InDetail

Principal Data Center Growth & Income Fund, L.P.

A U.S. Data Center Fund

June 2023

Table of Contents

EXECUTIVE SUMMARY

OVERVIEW

Review Date	Rating	Prior Fund Rating
June 2023	**Buy**	N/A

Principal Real Estate ("PRE", or the "Sponsor") is forming Principal Data Center Growth & Income Fund ("DCGIF", or the "Fund") to invest in a portfolio of data centers comprised of three existing centers and three in-process development projects. The portfolio is currently held by a Principal-managed SMA for a state pension. The $3 billion Fund will acquire the portfolio and capitalize all future construction and add-on development, while the state pension remains invested as the anchor investor. The Fund return target is 14%-16% net IRR utilizing 50% leverage.

Primary Strategy: The Fund will invest in two newly constructed and leased data centers in Chicago and Dallas, an existing center in Chicago with pre-leased expansion in process, and three development projects in various stages of construction and pre-leasing located in Dallas, Phoenix, and San Antonio. The product is a turn-key or powered shell center for primarily hyperscale tenants.

Sponsor:

HQ Location	Des Moines, Iowa	**Parent**	Principal Financial Group (NASDAQ: PFG)
Ownership	Indirect subsidiary of PFG	**Founded**	1998
Employees	475 (300 Investment Professionals)	**AUM (March 31, 2023)**	$97.9 billion
Organization	Principal Real Estate is the dedicated real estate group of Principal Asset Management, a member company and affiliate of Principal Financial Group, which is a public company.		

Track Record (as of 3/31/2023)

Data Center Composite	Actual and Budgeted Cost (M)	Equity Invested to Date (M)	Dates Acquired	Assets	Projected Gross IRR*	Fair Market Value	
						Unlevered Gross IRR*	Unlevered Gross EM*
Realized	$128	$119	2007-2019	5	169.4%	61.7%	1.6x
Unrealized	$2,582	$1,335	2017-2023	14	24.5%	17.0%	1.2x
Total	**$2,711**	**$1,454**		**19**	**31.3%**	**19.1%**	**1.2x**

*Based on weighted average by gross actual/budgeted cost.

Portfolio Characteristics:

Vehicle Structure	Closed End Commingled Fund	**Risk Segment**	Opportunistic/High Return
Expected Fund Size	$3 billion	**Sponsor Commitment**	$50M from Principal Life Insurance
Investment Period	N/A	**Fund Term**	6 years from the Final Close
Avg. Investment Size	$1.2 billion gross transaction value	**Typical Business Plan**	3-6 years

Fees:

Management Fee	1.5% on Invested Capital, with fee break for First Close and commitment size	**Incentive Fee Waterfall**	8% preferred return; return of capital 50% GP Catch-up 80% LP / 20% GP thereafter

Status: First Close is July 14, 2023, expected to be $1.4 to $1.6 billion. The close is likely to be a "rolling close" through July in terms of documentation. Principal anticipates it will fundraise through 2023. Final close to be held within one year of First Close or sooner.

COMPARATIVE ADVANTAGES

1. Demand Fundamentals

Digital data creation, usage, and storage has been growing exponentially[1] . On-going in-place technology-led digital transformational trends are everywhere, increasing data demand and consumption, requiring more physical data center space and power within data centers. Demand continues in existing major market hubs, secondary market growth hubs, and new geographic locations as global regions/countries undergo their digital modernization at varied paces.

There is a supply response, but compared to traditional property types, the specialized physical requirements and required locations of data centers tends to limit speculative over-supply in the space, and there is limited availability of construction financing for spec builds. Short term increases in vacancy for a given sub-market may occur with deliveries/completions and rent rate declines may occur in any given quarterly statistic when biased by lease activity of the largest users with volume-based pricing power, but these occurrences should be viewed in the context of a particularly strong long-term demand trend.

2. Property Type Attributes

- Data center leases tend to have defensive characteristics, being long term leases, often with contractual rent bumps of 1%-3% per year, with certain tenant expense pass-throughs. In all instances this includes power, which is the largest relevant expense. The properties are mission critical to the tenants, and relocating is expensive, implying a high retention rate is a reasonable expectation[2]. This serves to increase the probability that existing tenants expand in place where possible, a key to this Fund's leasing strategy.
- The correlation of data center NOI growth to the NOI growth of traditional property types, whether public (NAREIT data) or private (NCREIF data), is low to negative providing portfolio diversification benefits. Long term trends stated above are not necessarily correlated to the broader business cycle.

3. Seed Assets

The Fund will provide Investors with immediate exposure to an existing portfolio of 6 assets/projects with further add-on development potential. All projects are pre-entitled and substantially power-enabled. This serves to de-risk certain earlier-phase risks of a development strategy, and to mitigate potentially significant J-curve effects that can occur in earlier phases of multi-year development projects. Existing credit tenancy, pre-leasing, and expansion LOIs serve to de-risk the leasing process. Approximately 35% of an LP's commitment may be called in conjunction with the Final Close. Assets are discussed in the *Strategy* section and detailed in **Exhibit C** and **Exhibit D.** To summarize, the portfolio includes:

- Two newly constructed and now stabilized assets with credit hyperscale tenants in prime U.S. data center markets. One includes expansion opportunity with an existing tenant (DFW VII and Chicago I).
- One acquired/converted center in lease-up (Chicago II).
- Two in-process development projects in various stages of completion (DFW VIII, Phoenix I-VI).
- The Fund's last asset will be a to-be-acquired land site / development contingent on a signed lease; planned initial buildout of 40 MW turn-key capacity (San Antonio III).

---

[1] Research pieces quote statistics based on a variety of measures usually requiring a level of technical understanding, but in simple form, global internet traffic grew above a 20% CAGR over the past five-year period according to multiple sources without contradiction, and growth in new data creation and replication is projected across multiple sources at 20% to 30% for the next five-year period fueled by consumer and corporate adoption of technological advances within a multitude of industries, shifts to cloud-based technology, support of increased remote/virtual work styles, and evolving megatrends such as artificial intelligence and autonomous vehicles.
[2] CBRE continues to cite 90% to 95% tenant retention rate at lease expiration in the US.

4. In-Place Specialized Operator

The Fund's developer/operator partner is established as the Fund's exclusive operator and invested in each asset. Having the joint venture already in-place is a key comparative advantage; the operator is aligned through its own investment in assets plus the importance of this relationship as a percent of its business[3]; and the Fund has a well-known specialist operator with tenant relationships and reputation from being in business since 1999.

Compared to traditional property types, data center tenants are sensitive to the experience of a facility's owner and its operational capabilities and its reputation for providing/maintaining specialized tenant requirements. And, tenants building or expanding centers typically limit their build-to-suit and any new leasing for unoccupied portions to known providers with a track record of delivering/managing new facilities. Market participants have stated the importance of having a consistent operating partner across a portfolio for leasing synergy and facilitating a portfolio exit. **Exhibit A** provides an overview of Stream Data Centers.

5. Fee Breaks and First Close Discount

The Fund's fee structure is favorable relative to peers in both the general opportunistic closed-end fund space and among data center focused vehicles. Further, the Manager has offered attractive First Close incentives due to the urgency of capital formation to execute certain in process leases. Participants in the First Close will receive a discounted fee of 75 bps on invested capital for the duration of the Fund. The seed assets will also be contributed at a discount via a $30 million purchase price credit to First Close participants. First Close investors will receive a 3% profit share in the Fund level promote, reducing their effective incentive fees. Investors committing $50 million to the First Close will be given Major Investor status, including an LPAC seat and priority co-investment rights, which are otherwise reserved for commitments of $100M or more in later closes. Townsend client capital will also be considered in aggregate toward size-based discounts described in the *Fund Structure* section regardless of close timing.

POTENTIAL ISSUES AND CONCERNS

1. Inherent Conflicts of Interest

The acquisition of the seed portfolio involves inherent conflicts of interests:

- Principal currently has a fiduciary duty to the SMA and its owner, which is in effect the seller while the newly forming Fund is the buyer.
- The Fund is paying a FMV established by a Principal-led appraisal-based process, further complicated by a range of valuation methodologies that can be applied to fair-valuing development projects in process.

Discussion: There is precedent for similar transfers to seed commingled funds and Principal has followed a process consistent with institutional standards for such a transfer. The appraisal process is conducted by a third-party appraiser and organized by Principal's Appraisal Services group, which is separate from the portfolio management team responsible for the existing SMA and newly forming Fund. The contribution methodology is described in **Exhibit B.** Principal will also provide a third-party fairness opinion from Kroll. The Fund and SMA will have separate legal counsels and the SMA will provide standard reps and warranties consistent with an arm's length transaction. Alignment is enhanced by the fact that the pension client (State of Michigan Retirement System) will be an anchor investor in the Fund. The Fund is being formed primarily because the client is overallocated to real estate and unable to upsize the account to fund additional capital to execute accretive expansion and development opportunities. SMRS will commit $1 billion to the Fund, roughly equal to the account's current $1.1 billion NAV, and have an initial

[3] Principal joint ventures represent most of Stream's business. Stream has two of seven unrealized data center projects with Iron Point as a partner; these are smaller assets representing approximately 6 MW.

exposure to the Fund of approximately $380 million. Principal originally had a deal-by-deal promote structure in the SMA based on sale of the assets, with a higher promote hurdle. To avoid double charging the SMA client, Principal is wiping the majority of its crystalized promote, largely mitigating the potential incentive for Principal to inflate the portfolio's purchase price in favor of the SMA.

2. Less-Established View on Stabilized Cap Rates

The U.S. real estate market is in a period of price discovery due to rising interest rates, limited availability of debt capital, and lower investment transaction volume. Establishing asset value is further complicated by some of features of the data center market including lower relative transaction volume and a higher proportion of assets trading within entity level M&A and sales to end-users. JLL estimates global data center transaction volume in 2022 was $11 billion, of which $6.9 billion was entity level transactions[4]. The Fund's portfolio includes two stabilized assets in Chicago and Dallas that are contributed at implied forward cap rates of 5.5% and 5.25% (or 5.5% based on updated opex estimates) and comprise 55% of the seed portfolio's current value. Green Street's cap rate estimate for the relevant markets is 5.75%. Both sources cite transaction cap rates dating back to 2021 ranging between 4.0% and 6.0% (included in **Exhibit B**).

Discussion: We have less certainty than we otherwise might with a deeper/more active transaction market, but the assets are contributed within the range of reasonable opinions. Both the appraisals and the Green Street discussion acknowledge the minimal comparable deal flow after a period of rising rates in 2022; the appraisals note the lack of observable transactions above 5.5%, the AAA/A1 credit tenancy, and improving market fundamentals as justification for cap rates consistent with comps in the 5's. The appraisals also don't apply a cap rate distinction between primary markets Chicago and Dallas vs. the largest U.S. data center market in Northern Virginia. The Chicago asset in particular has intangible strategic value to the portfolio as the existing tenant is the anchor tenant in three of the other projects. The stabilized assets also provide an income component otherwise absent from the Fund's return profile and add scale to the portfolio, contributing to the range of potential exit options.

3. Limited Realized Track Record

Principal's track record is limited at this stage. It is almost entirely comprised of the SMA and one prior fund, both of which are somewhat newer efforts (2017 and 2020 inceptions respectively), almost fully unrealized, and in the case of the fund still in a material j-curve period, reporting a 0.9x FMV.

Discussion: In addition to the two dedicated vehicles, Principal has also done 9 data center transactions for its general account and its flagship core fund (USPA). The Sponsor has realized five investments of which four outperformed substantially. The depth of track record is consistent with peers sponsoring dedicated data center vehicles, which generally didn't exist before 2016 and invested in a period with a notably different market structure[5]. Data center returns often have a high degree of j-curve due to development or higher expense loads associated with built-out but unleased capacity in lease-up deals. In either instance, the property type is characterized by large block leasing, often single tenant, and is subject to relatively abrupt valuation changes. No unrealized projects are projected to be materially below underwriting. More detail is provided in the *Performance* section of this report and **Exhibit I.**

[4] Compared to approximately $278 billion in U.S. multifamily investment volume and $142 billion in U.S. industrial.

[5] Most data center investments prior to ~2021 were aimed at powered shell development or lease-up of existing centers, primarily to enterprise tenants in a wider range of markets, with a greater speculative leasing element. The advent of cloud growth has consolidated the target tenant base and driven down development yields, but also consolidated new demand/supply to more predictable primary markets and led to a greater focus on pre-leased development by non-core sponsors.

4. Development Risk

Development is a large portion of the portfolio. 86% of the expected megawatt capacity of the final portfolio is yet to be built. Development carries specific and often higher risks and is usually limited in closed-end non-core funds.

