



Títulos  
Inmobiliarios

# TIN 2022 Extraordinary Meeting



**1. Verification of Quorum**

**2. Reading and Approval of the Agenda**

**3. Appointment of the Chairperson and Secretary of the Meeting**

**4. Appointment of the Minutes Approval Committee**

**5. August 2022 Management Report**

**6. TIN 2022 Extraordinary Meeting Proposals**

**7. Additional Information: Plans to be Implemented**



**Verification of  
Quorum**



**Reading and  
Approval of the  
Agenda**



**Appointment of  
the Chairperson  
and Secretary of  
the Meeting**



**Appointment of  
the Minutes  
Approval  
Committee**



**1. August 2022 Management Report**

**2. TIN 2022 Extraordinary Meeting Proposals**

**3. Additional Information: Plans to be Implemented**



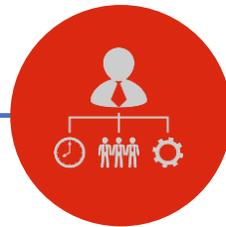
**Management  
Report  
August 2022**

**Solid Corporate Governance** as a guarantee of a rigorous acquisition process and proper master administration of the vehicle.



**Expert and independent** real estate team.

**Master Administration:**  
Supervision and Monitoring.



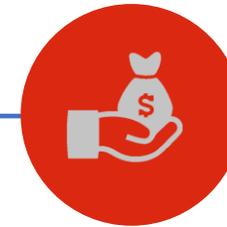
The COVID-19 emergency put the vehicle to the test, with a **lower impact on income, valuation and vacancy\*\*\*\* than had been initially estimated**. The economic vacancy is currently 0.83%, and the portfolio indicator is 0.35%\*; according to the June 2022 report.

**The Profitability\*\* of TIN** has stood out since the beginning of the vehicle. As of 2020, we have had remarkable profitability compared to other vehicles that can be acquired. Even with the COVID-19 emergency, the vehicle closed with a profitability of 9.5% EAR at December 31, 2021. In 1S2022, the profitability of the year to date was 19.69% EAR



**High standard** of information disclosure.

**Monthly** distribution of returns.



**Dividend Yield\*\*\* above 6% (last 12 months)** has been valuable to investors in a context of high inflation rates and low real profitability.

Source: Titularizadora Colombiana  
Information Date: 06/30/2022

\* Past-due portfolio based on operating income of the last 12 months

\*\* The TIN real estate securities are equity securities and, therefore, will not have a guaranteed return, but will have a variable return that will depend on the performance of the investments that make up the Overall Fund

\*\*\* *Dividend Yield*: Distributed income for the month on the average value of the security for the month

\*\*\*\* Vacancy: properties that are empty or on offer to be leased.



