractual arrangement sui generis between the Management Company and the Legal Owner, subject to the terms and conditions that relate to the Fund and the parties involved (such as the Management Company, Investors and the Depositary) included in the Fund Agreement (reference is also made to the Governance chapter of this Prospectus). The Fund Agreement expressly states that the Fund does not constitute or qualify as a partnership (maatschap), general partnership (vennootschap onder firma) or limited partnership (commanditaire vennootschap) and is not deemed to constitute a cooperation agreement (samenwerkingsovereenkomst) among the Management Company, the Legal Owner and the Investors, or among the Investors within the meaning of Dutch law. Any obligation of an Investor to make contributions to the Fund only creates an obligation between that individual Investor and the Legal Owner. Consequently, neither the Management Company nor the Investors shall be deemed to be partners (maten/vennoten) in the Fund. On that basis, the Fund seeks to limit the liability of each Investor to the amount of their investment. It should be noted that the Dutch Supreme Court (Hoge Raad) ruled that in certain circumstances a fund for joint account (fonds voor gemene rekening) may be considered to be a partnership (maatschap) with the effect of imposing joint or several liability on each of the partners (depending on the type of partnership), which includes the Investors. This could be the case when the FGR is structured or behaves in such a way that, from a material point of view, the Fund should be qualified as a partnership (maatschap). The AIF Manager and the Management Company have taken all actions to prevent the Fund from qualifying as a partnership but cannot rule out any risks in this respect. No specific issues have occured during 2021.

3.6 Other risks

The most significant risks that remain are explained below.

Strategic risk

The risk that the Fund's objectives are not achieved because of the management's poor decision- making, incorrect implementation and/or insufficient response to changes in the environment. Strategic risk can arise, for example, when a strategy does not anticipate all threats and opportunities in the market or when insufficient resources are made available to pursue the strategy effectively.

The Manager mitigates strategic risk by drawing up a Three Year Business Plan every year. By doing so, market opportunities and threats are analysed and amendments are made to the policy, if necessary. This business plan is to be approved each year by the Fund's Meeting of Investors.

Maintaining the Fund's tax status

The risk of losing the status as a tax transparent fund for joint accounts for Dutch corporate income tax purposes and for dividend withholding tax purposes. The Dutch tax authorities have confirmed the transparency of the Fund for corporate income tax and Dutch dividend withholding tax purposes. In order to maintain its tax status, no development activities should take place in the Fund. The Manager continuously monitors its forward acquisitions. No specific issues have occured during 2021.

Country risk

The Fund solely holds investments in the Netherlands. Returns achieved on these investments are likely to be materially affected by the general economic, political and social conditions in the Netherlands or by particular conditions within the Dutch real estate market or fund industry. In particular, changes in landlord/tenant and planning law could materially affect the investment returns. Market institutions and regulation are important for the residential market. Different types of government intervention, such as supply regulation and the protection of tenants may have an adverse effect on the profitability of the Fund. Taxes, subsidies and legislation on the residential market affect the performance of residential property investments as well. A.s.r. real estate has a Research department to closely monitor the developments that are relevant for the property markets in which the Fund operates. No specific issues have occured during 2021.

Risk of acquisition failing to meet expectation

In accordance with the investment strategy of the Fund, the Fund intents to acquire properties to the extent that they can be acquired on advantageous terms and meet certain investment criteria. Acquisitions of such properties entail general investment risk associated with any real estate investment, including the risk that investments will fail to perform in accordance with expectations or that estimates of the costs of refurbishments to bring acquired Portfolio Assets up to the Fund's standards may prove inaccurate. To mitigate this risk the Fund relies on the professional judgment of the members of the Investment Committee and of the Risk Committee. No specific issues have occured during 2021.

Dossier, information and consultancy risks

Reports upon which the Fund may rely whilst carrying out due diligence regarding (new) investments may contain inaccuracies or deficiencies due to limitations on the scope of inspections or technologies used in producing such reports. Moreover, statutory or negotiated representations and warranties made by the sellers of properties that the Fund acquires may not protect against liabilities arising from property defects. The seller may make contractual representations and warranties however the Fund may not be able to negotiate for such representations or warranties, and accordingly the Fund may be unable or limited in an ability to bring a claim against the initial seller under any such representations or warranties. The Fund's ability to enforce claims under representations and warranties may also be subject to contractual and statutory limitations, including with respect to properties purchased from an insolvent owner. The initial owner's financial condition and the fact that the Fund may only be able to assert a claim against a limited liability special purpose entity with immaterial assets in the case where the seller of a property is a special purpose entity, may also limit the Fund's protection under statutory and contractual warranty obligations. These factors limiting the Fund's ability to assert or enforce statutory or contractual warranty obligations could leave the Fund without recourse to third parties for potentially significant liability for property defects. No specific issues have occured during 2021.

Concentration Risk
The Fund solely invests in residential properties in the Netherlands. The geographic investment focus increases the risk exposure to any factors having an impact on the residential sector in these areas. This risk factor is mitigated by establishing thirteen focus areas. Within the strategy concentration risk is further mitigated by diversifying asset types such as apartments, single family houses and different types of tenants. No specific issues have occured during 2021.

Relative performance risk
Relative performance risk is the risk that the Fund's results fall behind its targets and, as a result, investors decide to sell the Fund's certificates and/or new investors do not want to join the Fund. This risk is mitigated by comparing the Fund's performance to its targets on a monthly basis and by holding asset managers accountable and directing them if necessary. No specific issues have occured during 2021.

Valuation Risk
The value of the Portfolio Assets is inherently subjective due to the individual nature of each Asset. The value depends on various circumstances, which may change over time and that may not be in the Fund's control. As a result, valuations are subject to uncertainty. The valuation of the Portfolio Assets depends on the valuation methods used. The value of the assets in the portfolio is determined by market value. The market value property valuations will be prepared in accordance with the generally accepted international valuation standards, currently regarded to be the RICS Valuation Standards, 9th Edition (the 'Red Book'). These standards are in line with IAS and IFRS. There can be no assurance that valuations of Portfolio Assets will be reflected in actual sale prices even where any such sales occur shortly after the relevant valuation date. Furthermore, if a revaluation of Portfolio Assets at any time shows decreases in the value of the Portfolio Assets compared to previous valuations, the Fund will incur revaluation losses with respect to these Portfolio Assets. To assure the proper fair value for the Assets is reflected in the Financial Statements the Fund relies on independent valuers. In order to further mitigate the valuation risk the Fund has assigned three independent valuers who will be replaced after a maximum assignment period of three years. Over a three years period (twelve quarters) every property will have one full valuation, two reappraisals and nine desktop updates. No specific issues have occured during 2021.

Operational risk
Operational risk is the risk that errors are not observed in a timely manner or that fraud can take place as a result of the failure or inadequacies of internal processes, human and technical shortcomings, and unexpected external events. The Manager has, as described above, an extensive risk management framework to mitigate operational risk. For quantitative analysis (if relevant), we refer to the risk management paragraph in note 3 of the annual report. No specific issues have occured during 2021.

Risk factors on asset management and property management
Sustainability is an absolute prerequisite. The Fund therefore acts as an active asset manager working with property managers closely monitoring the technical quality, readiness and representation level of the properties to assure the value of the real estate assets in the portfolio to its users. As properties age they require greater maintenance and refurbishment costs. Numerous factors, including the age of the relevant building, the materials and techniques used at the time of construction or currently unknown building code violations, could result in substantial unbudgeted costs for refurbishment, modernisation and decontamination required to remove and dispose of any hazardous materials (e.g. asbestos). If the Fund does not carry out maintenance and refurbishment activities with respect to its properties, these properties may become less attractive to tenants and the Fund's rental income may decrease, affecting the results and financial condition of the Fund. Assets in which the Fund invests may have (hidden) design construction or other defects or problems which may require additional significant expenditure despite due diligence investigations prior to acquisition by the Fund. No specific issues have occured during 2021.