Discussion: While all projects are not build-to-suit in the most strictly defined sense, there will be no speculative development and/or capacity build-out in the Fund. All existing capacity is fully leased and all in-process capacity is pre-leased. The Manager has visibility through LOIs or advanced discussions with existing tenants toward leasing the maximum built-out capacity in the portfolio's assets and will not begin construction on any projects without a signed lease. All sites are entitled for the intended use. Stream provides a cost overrun guaranty and will obtain a GMP from the general contractor. Budgets typically include 5% contingencies and Stream has had no over-budget projects with Principal to date. Force majeure language in the tenant's lease typically covers unpredictable delivery delays including supply chain/weather/regulatory delays with no penalty to the lease, rather a delay to the lease start date, isolating timing risk to an IRR consideration rather than a substantial hit to the development profit. In addition to more typical development risks, two factors specific to the data center property type, which are typically the biggest limiting factors on new supply, are mitigated to a large degree:

- All assets are effectively power enabled, with dedicated substations at the Dallas and Phoenix sites.
- Certain long-lead-time equipment (generators, transformers and other substation items) requiring advanced deposits has been procured for purposes of building out the pre-leased space and Stream has non-deposit orders out for future projected capacity totaling around $300 million of required equipment. This totals approximately 120 MW of the expected 440 MW capacity that remains to be built. This is a situation which would otherwise not be possible in a blind pool closed-end fund but was facilitated by the SMA's procurement LLC.

Fund level j-curve will be partially mitigated by the lack of fees on committed capital, some degree of income from the stabilized assets, and the purchase credit for First Close investors.

5. Reliance on New Capital

If Principal is unable to raise the targeted $3.0 billion in Fund commitments ($2.0 billion excluding the anchor investor), the return profile of the Fund may change materially. New capital is necessary to build out identified expansion and development opportunities. The expected First Close capital ($1 billion from the anchor investor and $500 million of new capital) would allow the Fund to build out roughly the amount of currently pre-leased capacity. Failure to raise additional capital would weight the Fund's return profile disproportionately toward the Fund's two stabilized assets. We are currently in a period where non-core fundraising has slowed.

Discussion: Principal has visibility and places a high likelihood on approximately $2 billion of additional commitments beyond the First Close, excluding any additional Townsend client capital. This would bring the Fund to its hard cap. Although fundraising has slowed generally, the data center property type is considered an in-demand sector for investors relative to other property types and there are relatively fewer pure-play options available, and fewer with this level of pre-specified assets. If expected capital is not raised by the year-end target, Principal may extend the fundraise, sell the stabilized assets to fund the higher returning development opportunities, or raise the conservative base case leverage assumptions marginally to stretch equity capital to further cover cost requirements. Principal provided scenario analysis related to several possibilities in which the fund raises less than the targeted capital. The following scenarios assume standard fees and returns excluding the First Close purchase price credit.

Scenario	Invested Equity ($)	Net IRR	Net EM
Base Case	3,096,441,167	15.0%	1.79
55% Leverage	2,618,995,268	15.7%	1.92
60% Leverage	2,160,496,210	16.5%	2.09
Sale of Stabilized Assets	1,639,451,218	16.5%	2.32
No Phoenix II-VI or SA III	1,886,715,990	10.8%	1.58

STRATEGY

OVERVIEW

The Fund's primary strategy is to acquire, develop, and lease-up a portfolio of seed assets, ultimately assembling a portfolio of stabilized mission critical data centers in primary markets leased primarily to hyperscale/strong credit tenants. Secondarily, the Fund may build out additional capacity in phases around initial buildings, capitalized by the Fund and/or co-investment capital. **Exhibit C** includes a summary table of underwriting assumptions. **Exhibit D** includes asset overviews and fact sheets.

- Yield-on-cost for the development projects average 7.51% ranging from 7.13% to 8.11%. Stabilized/exit cap rates are assumed to be 5.25%.
- Rents are untrended and based on current rates consistent with active leasing and third-party estimates[6]. Capex is similarly untrended with opex grown at a 3% inflation rate.
- Developments are underwritten to a 30-month construction timeline to stabilization. Month 0-12 assumes equipment purchase of certain long lead time items during lease negotiation. Months 7-18 include site work and shell construction. Months 19-30 include buildout of data hall and power capacity. Tenant is assumed to be rent-paying at completion. Development timelines typically have an amount of contingency built in.
- By market, existing power capacity is in Chicago (29%), DFW (65%), and Phoenix (7%). Fully built capacity is projected to be Phoenix (47%), DFW (26%), San Antonio (16%), and Chicago (10%). Data center market data and summaries specific to each metro are included in **Exhibit E.**
- The total underwritten buildout assumes $3.1 billion in equity required, consistent with the $3.0 to $3.5 billion total fundraise. The total gross cost of the fully built portfolio is $7.1 billion.
- Exit opportunities include a continuation vehicle, portfolio sale to an infrastructure fund, sale to end-users, public IPO, portfolio sale to a larger platform or public REIT, or individual asset sales. Tenants typically have purchase options based on a mutually agreed price or a multi-stage BOV/appraisal process.

Capital Summary

Asset	Appraised Value (GAV)	Adjusted Value (6/30)*	Initial Debt	Seed NAV (6/30)	Future Capex	Total Projected Cost
Chicago I - Elk Grove	222,000,000	222,000,000	100,000,000	122,000,000	84,850,000	306,850,000
Chicago II - Elk Grove	268,000,000	270,000,000	0	270,000,000	199,979,892	469,979,892
DFW VII - Garland	600,000,000	600,000,000	275,000,000	325,000,000	8,600,000	608,600,000
DFW VIII - Wilmer	52,300,000	80,000,000	0	80,000,000	1,555,686,860	1,635,686,860
Phoenix - Building I	259,000,000	275,000,000	0	275,000,000	295,897,577	570,897,577
Phoenix - Buildings II-VI	83,000,000	80,000,000	0	80,000,000	2,501,644,231	2,581,644,231
San Antonio III	0	0	0	0	980,000,000	980,000,000
Total	**$ 1,484,300,000**	**$ 1,527,000,000**	**$ 375,000,000**	**$ 1,152,000,000**	**$ 5,626,658,559**	**$ 7,153,658,559**

*Adjusted value includes costs accrued since appraisal date less certain contingencies for leasing/construction assumed by appraisal.

[6] Asking rents in the sector declined from 2015 through 2021, due to increases in the proportion of larger wholesale leases by hyperscale tenants, advancements in power density driven by lower construction cost per MW and reduced redundancy requirements, and falling stabilized cap rates requiring lower development yields in spec construction. These trends have generally stabilized, and low vacancy rates coupled with limited power availability for new supply pushed rents by ~14.5% in 2022. New data centers are reasonably expected to see positive rent growth and increased landlord pricing power on a go-forward basis.

Valuation Method and Underwritten Yields

Asset	Contributed At:	Yield on Cost	Exit Cap Assumption
Chicago I - Elk Grove	Appraised Value (Income Cap.)	6.12% (7.54%*)	5.25%
Chicago II - Elk Grove	Appraised Value (DCF) less Contingencies plus Costs	6.53%	5.25%
DFW VII - Garland	Appraised Value (Income Cap.)	5.5% (8.35%*)	5.25%
DFW VIII - Wilmer	Cost	7.13%	5.00%
Phoenix - Building I	Appraised Value (DCF) less Contingencies plus Costs	6.22%	5.25%
Phoenix - Buildings II-VI	Cost	7.47%	5.25%
San Antonio III	N/A	8.11%	5.25%

*For informational purposes, on stabilized assets, achieved yield-on-cost from the perspective of the separate account is included in parenthesis.

Business Plan and Capacity

Asset	Current Structure	Business Plan	Built and Occupied Capacity (MW)	Pre-Leased Capacity (MW)	Capacity with LOI (MW)	Projected Capacity at Full Build (MW)
Chicago I - Elk Grove	126,689 SF facility with 70,000 SF data hall space; 5.8 acres	Stabilized with expansion LOI	15	0	6	21
Chicago II - Elk Grove	120,000 SF facility on 10.3 acre site. 226,724 total building SF	Build-out of leased capacity plus expansion LOI	4	12	16	32
DFW VII - Garland	Fully built; 275,000 SF facility on 23 acre site	Stabilized	43	0	0	43
DFW VIII - Wilmer	77 acre site	Shell development and data hall buildout; build-to-suit of remaining site	0	5	0	90
Phoenix - Building I	418,200 SF facility	Data hall buildout of leased capacity	4.5	34.5	0	40.5
Phoenix - Buildings II-VI	Acquired Land Parcels; 157 acres including PHX I	Site work, shell construction, data hall buildout	0	0	80	200
San Antonio III	To-be-acquired land parcel	Site acquisition, shell and data hall build-to-suit	N/A	N/A	40	80
Total			**66.5**	**51.5**	**142**	**506.5**

Leasing Status

Asset	Leasing Status
Chicago I - Elk Grove	Existing capacity and expansion leased 100% to Hyperscale A (10yr).
Chicago II - Elk Grove	16 MW leased to Online Gaming A (12yr); 16 MW LOI approved with Hyperscale A upon Fund closing.
DFW VII - Garland	Fully leased to Hyperscale B (7yr).
DFW VIII - Wilmer	5MW pre-leased to Hyperscale C; tenant exercising 10MW expansion option; anticipate BTS of remaining capacity; expansion/construction contingent on signed lease.
Phoenix - Building I	4.5 MW leased to Financial Services tenant (5yr) with option on additional 1.5 MW. Remaining 39 MW buildout leased to Hyperscale A (15yr), who has interest in additional 1.5 MW if Financial Services tenant passes.
Phoenix - Buildings II-VI	Anticipate BTS campus with PHX I tenant (Hyperscale A); in discussion with 2-3 other hyperscale tenants, which allows some ability to push terms. Hyperscale A has LOI/discussions for all of buildings II and III and is expected to expand into remaining potential capacity.
San Antonio III	Purchase contingent on signed lease with Hyperscale A. Will be sized for a five building campus, Fund expected to build out first 80MW in two buildings and remainder would be co-invest. Tenant LOI on first 40MW with reservation on second building.

POWER STATUS

Power readiness is typically the biggest limiting factor in delivery of new data center facilities and has been largely de-risked in the Fund's portfolio. Per the Sponsor, the power readiness of each asset is as follows:

- Chicago I: Required power is approved, in place, and being delivered already.
- Chicago II: Required power is approved, in place, and being delivered already.
- DFW VII – Garland: Required power is approved, in place, and being delivered already.
- DFW VIII-Wilmer: The substation is currently being built and they have received approval to size it appropriately to deliver all required power. As with Phoenix II-VI, additional equipment (e.g., transformers) will need to be purchased and installed concurrent with the build out of the additional buildings on that campus. Stream is confident risk of delay is mitigated by experience with the local power company and company's commitment to support growth of the tenant.
- Phoenix I-VI: Substation is built and delivering power to Building I. Sized appropriate to deliver all required power, and Stream have a "Will Serve" letter from the local power authority to provide the requisite power, however, additional equipment (e.g., transformers) will need to be purchased and installed concurrent with the build out of the additional buildings on that campus. Stream is confident risk of delay is mitigated by experience with the local power company and company's commitment to support growth of the tenant.
- San Antonio III: Principal/Stream plan to build a dedicated substation to serve this campus assuming Fund acquires the site. "While we haven't yet obtained formal approval from the local power authority, based on our experience working with the City of San Antonio we are confident we will obtain approvals and have access to the power required in the timeframe needed."

OPERATOR

JV partner, Stream Data Centers, is a specialist developer and operator with dedicated focus on data centers since 1999. Stream develops wholesale colocation capacity and build-to-suit solutions for hyperscale and enterprise users, from site selection to data center construction and operations. Additionally, Stream sources and develops land sites and provides energy procurement services.

- Leadership has remained consistent for all 24 years.
- Over that period, Stream's experience is comprised of 12 acquisitions and 11 developments across 6 states.

Stream currently acts as the operating partner of each joint venture entity through which each of the seed assets are held and holds a 1% equity interest in each. The Fund will continue to leverage the specialized knowledge and tenant relationships of Stream in executing the investment activities of the Fund. Principal retains control over all major decisions. There are key person provisions tied to Managing Partners Robert Kennedy and Paul Moser, and to Tejo Pydipati (VP, Design and Construction).