**COP 468,261 billion**  
Assets Under Management



**85,549 m<sup>2</sup>**  
Area under  
management



**99.14%**  
Economic occupancy  
of the portfolio



Profitability \*\*\*

**11.23% EAR** Since the Beginning  
**19.01% EAR** Last 12 Months  
**20.61% EAR** Year to date



**6.10%\*\*\***  
Average Dividend Yield  
Year to Date 2022



**0.12%\*\***  
Past Due Portfolio  
August 2022



**COP 143,082 billion**  
Financial Debt (Principal)



**11.82% EAR**  
Weighted average cost of  
debt.



**31.68% < Lim. 40%**  
Financial Debt.

Source: Titularizadora Colombiana

Information Date: 08/31/2022

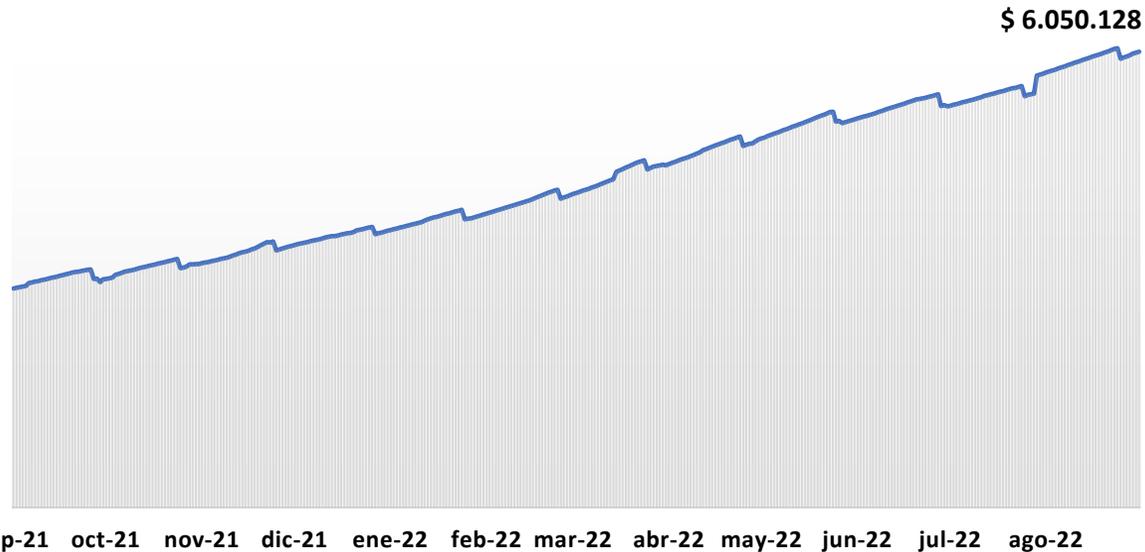
\* Indicators as of December 31, 2022

\*\* Past-due portfolio based on operating income of the last 12 months

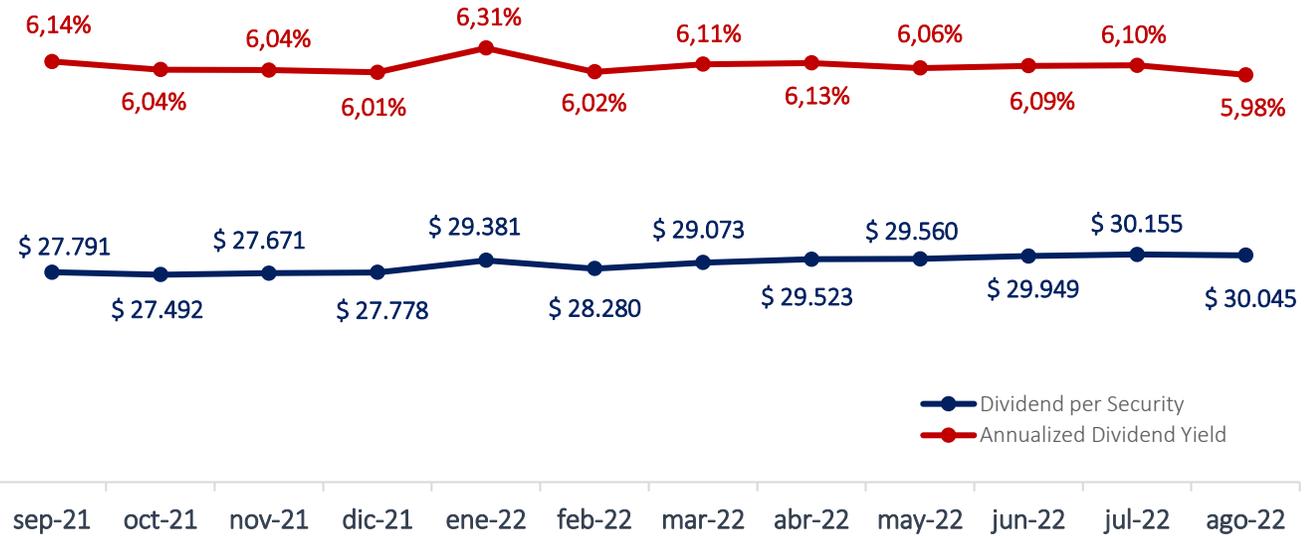
\*\*\* The TIN real estate securities are equity securities and, therefore, will not have a guaranteed return, but will have a variable return that will depend on the performance of the investments that make up the Overall Fund

\*\*\*\* *Dividend Yield*: Distributed income for the month on the average value of the security for the month

### Value of TIN Security



### Dividend Yield & Performance



**6050128**

The value of the security as of August 31, 2022.

**12%**

Increase in last 12 months Value of the security Vs COP 5,400,498 (Value of the Security 09/01/2021)

Source: Titularizadora UG Inmobiliaria, Information Date: 08/31/2022 Value in Colombian Pesos.