Continuity risk
Continuity risk is the risk that the management organisation discontinues as a result of, for example, bankruptcy or failing IT systems. In such situations the agreements with principals can no longer be carried out. The Fund believes that its success will depend partly upon the skill and expertise of the Fund's management team and there can be no assurance that such individuals will continue to be employed by or represent such entities or to provide services to the Fund. Changes in the staffing of the Fund's management team (such as the leave of a Key Man or another important individual connected to the management of the Fund) may therefore have an adverse effect on the profitability of the Fund. This risk is mitigated by maintaining service level agreements with subcontracting partners, drawing up and maintaining the business continuity plan, and pursuing a data protection policy. No specific issues have occured during 2021.

Financial reporting risk
Financial reporting risk is the risk that erroneous reports present an inaccurate representation of the Fund's financial situation. The quality of the Fund's financial reports is guaranteed by the performance of periodic internal and external audits. The procedures for financial reporting have been documented, and internal audits take place on the basis of samples and ad hoc inspections. No specific issues have occured during 2021.

Safety, Health, Environmental risk issues (SHE risk)
As is the case with any holder of property investments, the Fund would assume all ownership rights and liabilities relating to its acquired Portfolio Assets and could face substantial risk of loss from environmental claims based on environmental problems associated with such Asset, as well as from occupational safety issues and third party liability risks. Despite due diligence, environmental liabilities in relation to the asset in which it intends to invest may not be ascertainable or fully ascertained prior to acquisition and the Fund may therefore be exposed to clean-up and other remedial costs with respect to Assets it currently owns or owned in the past. The cost of any remedy and the owner's liability for such remediation work in relation to any affected Portfolio Asset may not be limited under the applicable environmental laws and could exceed the value of the Portfolio Assets. Further, the presence of hazardous substances or the failure to properly remedy contamination from such substances may adversely affect the Fund's ability to sell the relevant Portfolio Asset and may also affect their ability to borrow using the affected Portfolio Asset as collateral. Furthermore contaminated Portfolio Assets may experience decreases in value. No specific issues have occured during 2021.

Legislation and regulation risk
Legislation and regulation risk is the risk that changes to laws and regulations will influence the results of the Fund. The Manager cannot influence or change amendments to legislation and regulation. However, such risk can be mitigated by anticipating upcoming (possible) amendments in a timely manner. The Manager has designated a Compliance Officer who is charged with supervising the Fund's compliance with legislation and regulation.

A wide variety of laws and regulations apply to the Dutch (residential) real estate market. The Fund continuously monitors regulatory developments, in order to ensure compliance with the latest standards and regulations. Failing to do so could have the following implications:
- The Fund might suffer reputational damage if it is unable to implement new requirements promptly.
- Fines and legal action may be imposed on the Fund if it is unable to implement new requirements promptly.

Regulation risk also concerns the risk that the Manager does not retain its AIFMD license, in the case of its not complying with license obligations. The Manager strictly adheres to license obligations and actively monitors changes in AIFMD regulation and guidelines in order to mitigate this risk. No specific issues have occured during 2021.

Tax and legal risk
Any changes to (the interpretation of) fiscal or other legislation and regulations may have a positive or negative effect on the tax position of the unitholder. Yields can be influenced by an incorrect legal or fiscal assessment. This risk is mitigated by obtaining, when necessary, advice from external tax advisors and lawyers of reputable organisations. No specific issues have occured during 2021.

Integrity risk
Integrity risk is the risk that the unethical behaviour of employees, internal managers and business partners can damage or prevent the realisation of the Fund's objectives and yield. These risks are monitored by the Compliance Department by ensuring adherence to the following policies:
- Whistleblower policy: The Whistleblower policy of a.s.r. real estate conforms to the objective of guaranteeing the confidence in and the reputation of a large organisation in sound corporate governance.
- Incident management: The management of a.s.r. real estate is responsible for the sound internal management of the company's procedures. The Operational Incidents policy is a component of the Integrated Risk Management framework.
- Customer Due Diligence policy (CDD): The aim of the CDD policy of a.s.r. real estate is to create an internal control environment that gathers sufficient knowledge of the customer in order to mitigate the risk of reputational and financial damage. Part of the CDD policy is the annual Systemic Risk Analysis (SIRA). The SIRA is performed in accordance with the Dutch Central Bank's SIRA policy in order to identify potential integrity risks.
- Pre-employment screening (PES): a.s.r. real estate screens all new employees. The screening comprises an internal and external test. Employees applying for an integrity-sensitive position are subject to additional screening. Employees are recruited only if they pass the screening.

No specific issues have occured during 2021.

Depositary risk
The Fund's Depositary will be liable to the Fund for losses suffered by the Fund as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations under such agreement and under the relevant rules and regulations under and further to the AIFMD, in accordance with the requirements and limitations of Book 6 of the Dutch Civil Code (Burgerlijk Wetboek). Consequently, there are risks as a result of insolvency, negligence or fraudulent actions of the Depositary. This risk is mitigated by the risk appetite of the Fund. The Fund will only accept a financially solid depositary that is of excellent reputation. Next to the performance with regard to the depositary's AIFMD obligations, the financial stability and integrity of the depositary is monitored by the AIF Manager on a quarterly basis. The Depositary will not be liable for losses which are the result of circumstances or events for which the Depositary is not liable within the meaning of Article 6:75 of the Dutch Civil Code (Burgerlijk Wetboek). This risk is mitigated by the internal control system of the AIF Manager. No specific issues have occured during 2021.

Custody risk
The Legal Owner shall hold legal title (juridisch eigendom) of the Assets on behalf of the Fund. Consequently, there are risks as a result of insolvency, negligence or fraudulent actions of the Legal Owner. These risks are limited and mitigated by the fact that the Legal Owner has no activities other than acting as the legal owner of the assets of the Fund. Furthermore, the Legal Owner's balance sheet strength and liquidity position is constantly monitored by the AIF Manager. No specific issues have occured during 2021.

4 Critical judgements and estimates in applying the Fund's accounting policies
The preparation of the Fund's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

4.1 Judgements
In the process of applying the Fund's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Leases
The Fund applied the following judgements that significantly affect the determination of the amount and timing of income from lease contracts:

Determination of the lease term
The Fund determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.
As a lessor, the Fund enters into lease agreements that contain options to terminate or to extend the lease. These options are generally exercisable after an initial period of 1 year. At commencement date, the Fund determines whether the lessee is reasonably certain to extend the lease term, or not to terminate the lease. To make this analysis, the Fund takes into account any difference between the contract terms and the market terms, any significant investments made by the lessee in the property, costs relating to the termination of the lease and the importance of the underlying asset to the lessee's operations. In many cases, the Fund does not identify sufficient evidence to meet the required level of certainty.

As a lessee, the Fund has a limited number of lease contracts, that are classified as right of use assets. See note 2.6 (b) for the accounting policy on the lease contracts that are classified as right of use assets.

Property lease classification – the Fund as lessor
The Fund assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Leases in which the Fund does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. See note 2.6 (a) for the accounting policy on the lease contracts that are classified as operating leases.

Consolidation and joint arrangements
The Fund has determined that it controls and consolidates the subsidiaries in which it owns a majority of the shares.