Stream will be paid similarly to any third-party operator required to execute the strategy. A summary of the service fees paid to Stream as described in the operating agreement are as follows:

- Development Fee: 3.75% of construction costs
- Property Management: $8500/month + greater of $5000/month or 3% of rents up to $1.65M and 2.25% of rents over $1.65 million
- Leasing Commission: Variable between 2% and 4%
- Sales Commission: For sale to end user 2% and for investment sale .5% to 1%

Stream will also have a promoted interest in each join venture:

- 80/20 over a 10% IRR and 75/25 over a 17% IRR (Fund / Operator)
- The impact of JV promotes is modeled at 2.71% (21.94% property gross IRR to 19.23% fund gross IRR)
- Promote is deal-by-deal, but there is a 25% holdback contingent on Fund LPs reaching full return of capital and the Fund's 8% preferred return

LEVERAGE

The Fund will use capped floating rate construction financing during the development phase and permanent financing once the projects are completed and fully leased. The Fund's formal leverage limitation is 60% LTV overall. Detail on leverage assumptions is included in the underwriting summary in **Exhibit C.**

- The two stabilized assets have permanent financing at ~45% LTV at rates of S+210 and S+285.
- Construction financing will be used during the development phase and is assumed to be S+220 at 50% LTC, equity first. This is consistent with the Fund's initial construction financing term sheet on DFW VIII.
- The Manager limits recourse to the extent possible. Repayment and completion guarantees are generally taken on by Stream, unless a lender requires the Fund to sign on, in which case the Fund may have some exposure to a repayment guarantee with Stream taking a disproportionate share. Principal estimates most repayment guarantees will cover 25% or less of the loan balance.
- Upon stabilization through 2025, assets are assumed to be refinanced at 50% LTV at a 5.00% fixed rate, reasonably based on forwards. A portfolio financing may be sought to provide the most attractive financing terms.

INVESTMENT GUIDELINES

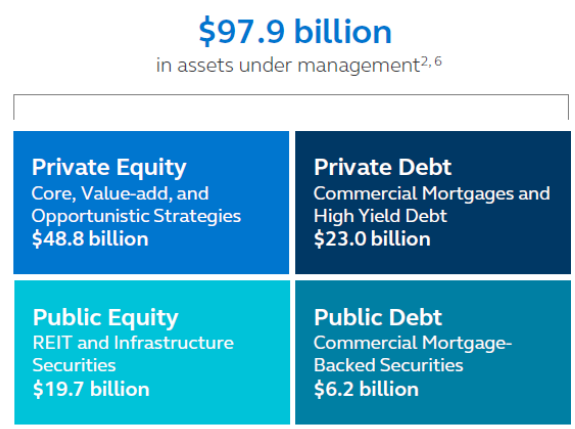
The portion of each Partner's Commitment that remains unfunded after the purchase and acquisition of the seed portfolio is expected to be used for the development, construction, renovation, repositioning, operation, management and monitoring of the seed portfolio assets, including but not limited to the procurement of related assets in connection with such activities and the making of other supplementary and follow-on investments. Certain seed assets will have tenant purchase options/rights which may lead to an earlier than expected return of capital. The Manager may seek approval of the Advisory Committee to acquire additional assets as a "Replacement Asset".

SPONSOR

OVERVIEW

Real Estate is the dedicated real estate group within Principal Asset Management, a family of institutional asset management companies. The parent company, Principal Financial Group, Inc., traces its history over more than six decades, with real estate investment experience stemming initially from commercial mortgage lending and core property investment for the insurance general account. The real estate investment platform built out capabilities across all four quadrants of commercial real estate. To execute in PERE the Sponsor typically ventures with local/specialist partners and has experience developing, acquiring, repositioning, and managing a variety of traditional and niche property types. Principal's experience in data centers began in 2006. Since then, Principal has invested more than $2 billion in 20 transactions.

- AUM: $97.9 billion gross market value as of March 31, 2023
- Organization: Principal Real Estate is headquartered in Des Moines, Iowa, with US offices in Chicago and New York and 10 global offices in 10 countries.
  - 475 employees, 300 real estate investment professionals
  - Org chart is provided as **Exhibit F.**
- Real Estate Private Equity:
  - $48.8 billion in AUM, over 500 assets at 3/31/23
  - $83 billion in transaction volume since 2003



DCGIF TEAM

The dedicated team will be the Portfolio Management team summarized below. Across its product lines, Principal relies on shared acquisitions and asset management professionals organized by region and overlays these functions with dedicated PM teams by product. Due to the specialized nature of the data center property type, there are some professionals internally who are largely dedicated to the property type, including the PMs below and PMs for Principal's merchant build data center strategy. Over 30 current team members have data center experience across underwriting/acquisitions, asset management, and engineering functions. The tables below summarize the PM team and the Management Committee which will have oversight responsibility for the Fund. Biographies of key personnel are included in **Exhibit G.**

Portfolio Management

Member	Title	Years RE Experience	Years with Firm
Casey Miller	MD, Portfolio Management	25	23
Jeff Menz	MD, Portfolio Management	27	27
Matt Hackman	Associate Portfolio Manager	17	15

Management Committee

Member	Title	Years of Experience	Years with Firm
Patricia Bailey	COO	25	25
John Berg	SMD, Private Equity Portfolio Management	28	28
Anne Cook	Assistant General Counsel	18	15
Todd Everett	CEO, Principal Real Estate Investors	38	38
Michelle Fang	Real Estate Marketing and Product Development	23	11
Indy Karlekar	Global Research & Strategy	23	9
Jeff Menz	Portfolio Manager	27	27
Casey Miller	Portfolio Manager	24	24
Cara Underwood	Managing Director – Capital Markets	29	29
Rod Vogel	Head of Private Equity Production	36	34

TURNOVER/COMPENSATION/RETENTION

- Turnover: Notably low, and reflective of a well-functioning HR that manages initial recruiting and the corporate culture of training, retention, internal promotion, and proper succession planning. Senior management has on average been with the firm for 25 years.
- Compensation: Consists of base salary, annual incentive compensation based on employee performance, and participation in carried interest of the various fund products. Employees at the MD level and above have a profit pool participation based on net earnings of the RE platform. Historically carried interest has been allocated as-realized and allocated based on contributions to the various funds. Principal indicates it expects to move to an upfront point allocation system with an amount of reserve in order to align better with market practice. Employees would be required to contribute[7] to the Fund consistent with seniority to receive carried interest allocations. In any event, it is estimated 45-50% of carried interest will be allocated to RE professionals and the balance to Principal. This split is consistent with market practice.
- Retention: RSUs and deferred cash incentives typically vest incrementally over three years.

INVESTOR BASE

Principal Real Estate serves more than 600 institutional clients based in 30 countries worldwide from offices in Asia, Australia, Europe, and the US. Investor profiles include Insurance (14%), corporate (27%), public and government (58%), union/multi-employer (<1%), non-profits (<1%).

[7] Employees can invest directly in the Fund products now. Principal stated Digital Fund I had its largest employee contribution to date.

COMPLIANCE / LITIGATION DISCLOSURES

- Per Principal representations (i) the firm nor any key affiliated entities have filed for bankruptcy or had judgements entered against them, (ii) no key personnel of Principal Real Estate Investors have had a reportable offense under the Code of Ethics that would warrant a disqualification as a company director in the last ten years, and (iii) there is no pending litigation believed to have a material adverse effect on the Sponsor's business or financial position.
- Principal Real Estate Investors, LLC is a registered investment advisor with the SEC. Its last routine examination began in August 2016 and was considered closed in September 2017. Principal represents the SEC examination staff did not identify any material deficiencies.

ENVIRONMENTAL AND SOCIAL AND GOVERNANCE POLICIES AND PRACTICES

SUMMARY

The firm has taken steps to identify, evaluate, and mitigate potential financially material risks; along with monitoring/tracking and reporting of ESG data. Overall across these three broad areas collectively, each as they pertain to real estate, based on the below referenced factors, the sponsor garners an ESG assessment of Integrated (as defined in the Appendix).

- *Policies*: Principal Asset Management has been a signatory to the Principles for Responsible Investment (PRI) since 2010. Principal's own Responsible Property Investing (RPI) policy was first published in 2013, is reviewed annually, updated on an as-needed basis, and is publicly available to investors. In addition to its RPI policy, the firm also has a responsible contractor policy, diversity and inclusion policy, and discrimination and harassment policy.
- *Staff*: Principal has a dedicated team focused on ESG integration. Jennifer McConkey, Senior Director of Operations and Sustainability, is responsible for leading Principal's portfolio wide RPI efforts, which includes incorporating ESG issues into the property selection process. In her role Ms. McConkey oversees the environmental management of all operational and new development real estate assets. Principal also has multiple ESG Working Groups throughout the organization.
- *Process*: Principal has data center guidelines that supplement its broader ESG Policies and provide more specific guidelines to evaluating ESG risks and opportunities for the sector. Principal seeks to meter energy consumption and environmental impact in cooperation with its tenants, will seek ways to reduce energy consumption and costs in collaboration with tenants including certifications such as LEED where appropriate, participate in industry working groups for improvement of operations, assess exposure to climate risks and develop mitigation plans, secure renewable energy contracts where available, and educate tenants on ESG practices that benefit the success of the property.

OPERATIONAL DUE DILIGENCE

SUMMARY

Independent of investment due diligence, the Aon Operational Risk Solutions and Analytics team ("AON ORSA") reviewed the Sponsor's policies, procedures, and capabilities across a range of operations, middle and back office, and control functions to determine if operations align with a well-controlled operating environment. The AON ORSA review covered (i) corporate governance and organizational structure, (ii) transaction execution, (iii) middle/back office, valuation, and cash controls, (iv) compliance, regulatory, legal, (v) investment and counterparty risk oversight, (vi) business continuity/disaster recovery, (vii) cyber security and IT, (viii) service provider selection and monitoring, and (ix) fund governance, structure, and administration.

- An ORSA operational review was conducted alongside Townsend's 2020 review of Principal Digital Real Estate Fund. The review resulted in an A2 Pass (✓) rating.
- Principal is a large and global institutional manager with institutional levels of infrastructure, controls, and oversight across its operating environment. The firm has implemented a well-developed committee

structure to help ensure cross-functional participation in operating decisions and is subject to independent oversight by a Board of Directors at the parent level. Principal's policies and procedures are comprehensive, well-documented and subject to assurance reviews by both internal audit and annual external audit.

- Aon identified a few deviations from general best practice, including internal fund administration and lack of an independent fund board. However, neither are uncommon among private real estate vehicles.

INVESTMENT PROCESS

OVERVIEW

The Sponsor is responsible for portfolio management, asset management & development oversight, financial controls, ongoing performance reviews by senior management. The portfolio management team will benefit from shared resources for capital markets/financing, research, dispositions, engineering and development oversight, financial management and reporting, and client service.

- Portfolio Management Team: Point of contact with Stream for annual business plans, asset valuations, and hold/sell strategies.
- Management Committee: Required for approval of major decisions (acquisitions/development projects to be undertaken, dispositions, financing, and the annual business plans). The committee is expected to review performance quarterly.

All major decisions of the fund may only be taken if approved by a majority vote of the joint venture (so the Fund will control all major decisions). Major decisions include but are not limited to: approval of business plans/operating budgets, property dispositions or transfers, borrowings, selection of service providers (attorneys, accountants, etc.), execution of any lease, and commencing litigation.

EXCLUSIVITY/ALLOCATIONS

- Not applicable; the Fund will only be investing in the seed portfolio and campus expansion opportunities plus one identified pipeline asset.

LP ADVISORY COMMITTEE

The GP will establish an advisory committee of LPs with $100M+ commitment to the Fund, plus any other LPs the GP may select at its sole discretion. In general, the LPAC will address conflict of interest situations, and vote on any requested waivers of a diversification or investment limitation guideline. Voting matters will typically be decided by a simple majority vote of non-abstaining members. Given the stated potential of a continuation vehicle and/or the requirement for LPAC to approve "Replacement Assets" investors should be aware of the potential for greater-than-normal LPAC involvement in this vehicle.

VALUATIONS

- To effectuate the transfer of SMA assets into the Fund the Manager has applied the valuation process described in **Exhibit B.** The appraiser used was Newmark Valuation & Advisory. The Sponsor is also obtaining a fairness opinion from Kroll.
- Going forward, consistent with prior principal sponsored closed-end funds:
  - Developments will generally be held at cost until the occurrence of material events such as pre-leasing, then valuation switches to DCF. Typically, Principal will recognize 25% of the profit associated with pre-leasing and the remaining 75% upon completion of construction milestones.
  - Valuations are generally maintained by the Fund's PM team. Asset valuations will be reviewed quarterly by Principal's Appraisal Services group and valuation methodology will be reviewed annually by the Fund's independent auditor (Deloitte & Touche).
  - The Fund will obtain third party appraisals for assets once stabilized assuming they are not under contract for sale or to be sold at the end of the year.

FUND STRUCTURE

The Fund is being formed as a Delaware limited partnership, with underlying subsidiary REIT(s). Parallel and feeder funds may be formed to accommodate a variety of investor types subject to investor interest. **Exhibit H** provides a high-level diagram. In addition to the depicted structure there will likely be a Cayman Islands parallel fund.