\*Dividend Yield or DY: Distributed income for the month on the average value of the security for the month

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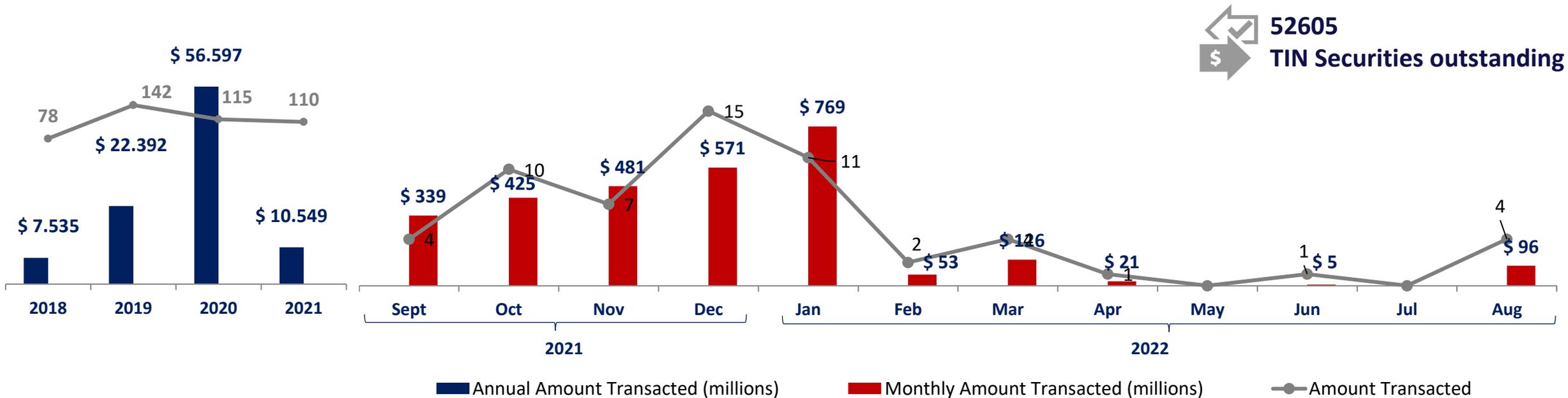
**5.98%**  
DY Last Month:  
August 2022



**6.10%**  
Average DY YTD:  
01/2022 – 08/2022



**6.09%**  
Average DY LTM:  
09/2021 – 08/2022



**Traded in 2022, COP**  
**1,071 million**



**89.2%\***  
**WAP of transactions on**  
**the secondary market**  
**Aug 2022**

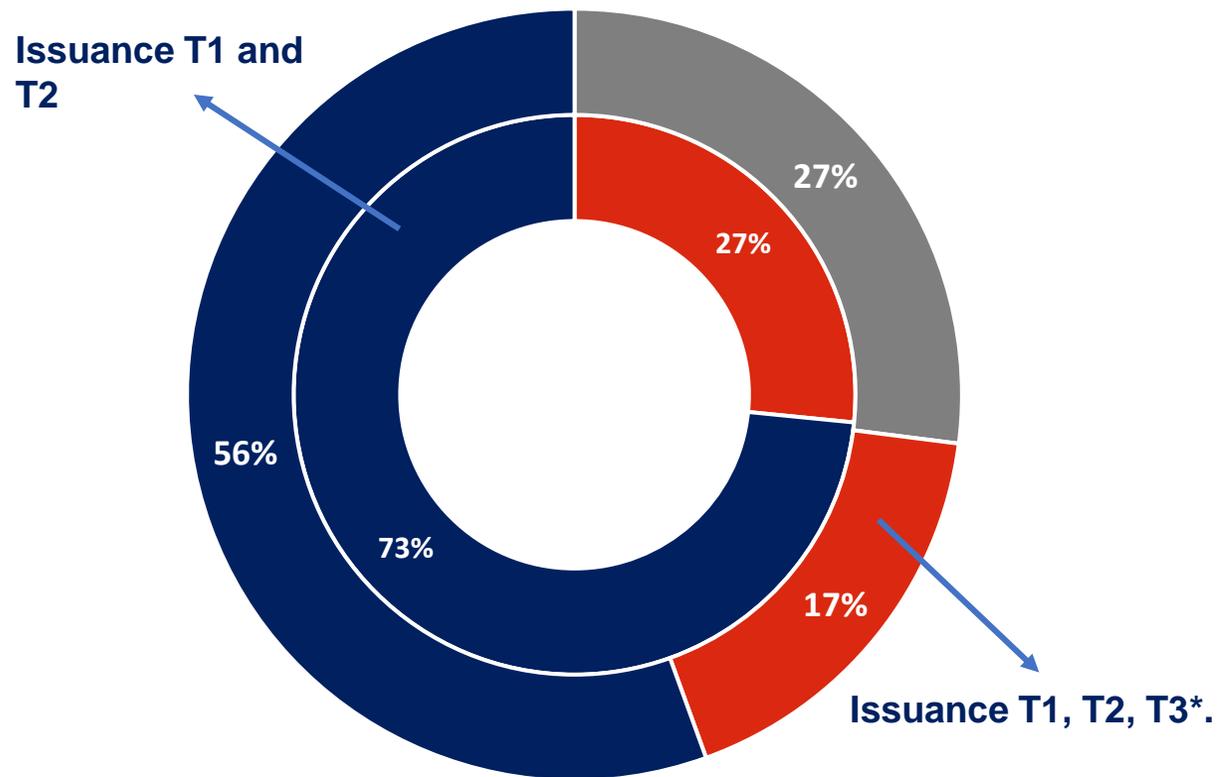


**100%**  
**Valuation Price\*\***

Source: Titularizadora Colombiana  
 \*WAP: Weighted Average Price  
 \*\* Valuation price of Precia as of August 31, 2022