Grotiusplaats Den Haag C.V.
The Fund is a part owner of Grotiusplaats Den Haag C.V., in which the Fund has a 50% ownership interest. The Fund has determined that it has joint control over the investee and the ownership is shared with the other 50% owner. The joint arrangement is separately incorporated. The Fund has, after considering the structure and form of the arrangement, the terms agreed by the parties in the contractual arrangement and the Fund's rights and obligations arising from the arrangement, classified its interests as joint ventures under IFRS 11 Joint Arrangements. As a consequence, it accounts for the investment using the equity method. Summarised financial information of the joint venture, based on their IFRS reporting, and reconciliation with the carrying amount of the investment in financial statements are set out in note 13.

ASR Dutch Core Residential Projects B.V.
The financial statements include the financial statements of the Fund and its subsidiary Project BV, in which the Fund has an 100% equity interest. The financial impact of the Project BV in the Fund's financial statements is not significant and therefore the financial statements of the Fund are an actual reflection of both the consolidated and the separate financial statements.

4.2 Estimates and assumptions
The assets of the Fund mainly consist of the investment portfolio. The market value of these assets cannot be assessed using quotations or listings. A valuation based on fair value is a time- and place-based estimate. The fair value is based on a price level on which two well informed parties under normal market conditions would make a transaction for that specific property on that date of valuation. The fair value of a property in the market can only be determined with certainty at the moment of the actual sale of the property.
An external valuer bases his fair value valuations on his own market knowledge and information. The valuation made by the valuer is verified by the asset managers of a.s.r. real estate. The fair value is based on net yield calculation, where market rents are capitalised and normative property expenses (such as maintenance costs, insurance and expenses) are deducted. The yields are specific for the location, retail asset type of the property, the level of maintenance and the general lettability of every single property.

Apart from assumptions regarding to yields and market rents, several other assumptions are taken into account in the valuations. Assumptions for the costs of vacancy, incentives and the differences between market rent and contract rents are included in the valuations. Finally, sales costs at the expense of the buyer, including transfer tax, are deducted from the market value.

For an overview of the of the impact of a yield shift, we refer to note 11.

5 Gross rental income

Gross rental income

For the year	2021	2020
Theoretical rental income	61,608	59,043
Vacancy	(857)	(1,069)
Straight lined rent incentives	(44)	(8)
	60,707	**57,966**

Net rental income

For the year	2021	2020
Gross rental income	60,707	57,966
Service charge income	2,981	2,759
Service charge expenses	(2,981)	(2,759)
Property-specific costs	(15,032)	(13,230)
	45,675	**44,736**

For quantitative analysis on gross rental income we refer to page 29.

6 Property-specific costs

Property-specific costs

For the year	Notes	2021	2020
Maintenance		7,845	6,471
Marketing costs		867	751
Non recoverable service costs		28	44
Property insurance		648	427
Property management fee		2,424	2,316
Provision for doubtful debt	14	179	119
Taxes		2,259	2,361
Other property specific costs		782	741
		15,032	**13,230**

For quantitative analysis on property specific costs we refer to page 29. All direct operating expenses (including repair and maintenance) relate to investment properties that generated rental income during the period.

7 Fund expenses

Fund expenses

For the year	2021	2020
Administration and secretarial fees	72	104
Amortised provision on borrowings	-	4
Audit fees	114	112
Bank charges	11	7
Depositary fees	128	121
Publication fees	57	60
Valuation fees	297	428
	679	**836**

8 Management fees

Management fees

For the year	2021	2020
Asset management fee	7,860	7,500
Management Fee Grotiusplaats	240	-
Management Fee Compensation Grotiusplaats	(240)	-
Asset management fee	**7,860**	**7,500**
Fund management fee	935	835
Fund management fee	**935**	**835**
	8,795	**8,335**

For quantitative analysis on management fees we refer to page 29.

9 Finance result

Finance result

For the year	2021	2020
Interest income	3	4
Finance income	**3**	**4**
Interest costs	(537)	(417)
Finance costs	**(537)**	**(417)**
	(534)	**(413)**

10 Result on sales

Result on sales

For the year	2021	2020
Net proceeds of sales	14,739	67,914
Minus historical costs of properties sold	5,267	36,378
Realized gains on historical costs	**9,472**	**31,536**
Minus cumulative changes in fair value of properties sold	5,850	26,848
	3,622	**4,688**

11 Investment properties in operation, under construction and held-for-sale

The following table analyses the Fund's investment properties for the year ended at 31 December 2021:

Investment properties for the year ended at 31 December 2021

Segment	Multi Family			Single-family			Other			Total
Class	In operation	Under construction	Held-for-sale	In operation	Under construction	Held-for-sale	In operation	Under construction	Held-for-sale	
Fair value hierarchy	3	3	3	3	3	3	3	3	3	
2021										
Balance as at the beginning of the period	**1,019,528**	**179,961**	**1,348**	**436,965**	**-**	**1,602**	**5,150**	**-**	**-**	**1,644,554**
Movements										
- Transfer from Investment properties under construction	76,866	(78,993)	-	-	-	-	2,127	-	-	-
- Transfer to Investment properties held-for-sale	(973)	-	973	(349)	-	349	-	-	-	-
- Investments	1,438	128,640	-	1,150	-	-	1,150	-	-	132,378
- Positive changes in fair value	94,265	30,665	-	58,774	-	-	2,188	-	-	185,892
- Negative changes in fair value	(232)	(6,682)	-	-	-	-	(269)	-	-	(7,183)
- Divestments	(6,381)	-	(1,348)	(1,786)	-	(1,602)	-	-	-	(11,117)
Balance as at the end of the period	**1,184,511**	**253,591**	**973**	**494,754**	**-**	**349**	**10,346**	**-**	**-**	**1,944,524**
- Historical costs	718,148	217,168	973	267,978	-	349	7,878	-	-	1,212,494
- Cumulated changes in fair value	466,363	36,423	-	226,776	-	-	2,468	-	-	732,030
Balance as at the end of the period	**1,184,511**	**253,591**	**973**	**494,754**	**-**	**349**	**10,346**	**-**	**-**	**1,944,524**

The following table analyses the Fund's investment properties for the year ended at 31 December 2020:

Investment properties for the year ended at 31 December 2020

Segment		Multi Family			Single-family			Other	Total
Class	In operation	Under construction	Held-for-sale	In operation	Under construction	Held-for-sale	In operation	Under construction	Held-for-sale	
Fair value hierarchy	3	3	3	3	3	3	3	3	3	
2020										
Balance as at the beginning of the period	**914,674**	**104,387**	**1,890**	**447,087**	**-**	**1,118**	**5,585**	**-**	**-**	**1,474,740**
Movements										
- Transfer from Investment properties under construction	61,783	(61,783)	-	-	-	-	-	-	-	-
- Transfer to Investment properties held-for-sale	(1,348)	-	1,348	(1,602)	-	1,602	-	-	-	-
- Investments	5,930	119,702	-	(2)	-	-	4	-	-	125,634
- Positive changes in fair value	65,465	21,254	-	43,340	-	-	100	-	-	130,159
- Negative changes in fair value	(16,304)	(3,599)	-	(2,312)	-	-	(539)	-	-	(22,754)
- Divestments	(10,672)	-	(1,890)	(49,545)	-	(1,118)	-	-	-	(63,225)
Balance as at the end of the period	**1,019,528**	**179,961**	**1,348**	**436,965**	**-**	**1,602**	**5,150**	**-**	**-**	**1,644,554**
- Historical costs	643,058	152,646	1,348	267,253	-	1,602	4,600	-	-	1,070,507
- Cumulated changes in fair value	376,470	27,315	-	169,712	-	-	550	-	-	574,047
Balance as at the end of the period	**1,019,528**	**179,961**	**1,348**	**436,965**	**-**	**1,602**	**5,150**	**-**	**-**	**1,644,554**

All the investment properties are valued as at 31 December 2021 by independent professional valuers. Valuations are based on current prices on an active market for all properties.