- Sponsor: Principal Real Estate
- Investment Manager: Principal Real Estate Investors, LLC
    - SEC Registered investment advisor since 1999
- General Partner: Principal Data Center Growth & Income Fund GP, LLC

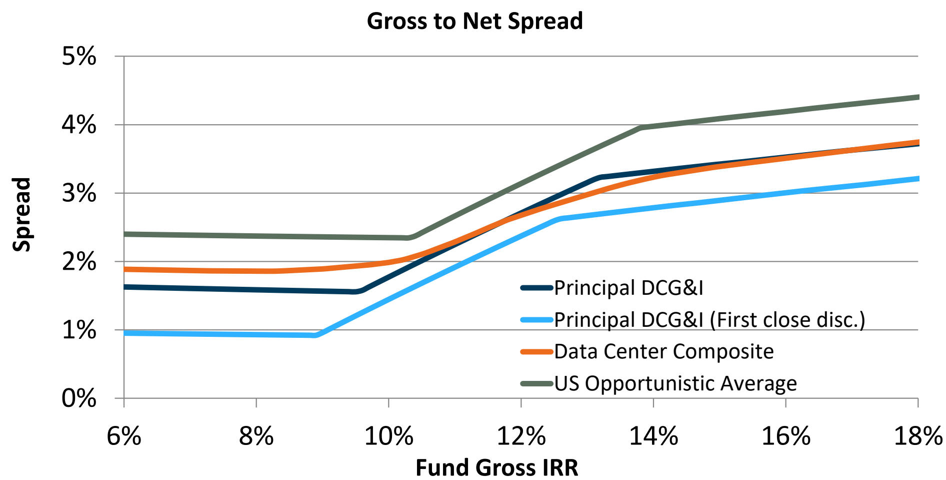
KEY TERMS

Key Terms		Townsend Comment	
Target Return:	14-16% Net IRR and 1.7-1.8x EM (18-20% and 1.9x-2.1x gross)	**Neutral**	Base case per fund model is 19.23% gross and 14.96% net; generally consistent with Townsend fee modeling
Fund Size:	$3 billion ($3.5 billion cap)	**Neutral**	Sized appropriately for underwritten development, expansion, and reserves. Amounts over $3.1 billion would potentially facilitate additional expansion opportunities.
Sponsor Commitment:	Minimum $50M	**Neutral**	$50 million from Principal Life Insurance. Typical of Principal RE sponsored funds. Individual team members have the option to invest directly into the fund.
Investment Period:	N/A	**Neutral**	Not applicable given assets are fully identified. Capital may be called later than typical closed-end funds with defined investment periods.
Term:	6 years from Final Close	**Neutral**	Plus two 1-year extensions at GP discretion
Key Person Provision:	None	**Neutral**	This provision is less applicable given the assets are identified and such provisions usually provide for an Investment Period suspension. Some form of notification requirement tied to resignation of Key Personnel would be a reasonable ask in side-letter.
For Cause Removal:	At 51% vote of LPs	**Neutral**	Standard Provision
No Fault Provisions:	GP removal at 51% vote of LPs	**Neutral**	Standard Provision

FEES AND DISTRIBUTIONS

Fees and Distribution Waterfall	
Expenses:	$5 million cap. [*This is high. 10-15bps captures the majority of peer practice. Within the past several years many law firms in this field are tending to run up expenses unnecessarily when left unchecked*]
Management Fee: **(Based on Invested Capital)**	<$100M: 1.5% $100M-$199M: 1.35% $200M-$499M: 1.25% $500M+: 1.10% $1.0 billion and First Close Participants: 0.75%
Financing Fee:	50 bps of any loan proceeds arranged by the Manager, reduced by any fees payable to a third-party broker. *[Typically, in lieu of fees otherwise paid to a third party, ie net neutral to other sponsors]*
Incentive Fee Waterfall:	8% preferred return; return of capital 50% GP / 50% LP until GP has received 20% of total net profit 80% LP / 20% GP thereafter Distributed on a fully pooled basis
Clawback:	Triggered if cumulative LP distributions fall below a return of capital plus a complete preferred return.

FEE ANALYSIS



Townsend compared the DCGIF fund level fee structure to a sample of 15 available or recent offerings of dedicated data center funds. Townsend further compared the structure to a broad average of U.S. opportunistic real estate vehicles. The chart to the right plots the Fund's estimated gross-to-net spread across a range of gross IRR outcomes. The analysis initially includes the base fee rate for both DCGIF and the peer vehicles. Further, the blue line depicts the benefit of the first close fee break (75 bps). The base rate is generally in line with peers in both the data center and general opportunistic space. The lack of a fee on committed capital provides a significant savings (fees on committed are fairly standard in opp funds and present in the majority of the data center sample). The Fund's promote structure is generally in line with peer averages for both opportunistic and data center alternatives.

PERFORMANCE (AS OF MARCH 31, 2023)

DATA CENTER COMPOSITE

Principal's data center track record dates back to 2007 when the Manager developed two powered shell assets with capital from Principal's general account. Stream was the operating partner. Principal began investing in the space again in 2016 with separate account capital and non-core capacity from its flagship core fund, before launching a dedicated commingled fund in 2020.

- The composite includes seven deals from the core fund, six from the separate account, two from the general account, and four from Principal Digital Real Estate Fund.
- The composite has a wide dispersion of returns; six of fourteen deals are at or below cost and four of the five realized transactions outperformed substantially.
- **Exhibit I** includes individual return detail.

Data Center Composite	Actual and Budgeted Cost (M)	Equity Invested to Date (M)	Dates Acquired	Assets	Projected Gross IRR*	Fair Market Value	
						Unlevered Gross IRR*	Unlevered Gross EM*
Realized	$128	$119	2007-2019	5	169.4%	61.7%	1.6x
Unrealized	$2,582	$1,335	2017-2023	14	24.5%	17.0%	1.2x
Total	**$2,711**	**$1,454**		**19**	**31.3%**	**19.1%**	**1.2x**

*Based on weighted average by gross actual/budgeted cost.

PRINCIPAL DIGITAL RE FUND

The fund launched in 2020 and invested in 4 assets from July 2021 to April 2023, which are expected to fully allocate the fund's $457 million of commitments. The projected life-of-fund net IRR is consistent with the fund's initial underwriting at the deal-level; yield-on-cost spreads are generally lower than those available when the fund commenced marketing and the Fund is currently assuming lower LTVs (the current LTV is 36%).

- Digital Crossroad Hammond (Chicago, IL): Acquisition of a recently completed center with expansion and additional development opportunities; 40% leased to global online gaming tenant and targeting hyperscale users for additional capacity.
- ATL1 Data Center (Alpharetta, GA): Acquisition with available turn-key space and expansion ability. Capacity expansion is underway. 27% leased.
- Crane Grove Data Center (Portland, OR): Development of a turn-key facility in west Portland. Current activity is site plan approval, power sourcing/applications, and tenant prospecting.
- Skybox Lancaster (Dallas, Tx): Development of 110-acre campus to maximum site capacity of 100MW.

Fund	Vintage	Fund Size (M)	Assets	Initial Target Net IRR	Projected Life-of-Fund Net IRR	Fair Market Value			Realizations
						Net IRR	Net Equity Multiple	Quartile Ranking (IRR/EM)	% of Projected Distributions
Principal Digital RE Fund	2021	$457	4	19%	16.2%	-13.5%	0.8x	4Q / 4Q	0%

SMRS SEPARATE ACCOUNT

The Fund is being formed with contributed assets from Principal's 2017 vintage separate account with the State of Michigan Retirement System which acquired/developed six data center projects from 2017 to 2022.

- All projects utilized Stream Data Centers as the operating partner.
- The Fund realized one asset (DFW VI) which was originally acquired on a stabilized basis and sold to the user after a hold of one year, resulting in an 82% gross IRR.

Fund	Vintage	Total Gross Cost	Current NAV	LTV	Assets (Realized)	Fair Market Value		% Realized
						Unlevered Gross IRR	Unlevered Gross EM	
SMRS Separate Account	2017	$1,402	$1,089	14%	6 (1)	21.3%	1.5x	2%

OTHER PRINCIPAL RE PERFORMANCE

Principal is generally a well-performing manager across its real estate platform. The vehicles below represent a large portion of the Sponsor's track record as a commingled equity fund sponsor.

Principal Green Property Funds

- Pursued opportunistic returns through development and redevelopment of office, multifamily, and industrial products with a secondary goal of creating a sustainable portfolio of properties developing/upgrading to LEED and/or Energy Star Standards.
- Similar development-heavy risk profile and drawing on similar internal engineering and construction oversight expertise.

Fund	Vintage	Fund Size (M)	Fair Market Value			Realizations
			Net IRR	Net Equity Multiple	Quartile Ranking* by Net IRR / Multiple	% of Projected Distributions
Principal Green Property Fund	2008	$329	15.1%	1.5x	1Q / 2Q	100%
Principal Green Property Fund II	2015	$247	17.9%	1.5x	2Q / 3Q	100%

*Relative to 66 same vintage U.S. opportunity funds from Townsend and Preqin data.

Open-end Commingled Funds

- Performance for PREI's flagship open-end commingled funds is shown below. Both invest primarily in stabilized properties with some non-core component (PEPF has up to 25% non-core or development activity at any time).
- The funds have generally met or exceeded the NFI-ODCE U.S. core benchmark over the long term.

Vehicle	Inception	Risk Profile	GAV	NAV	Total Net Time-Weighted Return		
					3-year	5-year	10-year
Principal U.S. Property Account	1982	Core	$13,109	$9,883	8.7%	7.9%	9.5%
Principal Enhanced Property Fund	2004	Value-add / Enhanced Return	$5,308	$3,262	10.6%	9.6%	12.2%
		Benchmark Return (NFI-ODCE):			9.0%	7.7%	9.1%

EXHIBIT A: Operating Partner Overview

Stream Data Centers

Differentiated strategy with experienced leadership

Industry pioneer

Stream has been an investor/operator in the data center sector for over two decades (1999)

Recognized as a preferred provider: 90% of current data center capacity is leased to Fortune 100 customers

Multi-disciplined platform

Combines seasoned real estate professionals with highly technical design and operational expertise; ten senior team members from targeted hyperscale tenants.

Strong secular drivers

Demand driven by growth of IT outsourcing and secular growth of the internet and its use in everyday business and consumer life

Value maximizing strategy

Leverage proprietary design and construction standards as well as each property's power, connectivity, or other attributes to drive real estate value

1999	1ST data center acquisition
160+	Team members
24	Delivered developments
580	Megawatts (MW)
5.5M	Square Feet

Stream Data Centers Key Personnel

***Rob Kennedy,* Co-Managing Partner –** co-founded Stream Data Centers in 1999; directs strategy and overall company operations and takes a hands-on role identifying and developing data center sites in new markets for Fortune 500 companies and cloud providers.

***Paul Moser,* Co-Managing Partner –** co-founded Stream Data Centers in 1999; manages Stream's national portfolio and development practice and shapes the strategic direction of the company and establishes operational strongholds in key markets for leading enterprise companies and cloud innovators.

***Michael Lahoud,* Chief Operating Officer & Partner, Corporate ESG Committee Executive Sponsor –** joined in 2010; drives and implements Stream's overall business strategies and technical go-to-market offerings, with responsibility for site development, design and construction, supply chain and operations.

***Anthony Bolner,* Executive Vice President & Partner -** oversees business development and leasing across enterprise accounts and guides the company's collaborative ecosystem of partnerships, including brokerage relationships, alliance partners and Stream's growing channel program.

***Chris Bair,* Chief Commercial Officer & Partner –** directly involved in helping Stream identify and meet the needs of its customers.

***Mike Armstrong,* Chief Financial Officer, Managing Director, Investments -** joined in 2020 to expand investment practices and build new business initiatives.

***Michael Wong,* Head of Investments, Managing Director, Investments -** joined Stream in 2020 to focus on new investments and business development.

***Tejo Pydipati,* Senior Vice President, Design & Construction –** manages the design processes and leads the construction of Stream Data Centers' expanding portfolio of Hyperscale Data Centers, Private Data Center facilities, Build-to-Suit Data Centers and Ready-to-Fit powered shells.

***Christopher D. Jackson,* Senior Vice President, Operations –** joined in 2022; responsible for building teams, developing key capabilities and managing critical operations, security, compliance and safety.