## Diversification by Type of Property

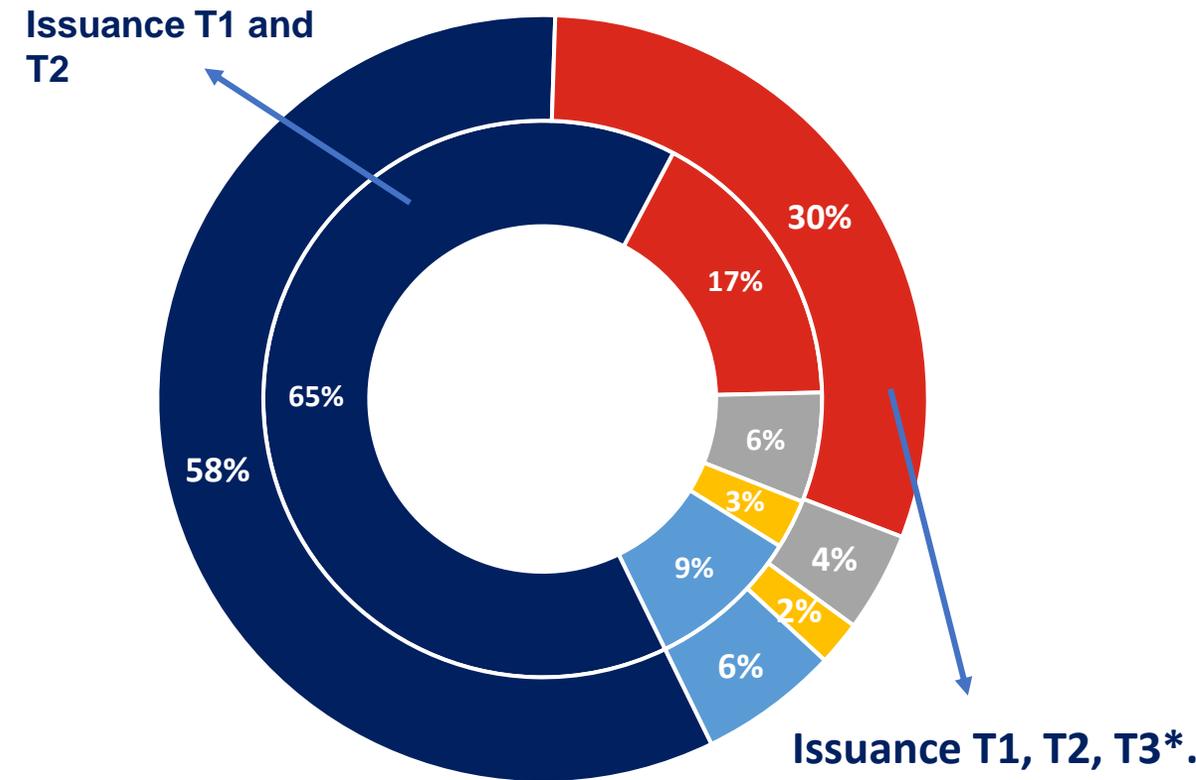
Prospectus Limit: 70% by type of asset.



■ Warehouse   
 ■ Office   
 ■ Retail Space  
 Retail Space in mall  
 Retail Space HP  
 Retail Space on street