The carrying values of investment property at 31 December 2021 and 31 December 2020 agree to the valuations reported by the external valuers. The investment properties under construction are recognised at their initial cost. If a market value is not available, the investment properties under construction is stated at cost. This includes cost of construction, equipment, non-refundable purchase taxes, development fee and any attributable costs of bringing the asset to its working condition and location for its intended use.

The assets are presented as held-for-sale following the decision of the Fund's management. The remaining assets have been delivered in January 2022. The disposal assets were valued at their sales price less selling expenses.

The following table analyses investment properties carried at fair value, by valuation method. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2);
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3). Significant increases (decreases) in any of those inputs in isolation would result in a significantly lower (higher) fair value measurement.

Changes in Level 2 and 3 fair values are analysed at each reporting date. There were no transfers between levels 1 and 2 during the year.

The Fund's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. All the investment properties of the Fund are classified as Level 3. For Residential and Other valuations, the significant inputs are the discount rate and market rental value. These inputs are verified with the following market observable data:

- Market rent per sq.m. for renewals and their respective re-letting rates;
- Reviewed rent per sq.m.;
- Investment transactions of comparable objects.

Sensitivities in yield and rental value

2021	Unobservable inputs used in determination of fair value				Sensitivities in yield and rental value (in € '000)			
						Change in rental value		
Investment properties in operation	Fair value 31 Dec 2021	Valuation technique	Gross rental value (in € '000)	Gross initial yield (in %)	Change in yield	-5%	0%	+5%
Netherlands -			2,875 max	5.4% max	-5%	-	62,394	124,788
Apartments -	1,185,484	DCF	468 mean	3.5% mean	0%	(59,274)	-	59,274
Level 3			11 min	0.9% min	5%	(112,903)	(56,452)	-
Netherlands -			1,269 max	4.4% max	-5%	-	26,058	52,116
Single-family houses -	495,103	DCF	433 mean	3.8% mean	0%	(24,755)	-	24,755
Level 3			23 min	3.1% min	5%	(47,153)	(23,576)	-
Netherlands -			96 max	9.3% max	-5%	-	545	1,089
Other -	10,346	DCF	44 mean	4.3% mean	0%	(517)	-	517
Level 3			5 min	0.7% min	5%	(985)	(493)	-
	1,690,933							

2020	Unobservable inputs used in determination of fair value				Sensitivities in yield and rental value (in € '000)			
						Change in rental value		
Investment properties in operation	Fair value 31 Dec 2020	Valuation technique	Gross rental value (in € '000)	Gross initial yield (in %)	Change in yield	-5%	0%	+5%
Netherlands -			2,828 max	5.4% max	-5%	-	53,730	107,461
Apartments -	1,020,876	DCF	459 mean	3.7% mean	0%	(51,044)	-	51,044
Level 3			11 min	0.6% min	5%	(97,226)	(48,613)	(0)
Netherlands -			1,219 max	4.7% max	-5%	-	23,049	46,098
Single-family houses -	437,934	DCF	424 mean	4.2% mean	0%	(21,897)	-	21,897
Level 3			23 min	3.3% min	5%	(41,708)	(20,854)	-
Netherlands -			85 max	8.8% max	-5%	-	271	542
Other -	5,150	DCF	57 mean	5.5% mean	0%	(258)	-	258
Level 3			24 min	3.8% min	5%	(490)	(245)	-
	1,463,960							

Valuation processes
In order to determine the fair value of the Fund's investment properties, all investment properties are valued on a quarterly basis by independent and qualified/certified valuers. The valuers are selected based on their experience and knowledge of the residential property market. Every three years a rotation or change in valuers takes place.

The fair value is determined in accordance with the following standards:
- RICS Valuation Standards, 9th Edition (the 'Red Book')
- The Alternative Investment Fund Managers Directive (AIFMD), in accordance with Directive 2011/61/EU dated 8 June 2011 and a supplement dated 19 December 2012
- The 28 recommendations of the Platform Taxateurs en Accountants as stated in the publication 'Goed gewaardeerd Vastgoed' dated 27 May 2013

The Management Company provides the professional valuers with the required and necessary information, in order to conduct a comprehensive valuation. At least once a year a full valuation is carried out and three times a year a market update. For all investment properties, the current use equates to the highest and best use.

The finance and risk department of the Manager (a.s.r. real estate) coordinates the valuation process and analyses the quarterly movements in valuations together with the asset manager. All movements higher than 5% or lower than -5% are discussed and fully explained by the valuer. Every quarter the valuers, along with the asset managers and the Fund Director, come together and discuss the outcome of the valuations. It is the asset managers' responsibility to sign off for approval on every valuation.

There are inter-relationships between unobservable inputs. Expected vacancy rates may impact the yield with higher vacancy rates resulting in higher yields. For investment property under construction, increases in construction costs that enhance the property's features may result in an increase in future rental values. An increase in the future rental income may be linked with higher costs.

Valuation techniques underlying management's estimation of fair value
For investment properties the following method is in place to determine the fair value by the valuers for disclosure purposes:

DCF method
Under the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the cash flows associated with the asset. The exit yield is normally separately determined and differs from the discount rate. The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

12 Right-of-use assets
The Fund has a limited number of lease contracts, that are classified as right of use assets. As the Fund applies the fair value model for investment property, the fair value model is also applied for the right-of-use assets classified as investment property. Therefore the lease of the land is valued at fair value through profit or loss.

Right-of-use assets

As at	31 December 2021	31 December 2020
Balance as at the beginning of the period	**1,222**	**1,080**
Movements		
- Negative changes in fair value	(71)	(74)
- Remeasurement	51	216
Balance as at the end of the period	**1,202**	**1,222**

13 Participations

In 2018, the Fund acquired a 50% interest in Grotiusplaats Den Haag C.V. ('Grotiusplaats'), a joint venture through which two residential towers in The Hague, the Netherlands, are developed and exploited. The Fund's interest in joint ventures is accounted for using the equity method in the financial statements. This joint venture does not have a quoted market price. Summarised financial information of the joint venture, based on their IFRS reporting, and reconciliation with the carrying amount of the investment in financial statements are set out below:

Fund's share of profit for the period

As at	31 December 2021	31 December 2020
Current assets, including cash & cash equivalents of Grotiusplaats	8,668	13,104
Non-current assets –investment property	216,584	134,816
	225,252	**147,920**
Current liabilities including tax payable of Grotiusplaats	5,731	2,680
Non-current liabilities including long term borrowings of Grotiusplaats	-	-
	5,731	**2,680**
Equity	219,521	145,240
Proportion of the Fund's interest	50%	50%
Fund's carrying amount of the investment	**109,761**	**72,620**

Fund's share of profit for the period	2021	2020
Rental income	-	-
Property expenses	-	-
Profit on valuation of investment property	30,403	10,906
Profit for the year	**30,403**	**10,906**
Proportion of the Fund's interest	50%	50%
Fund's share of profit for the period	**15,202**	**5,453**

In accordance with the agreement under which Grotiusplaats is established, the total capital commitment amounts to € 92.2m, of which € 76.3m has been paid as at 31 December 2021.

14 Trade and other receivables

Trade and other receivables

As at	31 December 2021	31 December 2020
Rent receivables from tenants	806	651
Tax receivables	-	309
Other receivables	3	216
Less: provision for doubtful debt	(478)	(369)
	331	**807**

The fair value of receivables concerns the sum of future cash flows that are estimated to be received.

Provision for doubtful debt

Bad debt write-off relates to debtors, from which no payment is expected to be received anymore. In addition, a provision for doubtful debt is in place for receivables for which it is unclear whether they will be (fully) received.