Stream DC Investment History

Deal name	Acquisition / Development	Acq. date	Status	Actual / projected sale date[1]	Total budgeted/ underwritten cost ($m)[1]	Total actual expenditure ($m)	Sale price ($m)
DFW I Dallas, TX	Acquisition	Dec 1999	Realized	Dec 1999	NA	$5.0	$10.1
DFW II Dallas, TX	Acquisition	June 2000	Realized	June 2000	NA	$3.8	$10.7
Austin I Austin, TX	Acquisition	Sept 2003	Realized	Sept 2024	NA	$18.0	$31.5
Santa Clara I and II Santa Clara, CA	Acquisition	June 2005	Realized	Sept 2005	NA	$79.8	$95.7
Santa Clara III Santa Clara, CA	Acquisition	June 2005	Realized	March 2006	NA	$4.0	$6.2
Santa Clara IV Santa Clara, CA	Acquisition	June 2005	Realized	March 2006	NA	$10.0	$13.0
Santa Clara V Newark, CA	Acquisition	June 2005	Realized	Feb 2006	NA	$25.2	$48.0
Santa Clara VI Santa Clara, CA	Acquisition	Jan 2006	Realized	Jan 2007	NA	$7.5	$13.6
***DFW III - Legacy** Dallas, TX	Development	Jan 2007	Realized	May 2008	$25.8	$21.4	$44.0
***San Antonio I** San Antonio, TX	Development	July 2008	Realized	June 2011	$31.8	$29.0	$43.0
DFW IV Richardson, TX	Development	Feb 2010	Realized	July 2011	NA	$18.3	$28.9
Denver I Westminster, CO	Acquisition	Aug 2010	Realized	Aug 2017	NA	$4.5	$3.5

Source: Stream Data Centers, as of 31 March 2023.
*Deals undertaken with Principal Real Estate. Principal Real Estate has not independently verified the accuracy of any information appearing above with respect to deals not undertaken with Principal Real Estate.
[1] Projected Sale Date and Total Budgeted/Underwritten cost per original business plans approved by Principal Real Estate at the time of acquisition or commencement of development. For seed assets, this represents anticipated total cost to the Fund.
For financial professional/institutional use only. May not be used with the public.

Deal name	Acquisition / Development	Acq. date	Status	Actual / projected sale date[2]	Total budgeted/ underwritten cost ($m)[2]	Total actual expenditure ($m)	Sale price ($m)
DFW V Richardson, TX	Development	July 2011	Realized	Sept 2014	NA	$40.5	$68.5
San Antonio II San Antonio, TX	Development	March 2013	Realized	March 2020	NA	$91.2	$95.0
Houston I Houston, TX	Development	April 2013	Unrealized	NA	NA	Note 1	Note 1
Minneapolis I Chaska, MN	Development	June 2014	Unrealized	NA	NA	Note 1	Note 1
***DFW VI - Legacy** Plano, TX	Development	Dec 2016	Realized	Oct 2017	$51.0	$34.3	$45.0
Minneapolis II Chaska, MN	Development	Jan 2017	Realized	Sept 2018	NA	$53.9	$84.1
****Chicago I** Elk Grove Village, IL	Acquisition (Conversion)	Dec 2017	Unrealized	2Q 2029	$307.0	Note 1	Note 1
****DFW VII** Garland, TX	Development	April 2018	Unrealized	2Q 2029	$600.0	Note 1	Note 1
****Phoenix I** Goodyear, AZ	Acquisition (Conversion)	Feb 2019	Unrealized	2Q 2029	$571.0	Note 1	Note 1
****Chicago II** Elk Grove Village, IL	Acquisition (Conversion)	Dec 2020	Unrealized	2Q 2029	$470.0	Note 1	Note 1
****DFW VIII** Wilmer, TX	Development	Jan 2022	Unrealized	2Q 2029	$1636.0	Note 1	Note 1

Source: Stream Data Centers, as of 31 March 2023.
*Deals undertaken with Principal Real Estate. Principal Real Estate has not independently verified the accuracy of any information appearing above with respect to deals not undertaken with Principal Real Estate.
**Represents Seed Portfolio Assets.
[1] Project is currently unrealized – Actual numbers and/or returns are still to be determined.
[2] Projected Sale Date and Total Budgeted/Underwritten cost per original business plans approved by Principal Real Estate at the time of acquisition or commencement of development. For seed assets, this represents anticipated total cost to the Fund.
For financial professional/institutional use only. May not be used with the public.

EXHIBIT B: Valuation Information

Contribution Methodology

Determination of Purchase Price of the Seed Portfolio

The starting point for the purchase price to be paid by the Fund is the FMV of the Seed Portfolio as described above. Certain adjustments to FMV will be applied as described below to determine the purchase price for the Seed Portfolio.

Each of the Seed Portfolio assets is currently held by a single purpose entity which is owned by the Seed Portfolio seller and Stream Data Centers ("Stream"). The Fund will be acquiring the Seed Portfolio seller's interests in the single purpose entities (the "Companies"), and Stream will continue to have an ownership interest in the Companies.

The following table illustrates the FMV of the Seed Portfolio assets and the adjustments that will be applied to determine the purchase price.

	CHI I	CHI II	DFW VII	DFW VIII	PHX I-VI	Total
Calculation of Gross Asset Value						
"As Is" Appraisal Values as of March 31	$222,000,000	$268,000,000	$600,000,000	$52,300,000	$342,000,000	$1,484,300,000
Less: Variance for leasing/construction contingencies	$0	-$25,293,629	$0	$0	-$35,832,691	-$61,126,320
Seed Portfolio Gross Asset Value as of April 1	$222,000,000	$242,706,371	$600,000,000	$52,300,000	$306,167,309	$1,423,173,680
Construction Costs Paid and Accrued April-June*	$0	$30,825,829	$0	$24,344,309	$67,151,010	$122,321,148
Seed Portfolio Adjusted Gross Asset Value as of June 15*	$222,000,000	$273,532,200	$600,000,000	$76,644,309	$373,318,319	$1,545,494,828
Calculation of Net Asset Value and Purchase Price						
Seed Portfolio Adjusted Gross Asset Value as of June 15*	$222,000,000	$273,532,200	$600,000,000	$76,644,309	$373,318,319	$1,545,494,828
Less: Est. Debt Balance as of June 15*	-$100,000,000		-$275,000,000			-$375,000,000
Seed Portfolio Net of Debt*	$122,000,000	$273,532,200	$325,000,000	$76,644,309	$373,318,319	$1,170,494,828
Plus/Minus: Cash/Receivable/Payables*	$1,793,635	$4,735,220	$2,987,494	$3,845,718	$2,375,281	$15,737,348
Less: Stream Ownership Interest in Companies*	-$522,904	-$2,782,674	-$1,803,931	-$804,900	-$9,392,340	-$15,306,750
Net Asset Value / Purchase Price – June 15*	$123,270,731	$275,484,746	$326,183,563	$79,685,126	$366,301,261	$1,170,925,426

Notes to table:

1. Items marked with asterisk are subject to change.
2. Variance for leasing/construction contingencies: Principal Real Estate, through discussions with Appraisal Services and the Seed Portfolio seller, has made a downward adjustment to the Chicago II and Phoenix campuses to reflect some degree of uncertainty associated with a letter of intent for one tenant and construction risk associated with signed leases given delays in completion of the building would delay commencement of rent payments. The "as is" appraisals assume the letter of intent is executed and buildings under development are completed on schedule with commensurate rent payments.
3. Construction Costs Paid and Accrued: Represents anticipated Seed Portfolio seller capital fundings from the Valuation Date through the initial closing of the Fund.
4. Debt Balance: Amount of property level financing in place.
5. Cash/Receivables/Payables: Customary market adjustments for cash, accounts receivables and accounts payables for each of the Companies owning the Seed Portfolio assets.
6. Stream Ownership Interest in the Companies: Stream's existing ownership interest in the Companies in its role as the exclusive operating partner for the Fund.

The Seed Portfolio seller and certain subsidiaries of the Fund will enter into a Sale-Purchase Agreement ("Purchase Agreement) which will outline the terms of the Seed Transaction and diligence involved. The parties have endeavored to follow common market terms and practices for similar transactions in negotiating the terms of the Purchase Agreement. A summary of the terms and conditions of the Purchase Agreement is provided in the Private Placement Memorandum for the Fund. In addition, Kroll, LLC, operating through its Duff & Phelps Opinions Practice, will provide an opinion as to whether the Seed Transaction is fair from a financial point of view to both parties. The fairness opinion will be made available to investors on a non-reliance basis prior to the initial closing of the Fund.

EXHIBIT B: Valuation Information

Green Street Cap Rate Discussion:

Private-Market Values

Price Discovery: Data center real estate is in high demand, with investor interest outpacing the inventory that is available. Several notable transactions have occurred in '23, with more rumored to be in the works (i.e., Digital Realty dispositions), allowing for price discovery across a mix of assets and geographies, albeit at a sales pace below '21-'22. Cap rates for stabilized assets appear to be in-line with Green Street estimates (see next page).

Recent Transactions With Known Valuation Metrics

Property / Company	Date	Valuation / Price ($ million)	Headline EBITDA Multiple	Green Street Estimated Cap Rate	Green Street Estimated Unlevered IRR
QTS Realty	Jun-21	$10,000	31.0x	5.3%	4.5%
Andover, UK Data Center	Jul-21	$53	-	5.2%	-
DLR/PGIM Powered Shell Portfolio	Sep-21	$581	-	4.5%	-
Equinix London LD8	Nov-21	$263	-	4.0%	-
CoreSite	Nov-21	$10,100	30.0x	4.5%	4.4%
CyrusOne	Nov-21	$15,200	27.0x	5.2%	4.1%
Teraco	Jan-22	$3,500	29.0x	-	9.5%
CyrusOne Houston Portfolio	Jan-22	$670	19.5x	6.5%	-
Manassas, VA Data Center (DC-6)	Jan-22	$223	-	5.1%	-
Entel Data Centers	May-22	$735	23.0x	-	-
Switch Data Centers	May-22	$10,700	31.0x	5.9%	4.5%
NoVA Powered Shell	Aug-22	$206	-	4.5%	-
AIMS Data Centres (Malaysia)	Nov-22	$704	37.3x	-	-
NoVA Powered Shell Portfolio	Jan-23	$278	-	5.5%	-
Vantage DC Europe (Recap)	Apr-23	$2,700	-	5.5%	-
Ashburn turn-key data center	Apr-23	$150	-	5.5%	-

Notable 2023 Data Center Transactions with Unknown Valuation Metrics

March - Nabiax	Buyer - Actis	Notes: Latin America colocation provider.
April - Data4	Buyer - Brookfield (BIP)	Notes: European colocation provider with a large footprint in Paris.
May - Serverfarm	Buyer - Manulife	Notes: Global colocation provider.

Sources: Company disclosure and Green Street

Headline EBITDA Multiple

Valuation metric commonly cited in press releases. **Can be misleading** if portfolio has sizable non-cash flow producing assets (e.g., development, land, shell inventory)

Green Street Estimated Cap Rate

Nominal cap rate for operating real estate (i.e., only cash flow producing assets). Excludes corporate G&A expense and other non-data center income.

Green Street Estimated Unlevered IRR

Non-risk adjusted expected return capturing in-place cash flow, corporate operating expenses, and future development projects.

Global Cap Rate Estimates

Values Unchanged: After increasing global data center cap rates by +75 to +100 bps in '22, it feels like our current estimates are in the right ballpark. Recent "clean" comps in Ashburn, VA and Western Europe suggest enterprise-hyperscale data centers across top markets still command low-to-mid-5% cap rates. A cap rate spread between enterprise-colocation and enterprise-hyperscale data centers of ~50 bps still feels appropriate.

Nominal Cap Rates

		Enterprise-Hyperscale		Enterprise-Colocation	
	Market	Cap Rate Estimate	YTD Change	Cap Rate Estimate	YTD Change
United States	Non-Top U.S.	6.50%	0 bps	7.00%	0 bps
United States	Atlanta, NY/NJ, Phoenix	6.00%	0 bps	6.50%	0 bps
United States	Chicago, Dallas	5.75%	0 bps	6.25%	0 bps
United States	Northern Virginia, Silicon Valley	5.50%	0 bps	6.00%	0 bps
Europe	Non-top EU Markets	5.75%	0 bps	6.25%	0 bps
Europe	London	5.25%	0 bps	5.75%	0 bps
Europe	Paris, Amsterdam, Frankfurt	5.00%	0 bps	5.50%	0 bps
Asia-Pacific	India	8.50%	0 bps	9.00%	0 bps
Asia-Pacific	Sydney	6.25%	0 bps	6.75%	0 bps
Asia-Pacific	Singapore	5.75%	0 bps	6.25%	0 bps
Asia-Pacific	Hong Kong, Tokyo	5.25%	0 bps	5.75%	0 bps
Other Intl.	Brazil, Canada, Mexico	6.50%	0 bps	7.00%	0 bps
Other Intl.	Other non-core markets	*High-single digit +*			

Network-Dense Cap Rates: U.S. ~5%, Asia-Pacific ~5%, Europe ~4.75%
Powered-Shell Cap Rates: 4.5%-6.5%

- Nominal cap rates are estimated relying on Green Street's data center market knowledge, conversations with participants, and transaction comps.
- Our cap rates should be viewed as a midpoint of a range of reasonable estimates and are based on a stabilized "turn-key" data center, leased to a creditworthy tenant under typical lease terms, with rental rates in-line with current market rates.
- Data center cap rates are highly dependent on several variables, including: asset age/quality, tenant profile, lease terms/duration, lease-up potential, and buyer expectations.