## Diversification by Location

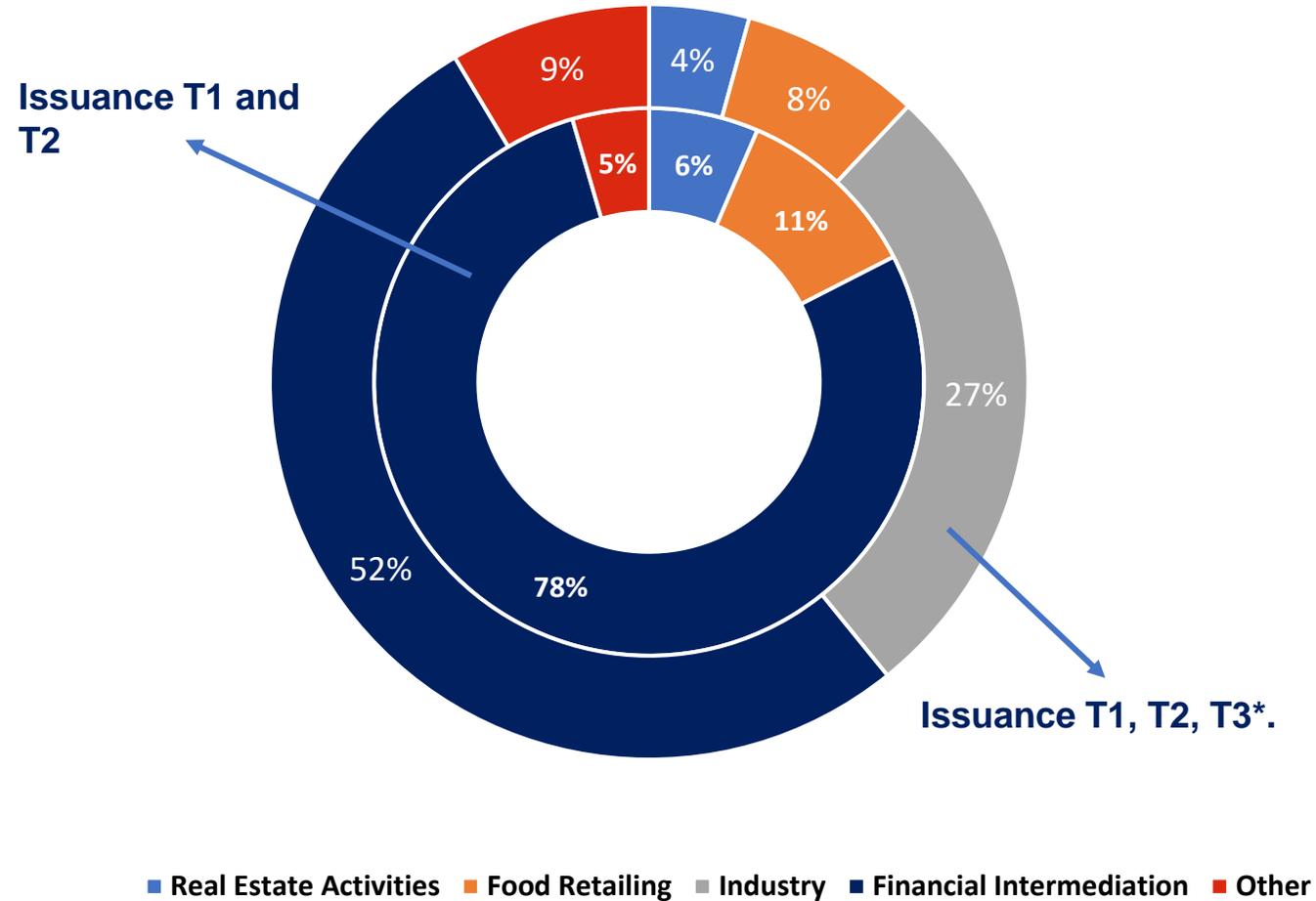
Prospectus Limit: >1 million inhab. (up to 50%, except Bogotá). >500,000 inhab. (up to 30%). >300,000 inhab. (up to 20%). >Others (up to 15%)



■ Bogotá   
 ■ Atlantic Coast   
 ■ Medellin   
 ■ Cali   
 ■ Others

**Diversification – Economic Activity**

Prospectus Limit: 50% by asset value, ISIC code.



# Proposal 2022 Extraordinary Meeting



## 6.1

Change the basis for calculation of the administration fee: from equity to *NOI\**.  
The fee applied to the NOI depends on the actual performance of the security and the market valuation.

## 6.2

Buyback mechanism for 10% of outstanding securities.

## 6.3

Form and numbering adjustments.



**TIN**  
**Administration**  
**Performance Fee**  
**System**

## Purpose

To align the interests of the Master Administrator with the Investors' in order to ensure a positive management of the portfolio and its profitability.

## BENEFITS



It seeks for the management of vacancies, the portfolio and maintenance to have a direct impact on the performance fee, and for it not to only be attributed to acquiring assets.



It reviews debt strategies to ensure that they do not negatively affect the real profitability TIN offers its investors.



It differentiates TIN from other real estate actors in the market regarding performance fee payments, emphasizing the importance of portfolio management.



It aims to observe high standards in tenant selection to reduce the risk of portfolio impairment at the time of acquisition.