Provision for doubtful debt

As at	Notes	31 December 2021	31 December 2020
Balance as at the beginning of the period		369	330
Movements			
- Bad debt write-off		(70)	(80)
- Movement of provision for doubtful debt	6	179	119
Balance as at the end of the period		**478**	**369**

15 Cash and cash equivalents

Cash and cash equivalents

As at	31 December 2021	31 December 2020
Cash	43,327	69,297
	43,327	**69,297**

The cash and cash equivalents are not restricted in its use.

16 Issued capital

The capital called per unit amounts to € 1 per participation. All issued units are fully paid.

A further breakdown is shown in the statement of changes in capital. Movements in the units issued are as follows:

Changes in the units issued

As at	31 December 2021	31 December 2020
Number of units as at the beginning of the period	1,325,615	1,247,466
Movements in number of units		
- Issued units closings	78,352	78,149
- Issue of distributable result in units	5,790	-
Number of units as at the end of the period	**1,409,757**	**1,325,615**

Ownership in number of units is as follows:

Ownership in number of units

As at	31 December 2021	31 December 2020
Units - Entitled for distributable result		
ASR Levensverzekering N.V.	604,583	604,583
ASR Schadeverzekering N.V.	126,793	126,793
Other investors	678,381	594,239
	1,409,757	**1,325,615**

All resolutions of the Meeting of Investors shall be adopted by a simple majority of all outstanding units. The Anchor Investor will hold a maximum of forty per cent (40%) of the votes. Notwithstanding the previous sentence:

- The Anchor Investor will hold a maximum of fifty per cent (50%) of the votes if there are only one or two other investors and;
- In case the Anchor Investor holds more than forty per cent (40%) of the outstanding units in the Fund but only holds forty per cent (40%) of the votes, any other Investor will also hold a maximum of forty per cent (40%) of the votes.

Net asset value per unit is calculated based on equity as presented in the statement of financial position as at balance date and the number of units on that date.

Key figures concerning capital

As at	31 December 2021	31 December 2020
Equity attributable unit holders (in € '000)	2,079,531	1,769,905
Number of units as per reporting date	1,409,757	1,325,615
Net asset value per unit (in €)	1,475	1,335

17 Lease liabilities

Lease liabilities

As at	31 December 2021	31 December 2020
Balance as at the beginning of the period	**1,222**	**1,080**
Movements		
- Amortised interest	20	17
- Remeasurement	51	216
- Lease payment	(91)	(91)
	1,202	**1,222**

18 Trade and other liabilities

Trade and other liabilities

As at	31 December 2021	31 December 2020
Accrued expenses	1,445	1,246
Distributable result to be paid	8,967	9,043
Management fees	2,383	2,095
Prepaid rent	720	582
Property management fees	625	592
Rent deposits	3,744	3,281
Service payables	390	332
Tax payables	57	-
Trade payables	81	202
	18,412	**17,373**

The fair value of trade and other liabilities concerns the sum of future cash flows that are estimated to be received.

19 Earnings per unit

Results per unit are calculated by dividing the net result attributable to participants by the weighted average number of units outstanding during the year, 1,362,372 average units over 2021 (1,294,749 average units over 2020).

Earnings per unit

For the year	2021	2020
Direct result	29	30
Indirect result	142	88
Net result per unit	**171**	**118**

The Fund has no dilutive potential units; the diluted earnings per unit are the same as the basic earnings per unit.

20 Contingencies and commitments

The capital commitments of the Fund exists of 12 turnkey projects for a total original amount of € 551.4m as at 31 December 2021. Of these commitmens, € 219.7m has been paid as at 31 December 2021. Changes in fair value of forward acquisitions amount to € 33.9m, resulting in € 253.6m, as presented under investment properties under construction in the statement of financial position.

Another capital commitment of the Fund exist of the participation (Grotiusplaats) for a total amount of € 92.2m. Of this commitment, € 76.3m has been paid as at 31 December 2021. Changes in fair value of this participation amount to € 33.5m, resulting in € 109.8m as presented under participations in the statement of financial position.

21 Related-party transactions

The Anchor Investor, ASR Levensverzekering N.V. and ASR Schadeverzekering N.V owns 51.9% of the Fund's units. The remaining units are widely held. The Fund has the following relationships with companies related to ASR Nederland N.V.:

- ASR Dutch Core Residential Management Company B.V. is the manager of the Fund (The ASR Dutch Core Residential Management Company B.V. has outsourced all its responsibilities to a.s.r. real estate, the Manager. Also under the AIFMD requirements a.s.r. real estate acts as the Manager of the Fund) and charges management fees to the Fund. These management fees are at arm's length;
- ASR Dutch Core Residential Custodian B.V. is the legal owner of the investment properties.

The financial statements of the Fund include the financial statements of the parent and the subsidiaries and joint ventures. The Fund's investment in subsidiaries and joint ventures are listed in the following table:

Subsidiaries and joint ventures

	Country of incorporation	2021	2020
Subsidiary			
ASR Dutch Core Residential Projects B.V.	The Netherlands	100%	100%
Joint venture			
Grotiusplaats Den Haag C.V.	The Netherlands	50%	50%
Grotiusplaats Den Haag B.V.	The Netherlands	50%	50%

See note 13 for more information on the financial status of Grotiusplaats Den Haag C.V.

There were no other transactions carried out or balances outstanding with related parties except for distributable result (€ 9.0m) to be paid (note 18) and the following:

Related-party transactions

For the year	Notes	2021	2020
Asset management fee	8	7,860	7,500
Fund management fee	8	935	835
Property management fee	8	2,424	2,316
		11,219	**10,651**

22 Audit fees

The following table shows the fees charged by the auditor in respect of activities for the Fund.

Audit fees

For the year	Notes	2021	2020
Audit of the financial statements	7	114	112
Other audit engagements		-	-
		114	**112**

Fees for audit of the financial statements include fees paid for the audit of the IFRS financial statements and the IFRS NAV statement.

23 Appropriation of result

Distributable result attributable to the divestment of a portfolio asset can be allocated to reinvestments, redemption of units, or paid out to all investors. The distributable result to the investors is calculated in relation to their number of units in the Fund as per the applicable reporting date. The fourth quarter distributable result of € 9.0m is recognised as a liability as at 31 December 2021 and paid to the investors in February 2022.

24 Subsequent events

The Fund evaluated if subsequent events have occurred up to the date that these financial statements were issued. Based upon this evaluation, we recognised the following subsequent events.

- Forward acquisition Edge in Eindhoven (please refer to page 36) includes as a condition precedent that the building permit should be irrevocable on 15 February 2022 latest. As the building permit was not irrevocable at that date, the developer decided to suspend the contract. Should the irrevocable building permit be obtained within the next six months, the parties involved will renegotiate the acquisition. The involved parties have the intention to proceed with the deal, although this might be under altered conditions.
- On 3 January 2022, the Fund had its twenty-fifth closing. Four investors expanded their share in the Fund for a total amount of € 45.0m. The Anchor Investor holds 50.8% of the units from 3 January 2022.
- On 31 January 2022, the Fund had its twenty-sixth closing. The distributable result for the fourth quarter of 2021 was paid out in units for seven investors. The closing concerned a total amount of € 2.5m and the Anchor Investor holds 50.7% of the units from 31 January 2022.
- In February 2022, Russia invaded Ukraine which resulted in geopolitical and economic uncertainties. On the asset side, the Fund has no direct exposure to investments in Russia and Ukraine. The conflict and the far-reaching economic sanctions for Russia will impact economies worldwide, but at this point in time, it is too early to fully quantify the impact thereof.