Exhibit B: Valuation Information

Chicago I and DFW VII Appraisal Cited Comparable Sales

Comparable Sales Summary

	Subject	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5	Sale 6	Sale 7	Sale 8	Sale 9
Property Name	Stream Data Centers	Confidential	Confidential	Confidential	Confidential	Confidential	Confidential	Confidential	Confidential	Confidential
Address	1813 Lookout Drive	Confidential	Confidential	Confidential	Confidential	Confidential	Confidential	Confidential	Confidential	Confidential
City, State	Garland, TX	Major Market	Major Market	Major Market	Major Market	Major Market	Major Market	Major Market	Major Market	Major Market
Critical IT Load (kW)	43,000 kW	36,000 kW	15,000 kW	34,100 kW	45,000 kW	22,500 kW	51,000 kW	17,250 kW	71,000 kW	31,000 kW
Redundancy	N+1	N+1	N+1	N+1	N+1	N+1	N+1	N+1	2N	N+1
Year Built (Renovated)	2019 (Phase 1); 2023	2023	2018 (2020-21)	2017 / 2022	2019	2016	2018	2010	1951 (2007)	2019
Occupancy/Owner Occ.	100%	100%	100%	91%	100%	100%	93%	100%	100%	100%
Transaction Status	--	Under Contract	Withdrawn	Closed	Closed	Closed	Closed	Closed	Closed	Closed
Transaction Date	--	Jan-23	Oct-22	Sep-22	Apr-22	Mar-22	Mar-22	Jan-22	Aug-21	Aug-21
Price	--	$465,000,000	$233,000,000	$558,000,000	$710,000,000	$568,000,000	$1,300,000,000	$222,500,000	$1,930,000,000	$654,000,000
Price per MW ($ Millions)	**--**	**$12.92**	**$15.53**	**$16.36**	**$15.78**	**$25.24**	**$25.49**	**$12.90**	**$27.18**	**$21.10**
NOI/kW/Mo.	--	$64.58	$71.19	$67.50	$52.59	$91.09	$82.84	$64.49	$122.32	$98.45
Cap Rate	--	6.00%	5.50%	4.95%	4.00%	4.33%	3.90%	6.00%	5.40%	5.60%

Compiled by Newmark

Comparable One

This summarizes a current contract to slated to close at the end of first quarter 2023 involving a single tenant 36.0 MW facility in a major market leased to a major credit hyperscale tenant for an 8-year term with annual 2.0% increases. The facility is newly developed and the sale involves an offshore investor buying a JV interest (more than 50%) in the facility, with the seller/developer retaining managing partner rights. Based on the 100 percent pricing the indicated capitalization rate is 6.0 percent. We note the buyer's underwriting included a terminal rate of 5.5 percent.

Comparable Two

This is the recent listing of a single-tenant hyperscale data center in a major market. The property is 100 percent leased to an excellent quality hyperscale customer, with a remaining term of roughly nine years. The improvements were originally developed as an industrial building in 2018 and significantly modified / converted to their current use between 2020 and 2021. The property was being offered for sale, with the operator seeking offers in the range of $233 million, or $15.53 million per megawatt. The pricing corresponds to a capitalization rate of approximately 5.5 percent, which reflects the remaining term of roughly nine years and annual escalators of 1.25 percent annually. We note the property was recently pulled from the market and included in a portfolio financing offering.

Comparable Three

This is the sale of a multi-tenanted turnkey / hyperscale data center in a major market. The facility was developed in two phases between 2017 and 2022 and features 34.1 MW of critical IT load. The property was anchored by several good quality hyperscale users and roughly one dozen total customers with an average remaining lease term of five years. An international data center operator acquired a 90 percent interest in the property in a JV acquisition with a total allocated pricing of $558 million, or $16.36 million per megawatt. The property sold based on an implied stabilized capitalization rate of 4.95 percent.

Comparable Four

This is the April 2022 sale of a newly developed hyperscale data center in a major market location. The property is 100 percent NNN leased to an excellent quality hyperscale customer with a remaining term of just over eight years. The lease is structured with annual escalators of 2.25 percent and the tenant has two favorable options to renew. The facility consists of approximately 250,000 square feet of rentable area, with a white space area ratio in the range of 50 percent. The critical IT load is estimated between 40 and 50 MW and the property is considered to be at or near full build-out. This transaction follows the fourth quarter failed transaction of the same asset that was the result of an unsolicited offer by a major fund with significant capital it needed to deploy. The implied capitalization rate is reportedly 4.00 percent, which translates into a per megawatt sale price of roughly $15.78 million.

Comparable Five

This corresponds to the recent closed sale of a major hyperscale development in a major data center market. The facility was developed for the current hyperscale customer, with a 10-year lease in- place. As of the current pending transaction, there are approximately five years remaining on the current term, but there is a high likelihood of renewal due to the significant utilization levels, and there is additional expansion potential within the existing shell footprint. The implied capitalization rate based on the allocated pricing for this asset is roughly 4.33 percent.

Comparable Six

This is the March 2022 sale of a major hyperscale data center located in a major data center market. The facility was completed in 2018 with 51 MW of critical IT load. The property is leased to several dozen customers, but anchored by three (3) good quality hyperscale customers with remaining terms in the range of three years. The in-place rents were considered somewhat above market for the anchor customers, but indicative of the multi-tenanted customer profile and shorter lease terms. The allocated sale price of approximately $1.3 billion corresponds to $25.49 million per megawatt. This translates into an implied capitalization rate of 3.9 percent.

Comparable Seven

This is the January 2022 sale of a 233,000-square-foot, two-story turnkey data center in a major market. The building was built in 2010 and features a critical IT load of 17.25 MW across 100,000 square feet of raised floor area in a N+1 configuration. The density is 173 watts-per-square-foot. The property is leased to seven (7) tenants with an occupancy of roughly 97 percent based on the current installed capacity. The property can be expanded with an additional 4.0 MW within the pre-existing raised floor area, resulting in a total critical IT load of 21.75 MW. The property was purchased at a reported price of $222,500,000, or $12.90 million per MW, with a cap rate of 6.00 percent.

Comparable Eight

This is the August 2021 sale of a flagship multi-tenanted data center in a major market. The facility featured 71 MW within a building footprint in excess of 500,000 square feet. The facility was originally built more than 50 years prior and built out in phases over the 15 years prior to sale. The facility was more than 95 percent leased and anchored by three (3) excellent quality customers, who are leasing more than 60 percent of the total capacity. The property was acquired in conjunction with a larger portfolio and the buyer allocated a sale price for the facility of approximately $27.18 million per megawatt, which corresponds to a capitalization rate of approximately 5.4 percent.

Comparable Nine

This is the August 2021 sale of a hyperscale data center facility in a major market. The property featured 31 MW of critical IT load, and was anchored by a major cloud services firm and

rideshare company. The facility had recently been completed within the last three years and totaled more than 150,000 square feet of building area. The site area included expansion potential to accommodate a second, slightly smaller facility. The property sold for approximately $21.1 million per megawatt, which corresponded to a capitalization rate of 5.6 percent.

EXHIBIT C: Summary of Underwriting Assumptions

Principal℠ — **Data Center Growth & Income Fund** — STREAM DATA CENTERS

	Chicago I	Chicago II	DFW VII	DFW VIII	San Antonio III	Phoenix I	Phoenix II	Phoenix III	Phoenix IV	Phoenix V	Phoenix VI	Totals/Avg
Seed Value	**$222,000,000**	**$270,000,000**	**$600,000,000**	**$80,000,000**	**$0**	**$275,000,000**	**$16,000,000**	**$16,000,000**	**$16,000,000**	**$16,000,000**	**$16,000,000**	**$1,527,000,000**
Total Capacity (MW)	21	32	43	90	80	40.5	40	40	40	40	40	**506.5**
CapEx Assumptions	$13,500,000/MW	$8,350,000/MW	$200,000/MW	5.00% Inflation	$12,250,000/MW	$9,200,000/MW	$12,500,000/MW	$12,500,000/MW	$12,500,000/MW	$12,500,000/MW	$12,500,000/MW	
	Bldg Expansion	DH Buildout	Maintenance	Shell + DH	Site + Shell + DH	DH Buildout	Site + Shell + DH	Site + Shell + DH	Site + Shell + DH	Site + Shell + DH	Site + Shell + DH	
Future Rent Assumptions	$100.00	$98.75	Fully leased	7.50% YOC	$78.00	Fully leased	$95.00	$80.00	$80.00	$80.00	$80.00	
Lease Type	Gross	Gross		Net	Net Equivalent		Gross	Net Equivalent	Net Equivalent	Net Equivalent	Net Equivalent	
Annual Escalations	2.00%	2.00%		2.00%	2.00%		2.00%	2.00%	2.00%	2.00%	2.00%	
Stabilization Date	Jun-25	Sep-26	Jun-23	Mar-29	Jun-26	Apr-25	Dec-25	Jun-26	Jun-27	Jun-28	Dec-28	
Months to Stabilization	*23*	*38*	*0*	*68*	*35*	*21*	*29*	*35*	*47*	*59*	*65*	***38.2***
Stabilized NOI	$18,777,429	$30,805,889	$33,031,124	$119,983,630	$76,377,600	$36,790,691	$37,873,153	$38,400,000	$38,400,000	$38,400,000	$38,400,000	**$507,239,516**
Stabilized Net Rent/kW/mo	*$74.51*	*$80.22*	*$64.01*	*$111.10*	*$79.56*	*$75.70*	*$78.90*	*$80.00*	*$80.00*	*$80.00*	*$80.00*	
Yield on Cost	6.12%	6.53%	5.50%	7.13%	8.11%	6.22%	7.06%	7.68%	7.25%	7.68%	7.68%	
Stabilization Cap Rate*	5.25%	5.25%	5.51%	5.00%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	**5.20%**
Stabilized Value	$357,665,307	$586,778,838	$600,000,000	$2,399,672,605	$1,454,811,429	$700,775,070	$721,393,386	$731,428,571	$731,428,571	$731,428,571	$731,428,571	**$9,746,810,920**
Stabilized Value/MW	*$17,031,681*	*$18,336,839*	*$13,953,488*	*$26,663,029*	*$18,185,143*	*$17,303,088*	*$18,034,835*	*$18,285,714*	*$18,285,714*	*$18,285,714*	*$18,285,714*	***$19,243,457***
SDC Promote	$3,281,494	$21,053,866	$0	$145,947,595	$90,010,639	$15,985,929	$32,241,821	$53,981,206	$46,622,177	$53,963,045	$53,955,705	**$517,043,477**
Reversion Date	Jun-29	Jun-29	Jun-29	Jun-29	Jun-29	Jun-29	Jun-29	Jun-29	Jun-29	Jun-29	Jun-29	
Reversion NOI	$19,445,108	$32,362,225	$34,884,050	$120,552,239	$81,052,520	$39,648,152	$40,236,847	$40,750,387	$39,951,360	$39,168,000	$38,784,000	**$526,834,888**
Reversion Net Rent/kW/mo	*$77.16*	*$84.28*	*$67.60*	*$111.62*	*$84.43*	*$81.58*	*$83.83*	*$84.90*	*$83.23*	*$81.60*	*$80.80*	
Reversion Cap Rate	5.25%	5.25%	5.25%	5.00%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	**5.19%**
Reversion Sales Cost	0.50%	0.50%	0.50%	0.25%	0.25%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	**0.40%**
Sales Cost	$1,851,915	$3,082,117	$3,322,290	$6,027,612	$3,859,644	$3,776,014	$3,832,081	$3,880,989	$3,804,891	$3,730,286	$3,693,714	**$40,861,554**
Net Reversion Value	$368,531,098	$613,341,218	$661,135,799	$2,405,017,166	$1,539,997,883	$751,426,882	$762,584,056	$772,316,862	$757,173,394	$742,326,857	$735,049,143	**$10,108,900,359**
Net Reversion Value/MW	*$17,549,100*	*$19,166,913*	*$15,375,251*	*$26,722,413*	*$19,249,974*	*$18,553,750*	*$19,064,601*	*$19,307,922*	*$18,929,335*	*$18,558,171*	*$18,376,229*	***$19,958,342***
Leverage assumptions	$100m perm	$205m perm	$275m perm	$130m construction	50% LTC	$250m perm	50% LTC	50% LTC	50% LTC	50% LTC	50% LTC	
Rate	SOFR + 210 bps	5.00%	SOFR + 285 bps	SOFR + 220 bps	SOFR + 220 bps	5.00%	SOFR + 220 bps	SOFR + 220 bps	SOFR + 220 bps	SOFR + 220 bps	SOFR + 220 bps	
Placed/Draws Begin	Jan-23	Sep-24	Apr-23	May-23	Jul-24	May-24	Jan-25	Aug-25	Sep-26	Aug-27	Aug-27	
Maturity	Jul-25	Jun-25	Apr-25	Aug-25	Jun-25	Apr-25	Dec-25	Jul-26	Jul-27	Jul-28	Jan-29	
Refi assumptions	$180m perm	$260m perm	$305m perm	4x $200m perm	2x $365m perm	$350m perm	$360m perm	$365m perm	$365m perm	$365m perm	$365m perm	
Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	
Placed	Jul-25	Jun-25	Apr-25	Aug-25	Jun-25	Apr-25	Dec-25	Jul-26	Jul-27	Jul-28	Jan-29	
Max LTV	*50%*	*50%*	*50%*	*50%*	*50%*	*50%*	*50%*	*50%*	*50%*	*50%*	*50%*	***46%***
UIRR Pre-Promote	**8.98%**	**9.89%**	**7.01%**	**21.49%**	**17.79%**	**10.03%**	**12.71%**	**17.75%**	**18.54%**	**26.70%**	**31.92%**	**14.70%**
Impact of Leverage	3.48%	2.98%	1.13%	11.40%	12.60%	3.95%	7.24%	11.07%	9.44%	9.29%	6.61%	**7.23%**
LIRR Pre-Promote	**12.46%**	**12.87%**	**8.14%**	**32.89%**	**30.40%**	**13.98%**	**19.95%**	**28.82%**	**27.98%**	**36.00%**	**38.53%**	**21.94%**
SDC Promote Drag	-0.38%	-1.14%	0.00%	-3.89%	-4.10%	-0.89%	-2.58%	-5.35%	-5.11%	-6.73%	-6.97%	**-2.71%**
LIRR Post-Promote	**12.08%**	**11.73%**	**8.14%**	**29.00%**	**26.29%**	**13.09%**	**17.37%**	**23.47%**	**22.87%**	**29.26%**	**31.56%**	**19.23%**

