



A Member of CapitaLand

ASCOTT RESIDENCE TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 19 January 2006 (as amended))

ANNOUNCEMENT

COMPLETION OF THE ACQUISITION OF A THIRD PROPERTY IN NEW YORK, UNITED STATES OF AMERICA

Ascott Residence Trust Management Limited (the “**Manager**”), as manager of Ascott Residence Trust (“**Ascott REIT**”), refers to its announcement dated 31 May 2017 where the Manager announced that Ascott REIT had on 31 May 2017, through its wholly owned subsidiary, entered into a conditional sale and purchase agreement to acquire the hotel property known as DoubleTree by Hilton Hotel New York – Times Square South located at 341 West 36th Street, New York, New York, 10018, United States of America and the freehold interest in the land of the hotel property (the “**Acquisition**”).

The Manager is pleased to announce that the Acquisition has been completed.

As indicated in the announcement dated 31 May 2017, the Manager proposed to finance the Acquisition with debt financing, among others. The Manager also wishes to announce that a credit agreement dated 16 August 2017 (the “**Credit Agreement**”) has been entered into between Barrydale SM LLC, a subsidiary of Ascott REIT (the “**Borrower**”) as borrower and Oversea-Chinese Banking Corporation Limited, New York Agency (the “**Lender**”) to finance the Acquisition, and pursuant to Rule 704(31) of the Listing Manual of Singapore Exchange Securities Trading Limited, one of the conditions in the Credit Agreement is that Ascott REIT has to be managed solely by the Manager (the “**Covenant**”). Please refer to the Appendix for details.

As at the date of this Announcement, there has not been a breach of the Covenant.

By Order of the Board

Ascott Residence Trust Management Limited

(Registration Number: 200516209Z)

As manager of Ascott Residence Trust

Karen Chan

Company Secretary

17 August 2017

Important Notice

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of Ascott REIT is not necessarily indicative of the future performance of Ascott REIT.

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.

1. Details of the Covenant

The Credit Agreement contains a covenant that Ascott REIT shall be managed solely by the Manager.

2. Aggregate level of Facilities and other borrowings of Ascott REIT and its subsidiaries that might be affected by a breach of the Covenants

If a Covenant is breached, or the Lender calls a default in the Credit Agreement, it may also trigger cross defaults of one or more of the other facilities and other borrowings of Ascott REIT and/or its subsidiaries (collectively referred to as the "**Facilities**"). In such an event, the aggregate level of the Facilities which are outstanding and may be affected by such breach would be about S\$1,533 million (excluding interest) as at the date of this Announcement. As at the date of this Announcement, there has not been a breach of any Covenant.