Utrecht, the Netherlands, 8 April 2022

ASR Real Estate B.V.
On behalf of the ASR Dutch Core Residential Management Company B.V.

Dick Gort, *CEO*
Henk-Dirk de Haan, *CFRO*

Parkzicht, IJmuiden

Other information

Appropriation of result

As described in clause 13 in the Fund Agreement, the distributable result which is not attributable to the divestment of portfolio assets is payable on a quarterly basis. Distributions will be made in cash, provided that:

- Investors may inform the Management Company at least one month before the end of the fiscal year that they wish to receive the distributable cash during the next fiscal year in the form of units. In which case it is at the Management Company's discretion to decide whether or not the request will be satisfied; and
- After dissolution of the Fund, any and all of the assets may be distributed to the investors.

Independent auditor's report

To: the meeting of investors and the manager of ASR Dutch Core Residential Fund

Report on the audit of the accompanying financial statements

Our opinion

We have audited the financial statements 2021 of ASR Dutch Core Residential Fund ('the Fund'), based in Utrecht.

In our opinion the accompanying financial statements give a true and fair view of the financial position of ASR Dutch Core Residential Fund as at 31 December 2021 and of its result and its cash flows for the year 2021 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1 the statement of financial position as at 31 December 2021;
2 the following statements for the year 2021: the statement of income and comprehensive income, the statement of changes in capital and the statement of cash flows; and
3 the notes to the financial statements comprising a summary of the significant accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of ASR Dutch Core Residential Fund in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The manager is responsible for the preparation of the other information, including the Report of the Management Company, in accordance with Part 9 of Book 2 of the Dutch Civil Code, and other information pursuant to Part 9 of Book 2 of the Dutch Civil Code.

Description of the responsibilities for the financial statements

Responsibilities of the manager for the financial statements

The manager is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the manager is responsible for such internal control as the manager determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, the manager is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the manager should prepare the financial statements using the going concern basis of accounting unless the manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so. The manager should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud during our audit.

Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the manager;
- concluding on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company ceasing to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Utrecht, 8 April 2022

KPMG Accountants N.V.

M.H.T. Hamers-Bodifee RA

Appendix 1:
INREV financial statements (unaudited)

INREV financial statements (unaudited)

The INREV guidelines have been used and material changes have been considered if applicable. The accounting principles in general, which are the basis for this annual report, are described and explained in detail in the notes on the financial statements (note 2). A detailed discription about the principal risks and exposures incurred by the Fund is included in note 3. According to the Fund Agreement issue and redemption requests will be calculated by usage of the INREV NAV.

In order to give Investors information on the transition from the NAV based on IFRS to the INREV NAV, also the accounts according to the INREV principles are published. The INREV NAV reflects adjustments to IFRS.

The following items are adjusted for the INREV accounts:

Item	IFRS	INREV
Acquisition expenses	Directly into profit & loss account	On balance sheet and depreciated in five years
Effect of not yet distributable result recorded as a liability (not included in equity)	Recognised as a liability on balance sheet	Recognised in equity

INREV Guidelines Compliance Statement (unaudited)

The European Association for Investors in Non-Listed Real Estate Vehicles (INREV) published the revised INREV Guidelines in 2014 incorporating industry standards in the fields of Corporate Governance, Reporting, Property Valuation, INREV NAV, Fee and Expense Metrics, Liquidity and Sustainability Reporting. The Assessments follow these guidelines.

INREV provides an Assessment Tool to determine a vehicles compliance rate with the INREV Guidelines as a whole and its modules in particular. The overall INREV Guidelines Compliance Rate of the ASR Dutch Core Residential Fund is 100%, based on 8 out of 8 assessments. The compliance rate for each completed module is:

Compliance rate per module

	Percentage
Corporate Governance	100%
Fee and Expense Metrics	100%
INREV NAV	100%
Liquidity	100%
Performance Measurement	100%
Property Valuation	100%
Reporting	100%
Sustainability Reporting	100%

INREV fee metrics (unaudited)

In order to give investors a clear overview of the fee and cost structure, the Fund publishes both its Total Global Expense Ratio (TGER) and Real Estate Expense Ratio (REER), in line with INREV guidelines.

Fees and expenses as a percentage of Gross Asset Value (GAV) and Net Asset Value (NAV)

For the year		2021	2020
Fund management fee (% of NAV)		0.05%	0.05%
Asset management fee (% of NAV)[1]		0.42%	0.45%
Management fees	a.	8,795	8,335
Fund expenses (incl. amortization)	b.	679	836
Vehicle fees and costs before performance fees	c.	**9,474**	**9,171**
Performance fees	d.	-	-
Vehicle fees and costs after performance fees	e.	**9,474**	**9,171**
Property fees and costs	f.	15,032	13,230
Average INREV NAV	g.	1,876,985	1,668,209
Average INREV GAV	h.	1,888,902	1,680,166
NAV Total Global Expense Ratio (before performance fees)	c./g.	0.50%	0.55%
GAV Total Global Expense Ratio (before performance fees)	c./h.	0.50%	0.55%
NAV Total Global Expense Ratio (after performance fees)	e./g.	0.50%	0.55%
GAV Total Global Expense Ratio (after performance fees)	e./h.	0.50%	0.55%
NAV Real Estate Expense Ratio	f./g.	0.80%	0.79%
GAV Real Estate Expense Ratio	f./h.	0.80%	0.79%

1 The asset management fee concerns a fixed quarterly fee of € 1.9 million, or 0.42% of the average NAV for the quarter, whichever amount may be the largest.

INREV NAV calculation (unaudited)

INREV NAV calculation

		Total (in €'000)	Per share (in €)
	NAV as per the financial statements	2,079,531	1,475
	Reclassification of certain IFRS liabilities as components of equity		
a)	Effect of reclassifying shareholder loans and hybrid capital instruments (including convertible bonds) that represent shareholders long term interests in a vehicle	-	-
b)	Effect of dividends recorded as a liability which have not been distributed (not included in equity)	8,967	6
	NAV after reclassification of equity-like interests and dividends not yet distributed	**2,088,498**	**1,481**
	Fair value of assets and liabilities		
c)	Revaluation to fair value of investment properties	-	-
d)	Revaluation to fair value of self-constructed or developed investment property	-	-
e)	Revaluation to fair value of property held-for-sale	-	-
f)	Revaluation to fair value of property that is leased to tenants under a finance lease	-	-
g)	Revaluation to fair value of real estate held as inventory	-	-
h)	Revaluation to fair value of other investments in real assets	-	-
i)	Recognition to fair value of indirect investments not consolidated	-	-
j)	Revaluation to fair value of financial assets and financial liabilities	-	-
k)	Revaluation to fair value of construction contracts for third parties	-	-
l)	Set-up costs	-	-
m)	Acquisition expenses	334	-
n)	Contractual fees	-	-
	Effects of the expected manner of settlement of sales/vehicle unwinding		
o)	Revaluation to fair value of savings of purchaser's costs such as transfer taxes	-	-
p)	Revaluation to fair value of deferred taxes and tax effect of INREV NAV adjustments	-	-
q)	Effect of subsidiaries having a negative equity (non-recourse)	-	-
	Other adjustments		
r)	Goodwill	-	-
s)	Non-controlling interest effects of INREV adjustments	-	-
	INREV NAV	**2,088,832**	**1,481**
	Distributable result (current quarter)	(8,967)	(6)
	INREV NAV (after distributions)	**2,079,865**	**1,475**
	Number of shares / units issued	1,409,757	

The adjustments from the IFRS NAV calculation to the INREV NAV calculation relate to:

b) The fourth quarter 2021 distributable result.

m) Acquisition expenses of acquisitions performed in the prior five years. The adjustment increased compared to 2020, due to the capitalisation of acquisition expenses that apply to a property under construction.