## ADJUSTMENT

### 📌 New Performance Fee Basis

The calculation basis for the administration performance fee will be changed from **assets** to **NOI (NET OPERATING INCOME - Last 12 months)**, considering that the change rewards vacancy management\*\*, portfolio management, and operational efficiency, and removes incentives for asset acquisitions aimed at increasing fees.

#### Current Performance Fee

$$\text{Comision de Administración Mensual} = \frac{(\text{Patrimonio corte mensual} * 1\%)}{12}$$

#### Proposed Fee

$$\text{Comision de Administración Mensual} = \% \text{ Tarifa definitiva aplicada al NOI} * \text{NOI últimos 12 meses.}$$

Source: Titularizadora Colombiana

\*NOI: Net Operating Income

\*\*LTM: Last 12 Months

\*\*\*Vacancy: properties that are empty or on offer to be leased.

*Proportionality Theorem: It refers to the proportionality or equivalence between the current performance fee (TIN Performance Fee %) with the proposed fee (Equivalence/NOI\*LTM\*\*), depending on the range of profitability reported by the vehicle.*

*Linearity: It refers to the basis points that increase or decrease the performance fee depending on the profitability range in which the vehicle is located.*

The TIN real estate securities are equity securities and, therefore, will not have a guaranteed return, but will have a variable return that will depend on the performance of the investments that make up the Overall Fund

### 📌 Profitability Range

The indicator that will form the basis for the performance fee will be the **Real Profitability of the LTM Vehicle\*\***. Depending on this, a variable performance fee percentage (%) will be applied proportionately to the **NOI\* LTM\*\***. The equivalent NOI LTM rate will have a minimum of 1.11% and a maximum cap of 1.67%. With a base scenario equivalent to the current performance fee (1.39%). The parameters are calculated by a proportionality theorem; the base linearity ratio is from 1 bps to 0.23 bps for the new system.

Actual Return	TIN Fee %	Equivalent / NOI* LTM**
<= 4.80%	0.80%	1.11%
5.00%	0.83%	1.16%
6.00%	1.00%	1.39%
7.00%	1.17%	1.62%
>= 7.20%	1.20%	1.67%

#### Regulations/Prospectus Changes

**Sections:** Administration Fee  
§12.1.2 Regulation  
Distributable Cash Flow  
§6.17.1.1 Prospectus and §7.3.5.1  
Regulations

**Definitions** 96. Actual Return

## Market Valuation Adjustment Percentage

The new performance fee system takes into account the market value reported by price providers on a daily basis. The average value of the LTM\*\* security of the two price providers will be taken to define the valuation adjustment.

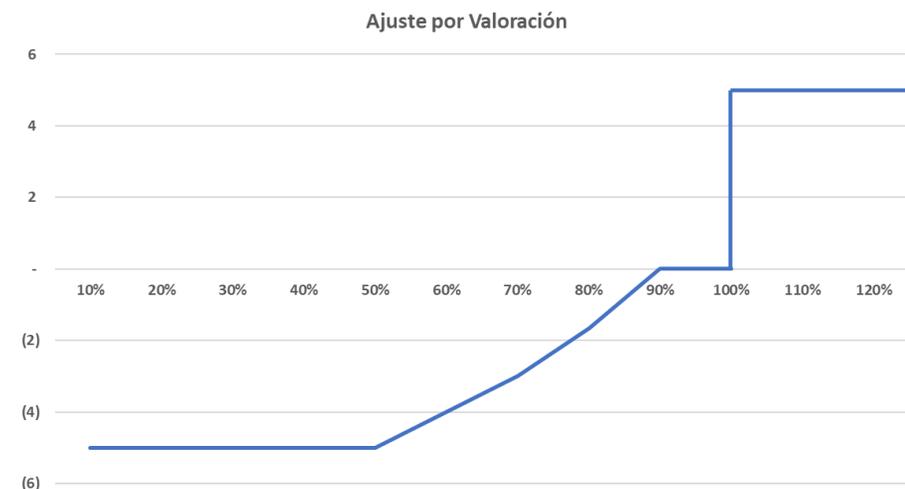
The valuation adjustment will be added to/subtracted from the rate obtained from the profitability range, understood as NOI LTM Equivalent Rate.

$$\% \text{ Tarifa Definitiva aplicada al NOI} = (\text{Tarifa equivalente NOI LTM}) + (\text{Ajuste por Valoración})$$

<b>Regulations/Prospectus Changes</b>	<b>Sections:</b>	Administration Fee §12.1.2 Regulation Distributable Cash Flow §6.17.1.1 Prospectus and §7.3.5.1 Regulations
	<b>Definitions</b>	96. Actual Return

Using this LTM average market value reported by the price providers, the adjustment for market valuation is calculated based on the following table. Take into account that the values between 50%-90% are calculated by the proportionality theorem.