Notes:
*The Stabilization Cap Rate for DFW VII represents the in-going cap rate based on the seed value, as this is a stabilized asset.
*Chicago I is also stabilized currently and the seed value represents a 5.53% cap rate. The stabilization cap rate above represents another stabilization point upon completion of the 6 MW expansion.
*Financing for both Chicago II and Phoenix I are structured as perm loans once 50% rent-paying occupancy (100% leasing) occurs with an earnout to 50% LTV upon full rent-paying occupancy.
Currently these assets are both being developed on an all-equity basis.

EXHIBIT D: Seed Asset Profiles

Chicago I

ELK GROVE VILLAGE, ILLINOIS 60007

Chicago I

Elk Grove Village has become a prime destination for data center operators, cloud service providers and enterprise data center users because it offers exceptional fiber optic connectivity, reliable power infrastructure, and close proximity to Metro-Chicago destinations and O'Hare International. Chicago I - Elk Grove Data Center is in convenient proximity to popular hotels and restaurants in this convenient Chicago suburb.

HIGHLIGHTS

- Newly constructed free-standing hyperscale data center
- 126,689 SF total square feet
- Designed to Tier III standards, to support up to 15 MW across 70,000 SF of data hall space
- Redundant 22 MW utility feeds from separate substations
- Top-performing electric reliability in a nationally competitive energy market
- Outside FEMA's 500-year flood plain

Principal Asset Management | Stream Data Centers

EXHIBIT D: Seed Asset Profiles

Chicago II

ELK GROVE VILLAGE, ILLINOIS 60007

Chicago II

Elk Grove Village has become a prime destination for data center operators, cloud service providers and enterprise data center users because it offers exceptional tax incentives, fiber optic connectivity, reliable power infrastructure, and close proximity to Metro-Chicago destinations and O'Hare International. Chicago II - Elk Grove Data Center is in convenient proximity to popular hotels and restaurants in this convenient Chicago suburb.

HIGHLIGHTS

- Total Building Size: 226,724 SF
- Office Size: 8,000 SF
- Site Size: 10.33 Acres
- Data Hall: 120,000 SF
- Critical Capacity: Up to 32 MW
- Proven Topology
- Clear Height: 15' Clear
- Construction: Pre-cast concrete
- Floor: Slab on grade
- Weight limit: Supports up to 5,000 lbs. per rack
- Max density: Up to 30 kW per cabinet

Principal Asset Management | Stream Data Centers

EXHIBIT D: Seed Asset Profiles

DFW VII - Garland

TEXAS DATA CENTER—LOOKOUT DRIVE | GARLAND, TX 75044

DFW VII - Garland

Located in this optimum metro-Dallas location, DFW VII - Garland facility provides a secure location, highly resilient infrastructure, robust connectivity options and a concierge approach to customer service.

HIGHLIGHTS

- Robust fiber connectivity with diverse telco entrances
- Outside FEMA 500-year flood plain
- Texas' data center tax exemption program continues to propel the Lone Star State to be one the country's leading destinations for data center development. Read more about the Texas tax abatements
- Reliable and beneficial power infrastructure
- DFW VII, with its on-site Oncor substation, provides 43 MW of critical capacity across 275,000 of total data center square feet

BUILDING/SITE

- Free-standing, data center designed to Tier III standards on a 23 acre site
- 138,132 SF purpose-built, structurally enhanced data center, expanded to 275,000 SF
- 135 mph wind-rated building and equipment yard

CERTIFICATIONS AND COMPLIANCE

- ISO 27001, PCI DSS, SOC 1/Type 1, SOC 2/Type 2

Principal Asset Management | Stream Data Centers

EXHIBIT D: Seed Asset Profiles

DFW VIII

SOUTH DALLAS COUNTY DATA CENTER CAMPUS | WILMER, TX 75146

HIGHLIGHTS

Stream Data Centers' 77-acre hyperscale campus in South Dallas County is the site of our newest build-to-suit development, scheduled to support 90 MW.

DFW VIII is currently being constructed on the expansive new site, which will be supported by a new on-site Oncor substation. Tenants will benefit from excellent utility power and fiber infrastructure as well as the optimal location, in close proximity to Downtown Dallas, multiple airports and DFW metro amenities.

- New Campus in Wilmer, Texas (South Dallas County)
  - 77.3 Acre campus
  - Dedicated Oncor substation (up to 142.5 MVA)
  - 90 MW of Tenant-usable critical load capacity
  - On-site 144W substation
- South Dallas County location, outside of the Eastern District of Texas (which most cloud/hyperscale providers avoid)
- Will qualify for Texas data center tax exemptions

South Dallas County is the fastest growing data center sub-market in the Dallas Metro.

Traditionally most multi-tenant capacity was delivered in north Dallas markets (like Plano, Richardson & Garland).

South Dallas is growing on the strength of hyperscalers growing their self-built and leased capacity.

These hyperscale users are avoiding deploying in Denton and Colin counties due to problematic legal histories with the Eastern District Court.

IN DEVELOPMENT

Principal Asset Management | Stream Data Centers

TECHNICAL SPECS

- South Dallas data center campus in Wilmer, Texas sits on an optimum location in the region's largest data center corridor, in close proximity to Dallas metro amenities and airports, along with excellent utility power and fiber infrastructure.
- 90 MW capacity at full build
- The campus features a dedicated on-site Oncor substation with 100% renewable power available at competitive transmission rates.
- Network-rich environment with a strong mix of local, long haul and dark fiber providers. High performance cloud and international connectivity via sub 1-ms roundtrip latency to major regional carrier hotels.
- Designed to meet or exceed size and capital investment requirements under House Bill 1223 for the Texas State Data Center Sales Tax Exemption program.
- Optimal location away from flight paths, railways and FEMA 500-year flood plain.
- Located outside of the Eastern District of Texas, in an optimum location near Downtown Dallas, multiple airports and DFW metro amenities.

BUILDING OVERVIEW

- DFW VIII through DFW IX and X
  - The campus will include three buildings (3), each consisting of 55,000 SF data hall space.
  - Each building will support 30MW.
  - While in development, DFW VIII is partially pre-leased with a hyperscale user for the initial 5 MW of capacity.

EXHIBIT D: Seed Asset Profiles

Phoenix I - VI

GOODYEAR, AZ 85338

Phoenix I – VI

Phoenix campus in Goodyear, AZ includes the first of five planned facilities, beginning with a 418,200-square-foot hyperscale data center on 157 acres of land. Phoenix data center development establishes an expansive data center campus for hyperscale and enterprise customers with excellent fiber connectivity and optimized latency to all major markets. The phase I facility will support 40+ MW of critical load, now available with an initial 4.5 MW of capacity.

At full build, the entire campus will support over 2 million square feet of data center facilities and 200 MW of critical load, establishing its place as the largest hyperscale campus development in the Greater Phoenix area.

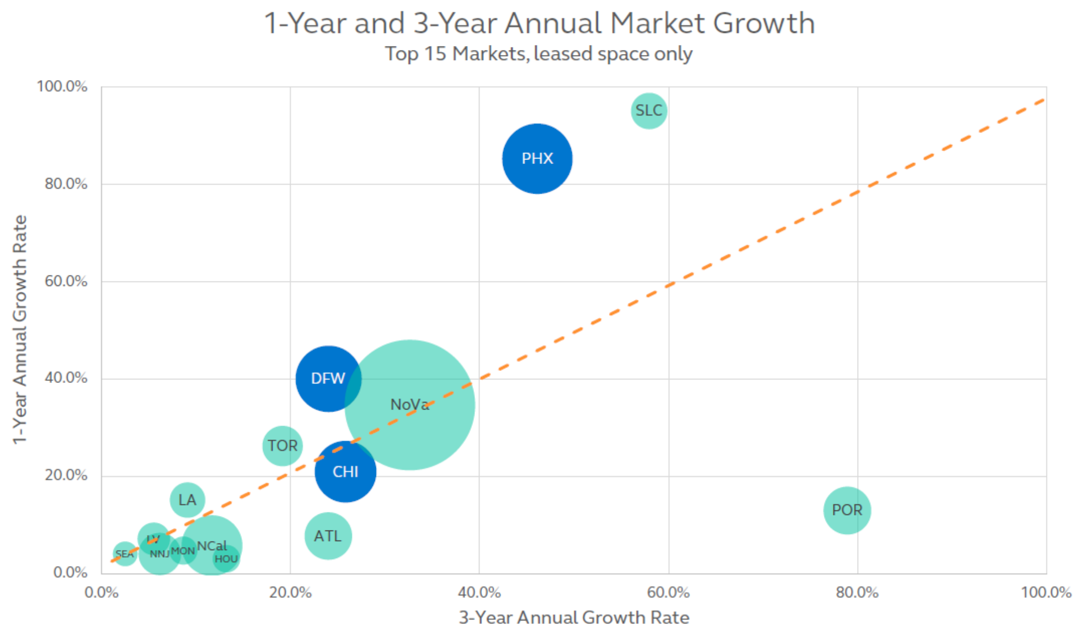
HIGHLIGHTS

- Building I, 418,200 SF facility with 40.5 MW critical load at full build.
- 157 acres includes ample availability for additional build-to-suit, powered shell or turnkey data center developments on one of the largest data center campuses in the region.
- Onsite Arizona Public Service Electric Company (APS) substation with ultimate power capacity of 350 MW.
- Arizona data center sales tax exemptions provide compelling benefits to customers.
- Excellent fiber connectivity with optimum network latency to other markets.
- Goodyear, AZ is notable for its business-friendly environment, in close proximity to local amenities and Phoenix-area airports.

Principal Asset Management | Stream Data Centers

EXHIBIT E: Market Information and Profiles

Portfolio Includes some of the fastest growing primary markets outside of NoVA:



As of 31 March, 2023. Source: datacenterHawk. The bubbles represent the size of the markets. The blue bubbles represent the markets Principal Real Estate has seed assets in.

For financial professional/institutional use only. May not be used with the public.