INREV Statement of income and comprehensive income (unaudited)

(amounts in €'000, unless otherwise stated)

Statement of income and comprehensive income in accordance with INREV principles

			2021			2020
For the year	IFRS	Adjustments	INREV	IFRS	Adjustments	INREV
Gross rental income	60,707	-	60,707	57,966	-	57,966
Service charge income	2,981	-	2,981	2,759	-	2,759
Total operating income	**63,688**	**-**	**63,688**	**60,725**	**-**	**60,725**
Property-specific costs	(15,032)	(84)	(15,116)	(13,230)	(42)	(13,272)
Service charge expenses	(2,981)	-	(2,981)	(2,759)	-	(2,759)
Fund expenses	(679)	-	(679)	(836)	-	(836)
Management fees	(8,795)	-	(8,795)	(8,335)	-	(8,335)
Total operating expenses	**(27,487)**	**(84)**	**(27,571)**	**(25,160)**	**(42)**	**(25,202)**
Operating result	**36,201**	**(84)**	**36,117**	**35,565**	**(42)**	**35,523**
Finance income	3	-	3	4	-	4
Finance costs	(537)	-	(537)	(417)	-	(417)
Finance result	**(534)**	**-**	**(534)**	**(413)**	**-**	**(413)**
Changes in fair value of investment properties	178,709	418	179,127	107,405	-	107,405
Changes in fair value of right-of-use contracts	(71)	-	(71)	(74)	-	(74)
Changes in value of participations	15,202	-	15,202	5,453	-	5,453
Result on sales of investment properties	-	-	-	1,641	-	1,641
Result on individual unit sales	3,622	-	3,622	3,047	-	3,047
Realised and unrealised gains and losses	**197,462**	**418**	**197,880**	**117,472**	**-**	**117,472**
Net result	**233,129**	**334**	**233,463**	**152,624**	**(42)**	**152,582**
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	**233,129**	**334**	**233,463**	**152,624**	**(42)**	**152,582**

INREV Statement of financial position (unaudited)

(amounts in €’000, unless otherwise stated)

Statement of financial position in accordance with INREV principles

	31 December 2021			31 December 2020		
As at	IFRS	Adjustments	INREV	IFRS	Adjustments	INREV
ASSETS						
Non-current assets						
Investment properties in operation	1,689,611	334	1,689,945	1,461,643	-	1,461,643
Investment properties under construction	253,591	-	253,591	179,961	-	179,961
Right-of-use asset	1,202	-	1,202	1,222	-	1,222
	1,944,404	**334**	**1,944,738**	**1,642,826**		**1,642,826**
Participations	**109,761**	**-**	**109,761**	**72,620**	**-**	**72,620**
Current assets						
Trade receivables	331	-	331	807	-	807
Cash and cash equivalents	43,327	-	43,327	69,297	-	69,297
	43,658	**-**	**43,658**	**70,104**	**-**	**70,104**
Investment properties held-for-sale	**1,322**	**-**	**1,322**	**2,950**	**-**	**2,950**
Total assets	**2,099,145**	**334**	**2,099,479**	**1,788,500**	**-**	**1,788,500**
CAPITAL AND LIABILITIES						
Capital						
Issued capital	1,410	-	1,410	1,326	-	1,326
Additional paid-in capital	1,274,023	-	1,274,023	1,158,321	-	1,158,321
Revaluation reserve	758,157	-	758,157	594,801	-	594,801
Retained earnings	45,941	9,301	55,242	15,457	9,043	24,500
	2,079,531	**9,301**	**2,088,832**	**1,769,905**	**9,043**	**1,778,948**
Non-current liabilities						
Lease liabilities	1,202	-	1,202	1,222	-	1,222
	1,202	**-**	**1,202**	**1,222**	**-**	**1,222**
Current liabilities						
Trade and other liabilities	18,412	(8,967)	9,445	17,373	(9,043)	8,330
Total capital and liabilities	**2,099,145**	**334**	**2,099,479**	**1,788,500**	**-**	**1,788,500**

INREV Statement of changes in capital (unaudited)

(amounts in €'000, unless otherwise stated)

Statement of financial position in accordance with INREV principles

For the period 1 January 2020 - 31 December 2021	Issued capital	Additional paid-in capital	Retained earnings	Revaluation reserve	Total
Balance as at 1 January 2020	**1,247**	**1,058,339**	**(6,985)**	**512,912**	**1,565,512**
Comprehensive income					
- Profit for the year	-	-	152,582	-	152,582
- Movement arising from market valuations	-	-	(103,283)	103,283	-
- Movement arising from participations	-	-	(5,453)	5,453	-
- Movement arising from divestments	-	-	26,847	(26,847)	-
Total comprehensive income	**-**	**-**	**70,693**	**81,889**	**152,582**
Transactions with the owners of the Fund					
Contributions and distributions:					
- Issue of ordinary units	79	99,982	-	-	100,061
- Issue of distributable result in units	-	-	-	-	-
- Distributable result	-	-	(39,208)	-	(39,208)
Total transactions with owners of the Fund	**79**	**99,982**	**(39,208)**	**-**	**60,853**
Balance as at 31 December 2020	**1,326**	**1,158,321**	**24,500**	**594,801**	**1,778,948**
Comprehensive income					
- Profit for the year	-	-	233,463	-	233,463
- Movement arising from market valuations	-	-	(154,004)	154,004	-
- Movement arising from participations	-	-	(15,202)	15,202	-
- Movement arising from divestments	-	-	5,850	(5,850)	-
Total comprehensive income	**-**	**-**	**70,107**	**163,356**	**233,463**
Transactions with the owners of the Fund					
Contributions and distributions:					
- Issue of ordinary units	78	107,849	-	-	107,927
- Issue of distributable result in units	6	7,853	-	-	7,859
- Distributed result	-	-	(39,365)	-	(39,365)
Total transactions with owners of the Fund	**84**	**115,702**	**(39,365)**	**-**	**76,421**
Balance as at 31 December 2021	**1,410**	**1,274,023**	**55,242**	**758,157**	**2,088,832**
In €					
NAV per unit					1,481