Average Valuation Value		Valuation Adjustment
From	To	
0%	<50%	-0.050%
50%	<75%	-0.050%
75%	<90%	-0.025%
90%	100%	0.000%
>100%		0.050%



Source: Titularizadora Colombiana \*NOI: Net Operating Income \*\*LTM: Last 12 Months

The TIN real estate securities are equity securities and, therefore, will not have a guaranteed return, but will have a variable return that will depend on the performance of the investments that make up the Overall Fund

## 🏠 NOI Update - Change in Rates:

- The NOI LTM is updated with a November 2022 cut-off date, decreasing the performance fee rate. The equivalent NOI LTM rate will **have a minimum of 0.96%** (Prev. 1.11%) and a **maximum cap of 1.44%** (Prev. 1.67%) with a base scenario equivalent to the current performance fee **of 1.20% over NOI** (Prev. 1.39%).
- The NOI LTM updated for November 2022 (Prev. May 2022) includes the acquisitions made in the last semester of 2021, for a longer period of time, aimed at issuing Tranche 3.

### Original Proposed

Actual Return	Performance Fee	Equivalent / NOI* LTM**
< = 4.80%	0.80%	<b>1.11%</b>
5.00%	0.83%	1.16%
6.00%	1.00%	1.39%
7.00%	1.17%	1.62%
> = 7.20%	1.20%	<b>1.67%</b>

### Adjustments to the Proposed

Actual Return	Performance Fee	Equivalent / NOI* LTM**
< = 4.80%	0.80%	<b>0.96%</b>
5.00%	0.83%	1.00%
6.00%	1.00%	1.20%
7.00%	1.17%	1.40%
> = 7.20%	1.20%	<b>1.44%</b>

## Regulations/Prospectus Changes

**Sections:** Administration Fee  
§12.1.2 Regulation  
Distributable Cash Flow  
§6.17.1.1 Prospectus and §7.3.5.1  
Regulations

**Definitions** 96. Actual Return



## TIN Buyback Mechanism

A mechanism that allows the issuer to acquire up to 10% of the outstanding securities in order to improve market valuation. The repurchased securities are extinguished and, consequently, the total number of outstanding securities is reduced.



## Advantages

- ◆ Confidence in the real estate vehicle
- ◆ Increased distribution of yields per security with fewer securities
- ◆ Greater liquidity in the secondary market
- ◆ Increase in equity and market value of the security



## Scope

- ◆ A maximum acquisition amount corresponding to 10% of the outstanding securities. The percentage is cumulative, and the operations may be carried out during the valid term of the vehicle, without exceeding this percentage at any time.
- ◆ In the case of new issuances, that 10% increases proportionally to the securities of the new issuance.



## Risks

- ◆ Financial debt and the resources allocated to the buyback fund would increase the appropriations. To mitigate this risk, the advisory committee will follow up so that the value of the appropriations does not negatively affect the Dividend Yield\* below the historical average. Additionally, the final appropriation required may not exceed 30% of the Distributable Cash Flow of each month.



## Resources

- ◆ Financial debt with cost of debt beneficial to the Vehicle and included in total debt.
- ◆ Proceeds from sale of assets
- ◆ Cash flow: Buyback appropriation fund. As a general rule, the value of the appropriation should not negatively affect the Dividend Yield\* below the historical average. However, the Advisory Committee has the discretion to authorize the required final appropriation, without it exceeding 30% of each month's Distributable Cash Flow.



## Definition of Buyback Price

This is the value of a security to be repurchased, as defined by the **Advisory Committee**, which is determined mainly based on the following criteria:

- ◆ Net Asset Value
- ◆ Market value reported by price providers
- ◆ Highest market value traded and demanded
- ◆ BVC closing price
- ◆ Market conditions and trading of securities in the secondary market, subject to the regulations established by the BVC

The mechanism is implemented primarily through trading systems and, in exceptional cases, through special transactions.

In said exceptional cases, a maximum Adjustment Factor of 10% calculated based on the net asset value, financial debt, and the price reported by the price provider can be used.



## Process

This mechanism will be activated when the Advisory Committee considers it necessary, taking into account the indicators of the secondary market.

The mechanism will be reviewed at least once a year by the Advisory Committee.

### Advisory Committee:

- ◆ Analysis of the valuation price of the security in the secondary market
- ◆ Definition of activation of the buyback mechanism
- ◆ Definition of buyback price and resources for the buyback fund.