Appendix 2: Portfolio overview

Portfolio overview

City	Property	Address	Number of apartments	Number of single-family houses	Number of parking spaces	Commercial space (sq.m.)
Alphen aan den Rijn	Kerkstraat	Julianastraat, Kerkstraat, Paradijslaan	40	-	-	-
Alphen aan den Rijn	Provinciepassage	Provinciepassage	44	-	-	-
Amersfoort	Vathorst 1	Beijerinck, Cruquius, Leemans, Vissering, Wouda	166	-	118	-
Amersfoort	Vathorst 2A	Leeghwater, Vrouwenpolder	23	-	-	-
Amersfoort	Vathorst Centrum (blok 12)	Leeghwater, Vrouwenpolder	21	-	-	-
Amstelveen	RiMiNi	Missouri, Niagara, Rio Grande	126	-	66	-
Amsterdam	Cruquiuswerf	Amsterdam Rijnkanaalkade, Brandslangstraat, Cruquiusweg, Vluchtladderstraat	122	-	79	87
Amsterdam	Europapoort	Mensinge, Weerdestein	95	-	14	-
Amsterdam	Mondriaan	Hart Nibbrigstraat, Piet Mondriaanplein, Henk Henriëtstraat	-	24	24	-
Amsterdam	Nachtwachtlaan	Nachtwachtlaan	110	-	110	-
Amsterdam	Staalmeesterslaan	Staalmeesterslaan	180	-	180	-
Amsterdam	The Beacons	Mary van der Sluisstraat	41	-	40	-
Amsterdam	Wibautstraat	Wibautstraat	162	-	68	-
Amsterdam	Wicherskwartier	Donker Curtiusstraat, Wichersstraat.,Visseringstraat, Buyskade	135	-	125	409
Amsterdam	Zuidkwartier	Eosstraat	82	-	82	-
Arnhem	Jonkerwaard	Jonkerwaard, Pachterwaard	-	51	-	-
Arnhem	Malburgen	Van Berkumstraat	-	36	-	-
Arnhem	Schuytgraaf	Daphnestraat, Dianaplantsoen	-	42	-	-
Bennekom	De Barones	Oost-Breukelderweg	24	-	-	-
Boskoop	Burg. Colijnstraat	Burg. Colijnstraat, Torenpad	30	-	-	-
Breda	Ambachtenlaan	Ambachtenlaan, Hovenierstraat, Kolenbranderstraat	-	74	1	-
Breda	Willem van Oranjelaan I	Willem van Oranjelaan	16	-	-	-
Breda	Willem van Oranjelaan II	Willem van Oranjelaan	24	-	-	-
De Meern	Bakerlaan	Bakerlaan, Kameniersterlaan	-	36	-	-
Diemen	De Brede HOED	D.J. den Hartoglaan	35	-	37	-
Diemen	Sniepkwartier	Het Betonijzer, Het Pontveer	38	-	33	-
Ede (Gld.)	De Halte	De Halte	47	-	50	-
Ede (Gld.)	Marie Louise	Topaasstraat	32	-	34	-
Eindhoven	Frankendaal	Frankendaal, Groeneveld	-	15	-	-
Groningen	Ebbingekwartier	Grutmolen, Haverkampsdrift, Langestraat	-	21	-	-
Haren (Gr.)	Ereprijsweg	Ereprijsweg, Rozengaard, Sterremuurweg	-	23	-	-
Hendrik-Ido-Ambacht	Perengaarde	Perengaarde, Sophiapromenade	90	-	90	-
Hilvarenbeek	Cantorijstraat	Cantorijstraat	-	19	-	-
Hilversum	Bonifaciuslaan 1	Bonifaciuslaan	150	-	-	-
Hilversum	Bonifaciuslaan 2	Bonifaciuslaan	100	-	29	-

City	Property	Address	Number of apartments	Number of single-family houses	Number of parking spaces	Commercial space (sq.m.)
Hilversum	HilversumHuis	Verschurestraat, Letteriestraat, Kremerpad	-	27	-	-
Hoofddorp	Floriande	Aalburgplein, Almkerkplein, Drongelenplein, Meeuwenstraat	120	-	94	-
Houten	De Borchen	Riddersborch, Minstreelborch, Vedelaarsborch	-	45	-	-
Houten	Ploegveld	Ploegveld, Rijfveld, Sikkelveld	-	37	-	-
Houten	Riddersborch	Riddersborch	-	19	-	-
Houten	Wernaarseind	Wernaarseind, Achterom, Rosmolen, Smidsgilde	-	69	-	-
Huizen	Delta	Delta, Eem, Grift, Kuinder, Wedekuil	-	31	-	-
Huizen	Enhuizerzand	Enkhuizenzand, Friesewal, Gooisekust, Hofstede	-	87	-	-
Huizen	Kooizand	Kooizand, Middelgronden, Noordwal	-	26	-	-
Huizen	Middelgronden	Middelgronden, Noordwal	-	25	-	-
IJmuiden	Parkzicht	Radarstraat	63	-	63	-
IJsselstein (Ut.)	Guldenroede	Guldenroede, Morgenster, Valerieaan, Ratelaar	-	82	-	-
Katwijk	Duizendblad	Duizendblad, Slangekruid	-	21	-	-
Leiden	5 Meilaan	5 Meilaan	16	-	-	-
Leiden	Van Randwijkstraat	Van Randwijkstraat	92	-	163	342
Leidschendam	Nieuw Mariënpark	Marienpark	36	-	36	-
Leusden	Claverenbladstraat	Claverenbladstraat, Van Eydenhof	-	13	-	-
Nieuwegein	Dotterbloemstraat	Dotterbloemstraat, Ereprijs, Guldenroede	-	151	9	-
Nieuwegein	Van Reeshof	Van Reeslaan	40	-	-	-
Nootdorp	Laan van Floris de Vijfde	Laan van Floris de Vijfde	38	-	-	-
Prinsenbeek	Hagendonk	Herman Dirvenpark	-	25	30	-
Rijen	Wouwerbroek	Wouwerbroek	-	16	-	-
Rosmalen	Eikakkershoeven	Eikakkershoeven, Tielekenshoeven	-	63	-	-
Rosmalen	Gruttoborch	Gruttoborch, Reigerborch, Kievitborch, Zwaluwborch	-	39	-	-
Rotterdam	Karel Doormanstraat	Karel Doormanstraat	35	-	35	-
Schijndel	Van Beethovenstraat	Van Beethovenstraat, Chopinstraat	-	27	-	-
The Hague	Amadeus	Kalvermarkt	40	-	40	-
The Hague	De Hoge Regentesse	Loosduinsekade	128	-	102	289
The Hague	Laan van Wateringse Veld -app	Laan van Wateringse Veld	27	-	-	-
The Hague	Laan van Wateringse Veld -toren	Laan van Wateringse Veld	16	-	-	-
The Hague	Middenweg-app	Middenweg	17	-	-	-
The Hague	Middenweg-toren	Middenweg	27	-	-	-
Tilburg	Bijsterveldenlaan	Bijsterveldenlaan, Hoge Witsie	-	38	-	-
Tilburg	Garderenstraat	Garderenstraat, Groedehof, Geesterenstraat	-	40	-	-
Tilburg	Hattemplein	Hattemplein, Hillegomlaan	-	30	-	-
Tilburg	Karrestraat	Karrestraat	19	-	-	-
Tilburg	Menterwoldestraat	Menterwoldestraat, Mariekerkestraat	-	38	-	-
Tilburg	Ravensteinerf	Ravensteinerf	-	64	-	-

City	Property	Address	Number of apartments	Number of single-family houses	Number of parking spaces	Commercial space (sq.m.)
Tilburg	Ruinerwoldstraat	Ruinerwoldstraat	-	57	-	-
Utrecht	Lamérislaan	Lamérislaan	216	-	33	-
Utrecht	Laurierkwartier	Kattenkruidweg	-	11	11	-
Utrecht	Milestones	Jazzsingel, Fletcher Hendersonstraat, Svend Asmussenpad, John Coltranestraat	49	21	66	-
Utrecht	Terwijde-centrum	E. Fitzgeraldplein, Jazzboulevard, B. Holidaystraat, Musicallaan, Nat KingColestraat, L. Amstrongboulevard	199	-	209	-
Veenendaal	Brouwerspoort	Wolweg	43	-	38	-
Veldhoven	Buikhei	Bovenhei, Brouwershei, Buikhei, Schepelhei	-	91	-	-
Waddinxveen	Gouwe Zicht	Binnendoor	25	-	-	-
Zeewolde	Bergkwartier	Braamberg	-	22	-	-
Zeist	Couwenhoven	Couwenhoven	-	46	-	-
Zeist	Nijenheim	Nijenheim	-	28	-	-
Zoetermeer	Futura	Dublinstraat, Van Leeuwenhoeklaan	69	-	70	-
Zwolle	Elftkolk	Elftkolk	-	30	-	-
Zwolle	Stadshagen	Bastionstraat, Broderiestraat	-	30	-	-
			-	-	-	-
Total			**3,248**	**1,690**	**2,179**	**1,127**

Colophon

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