### Master Administrator:

- ◆ Publication of offer notice with buyback conditions.
- ◆ Securities Buyback
- ◆ Extinction of Repurchased Securities

### Sections:

### Regulations/Prospectus Changes

#### § Prospectus and Regulations

#### Section

7.4.1	Buyback option at the request of the Holders.
7.4.2	Buyback by Decision of the Issuer.
7.4.3	Common Provisions for the Buyback of Securities.
9.2.1	Board of Directors
9.2.2.2	Functions of the Advisory Committee.

### Definitions

#### # Prospectus

#### Definition

#### # Regulation

51.	Adjustment factor.	45.
93.	Buyback Market Price.	83.
94.	Net Asset Price.	84.
95.	Buyback Price to be Paid by the Issuer.	85.
101.	Buyback by Issuer's decision.	91.

A mechanism that allows the issuer to acquire up to 10% of the outstanding securities in order to improve market valuation. The repurchased securities are extinguished and, consequently, the total number of outstanding securities is reduced.



## Advantages

- ◆ Confidence in the real estate vehicle
- ◆ Increased distribution of yields per security with fewer securities
- ◆ Greater liquidity in the secondary market
- ◆ Increase in equity and market value of the security



## Scope

- ◆ **A maximum acquisition amount corresponding to 10% of the outstanding securities.** The percentage is cumulative, and the operations may be carried out during the valid term of the vehicle, without exceeding this percentage at any time.
- ◆ In the case of new issuances, that 10% increases proportionally to the securities of the new issuance.

**Proposal: A maximum acquisition amount corresponding to 3% of the outstanding securities.**



## Risks

- ◆ Financial debt and the resources allocated to the buyback fund would increase the appropriations. To mitigate this risk, the advisory committee will follow up so that the value of the appropriations does not negatively affect the Dividend Yield\* below the historical average. Additionally, the final appropriation required may not exceed 30% of the Distributable Cash Flow of each month.



## Resources

- ◆ Proceeds from sale of assets
- ◆ Cash flow: Buyback appropriation fund. As a general rule, the value of the appropriation should not negatively affect the Dividend Yield\* below the historical average. However, the Advisory Committee has the power to authorize the required final appropriation without it exceeding 30% of each month's Distributable Cash Flow.

**Proposal: Financial debt will not be used for the proposed buyback mechanism.**



**Form and  
Numbering  
Adjustments**



## Basis

- Minor adjustments are included throughout the documents to present the information clearly to the Investors and make the documents clearer.



## Scope

- Numbering Adjustments in the document (cross-references).
- Update to Titularizadora's basic data.
- Layout review and form adjustments.



## Objective

- To facilitate the visualization of and access to the document contents.
- Updated, simple information for investors.



**Plans to be  
Implemented**



## History

October 2018. Since the creation of TIN, real estate equity securities have been traded in the fixed income system.

The trading of securities in this market was due to operational issues, due to the fact that the equities system was designed exclusively for stocks and not for participative units of interest.



## Analys s

Due to the nature of TIN securities, these are considered equity securities, since their yield is neither constant nor indexed to any financial indicator.

Since 2018, the Colombian Securities Exchange (BVC) has been seeking an operational space for real estate securities in the equities market, considering the nature of these securities.



## Transition

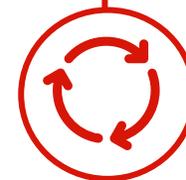
With the issuance of Regulatory Bulletin 039 of October 27, 2021, the BVC opened the possibility for securities to voluntarily migrate from the fixed income market to the equities market.



## Objective

The objective is to migrate TIN securities to the equities trading system and take advantage of the opportunities this market offers.

This is to **enhance TIN** in the market and achieve better results for its investors.



## Current Situation

The proposal to migrate TIN securities from the Fixed Income to the Equities trading system is still being evaluated and analyzed, taking into account current market conditions.

Market conditions will continue to be evaluated in the coming months and, if deemed appropriate, will be put to the consideration of the 2023 Ordinary General Meeting of Securities Holders.

# TITULARIZADORA COLOMBIANA S.A. A SOLID ISSUER IN THE CAPITAL MARKET

We have 70 issuances in the Colombian capital market, amounting to over COP 24 trillion, issued over 20 years, and a balance of COP 3 trillion under management.



## Certificaciones y reconocimientos:

Calidad Emisor Conocido y Recurrente  
(Superintendencia Financiera)



Certificación de Calidad Administración  
Maestra Emisiones Hipotecarias



Mejores Prácticas Revelación de  
Información y Relación con Inversionistas



Riesgo de Contraparte AAA

**BRC**  
Standard & Poor's  
S&P Global

Nuestros accionistas



TIN

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