H2 2022 Wholesale Primary Market Fundamentals

Market	Inventory (MW)	Y-o-Y Change (MW)	Available MW/Vacancy Rate	Y-o-Y Change* (bps)	2022 Net Absorption (MW)	Y-o-Y Change (MW)	Rental Rates (kW/mo)**
Northern Virginia	2,060.1	▲ 371.5	20.1 / 0.98%	▼ -408	436.9	▲ 133.6	$100-$140
Dallas/ Ft. Worth	392.3	▲ 23.0	23.8 / 6.1%	▼ -613	44.3	▲ 15.7	$120-$160
Silicon Valley	379.6	▲ 66.0	8.6 / 2.3%	▲ 71	62.4	▲ 39.1	$155-$250
Chicago	342.2	▲ 32.7	21.1 / 6.2%	▼ -553	48.0	▲ 20.6	$115-$125
Phoenix	324.5	▲ 37.5	27.5 / 8.5%	▼ -346	44.3	▲ 14.5	$120-$140
New York Tri-State	177.5	▲ 16.9	13.9 / 7.8%	▼ -156	18.1	▲ 7.5	$125-$135
Atlanta	252.5	▲ 23.0	9.1 / 3.6%	▼ -472	33.0	▼ -37.4	$115-$130

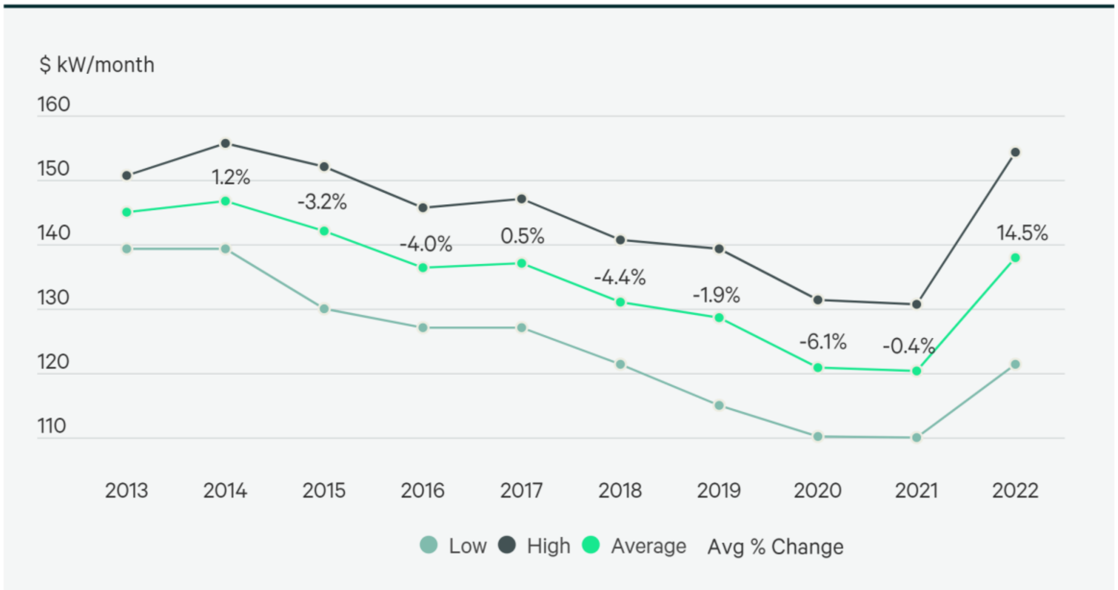
*Vacancy Y-o-Y changes are calculated by comparing the difference between H2 2022 and H2 2021.

**Rental rates are quoted asking rates for 250+ kW at N+1/Tier III requirements.

Source: CBRE Research, CBRE Data Center Solutions, H2 2022.

EXHIBIT E: Market Information and Profiles

Average Asking Rental Rate with Y-o-Y % Change for Primary Markets



Source: CBRE Research, CBRE Data Center Solutions, H2 2022.

Phoenix

Figure 5: Average Asking Rates

Average Asking Rates	Minimum	Maximum
5-10 MW	$90	$120
1-4 MW	$110	$130
250-500 KW	$120	$140

Source: CBRE Research, CBRE Data Center Solutions, H2 2022.

Chicago

Figure 5: Average Asking Rates

Average Asking Rates	Minimum	Maximum
5-10 MW	$85	$95
1-4 MW	$95	$105
250-500 KW	$115	$125

Source: CBRE Research, CBRE Data Center Solutions, H2 2022.

DFW

Figure 5: Average Asking Rates

Average Asking Rates	Minimum	Maximum
5-10 MW	$90	$110
1-4 MW	$95	$120
250-500 KW	$120	$160

Source: CBRE Research, CBRE Data Center Solutions, H2 2022.

San Antonio / Austin

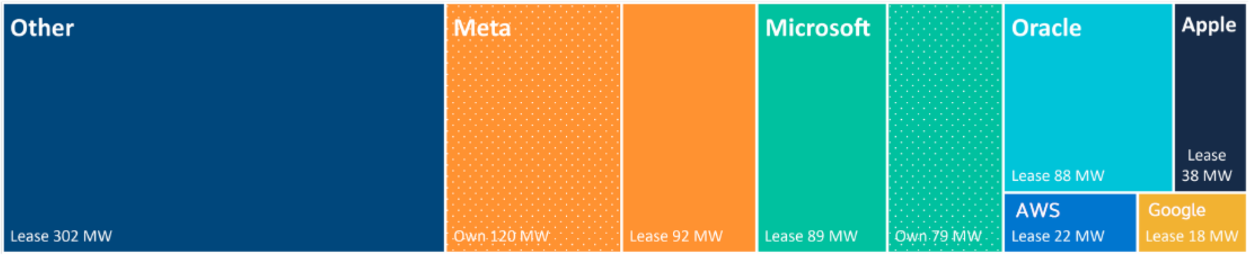
Figure 5: Average Asking Rates

Average Asking Rates	Minimum	Maximum
5-10 MW	$100	$115
1-4 MW	$115	$130
250-500 KW	$130	$145

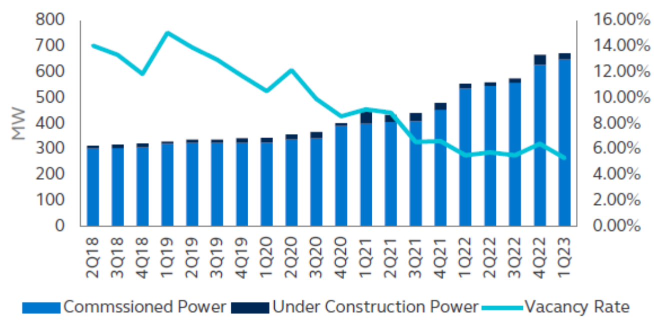
Source: CBRE Research, CBRE Data Center Solutions, H2 2022.

EXHIBIT E: Market Profiles (Chicago)

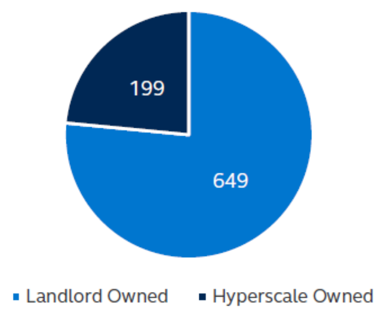
Chicago market inventory by user (MW)*



Chicago commissioned power, under construction power, and vacancy rate over the trailing 5 years



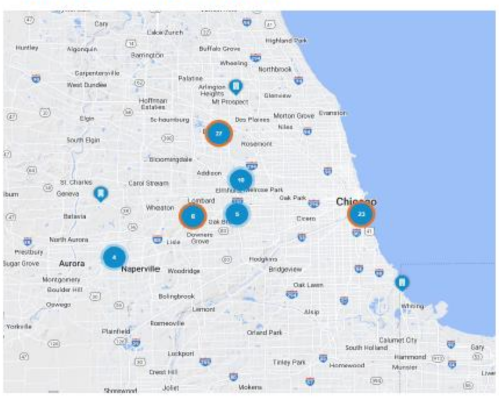
Chicago market inventory by ownership type, as of 1Q23 (MW)



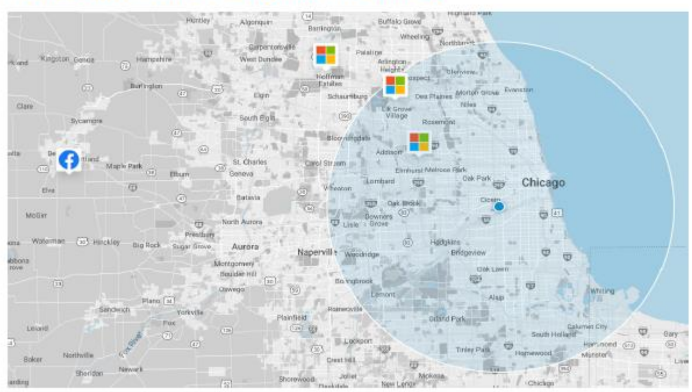
As of 31 March, 2023. Source: datacenterHawk. *This data includes both landlord owned and hyperscale owned facilities. Amazon Web Services (AWS). Vacancy rate is available capacity (MW) as a percentage of total inventory.

For financial professional/institutional use only. May not be used with the public.

Landlord-owned facilities



Hyperscale-owned campuses in Chicago



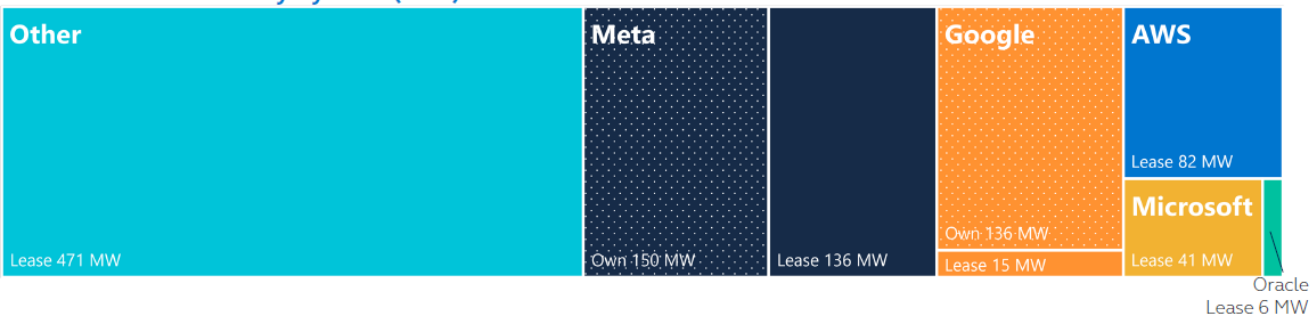
Market strengths

- **Favorable business climate:** Chicago is home to numerous Fortune 500 companies, with almost 40 headquartered in the metro area. Recognizing the critical role of tax abatement, many municipalities in the market grant incentives for data center-related development.
- **Competitive colocation/cloud environment:** The Chicago market benefits from investments by data center developers large and small along with a central location, an abundance of fiber, and several Internet peering exchanges
- **Relatively low power cost:** Chicago's electricity costs are lower than the national average and competitive with other large markets
- **Low risk of natural disasters:** Compared to hurricane and earthquake-prone coastal cities, catastrophic natural disasters are almost unheard of in Chicago

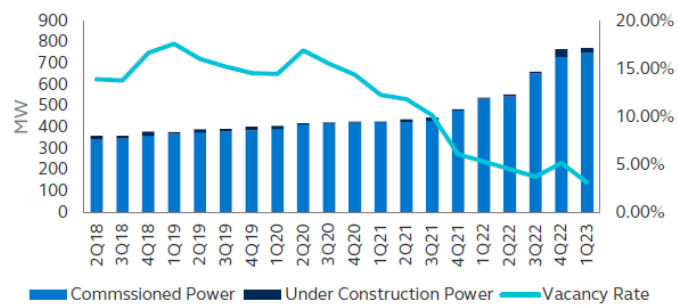
As of 31 March, 2023. Source: datacenterHawk.

EXHIBIT E: Market Profiles (DFW)

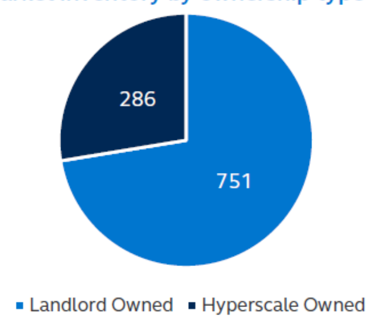
DFW market inventory by user (MW)*



DFW commissioned power, under construction power, and vacancy rate over the trailing 5 years



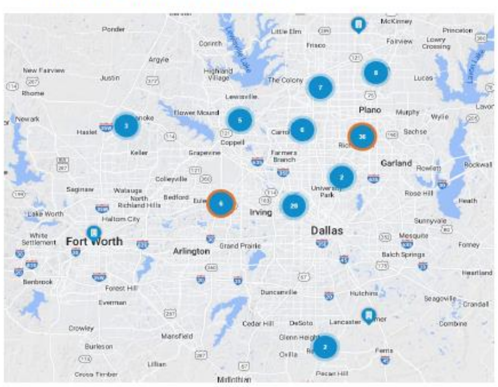
DFW market inventory by ownership type (MW)



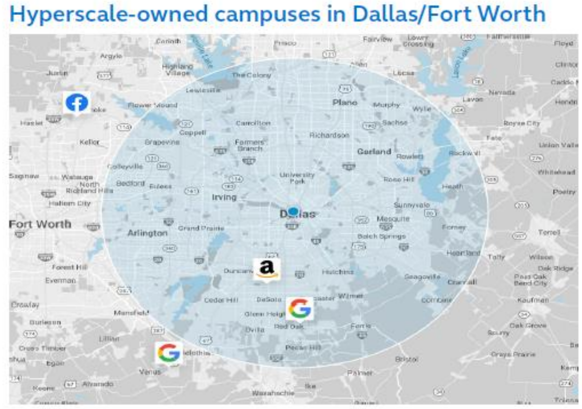
As of 31 March, 2023. Source: datacenterHawk. *This data includes both landlord owned and hyperscale owned facilities. Amazon Web Services (AWS). Vacancy rate is available capacity (MW) as a percentage of total inventory.

For financial professional/institutional use only. May not be used with the public.

Landlord-owned facilities



Hyperscale-owned campuses in Dallas/Fort Worth



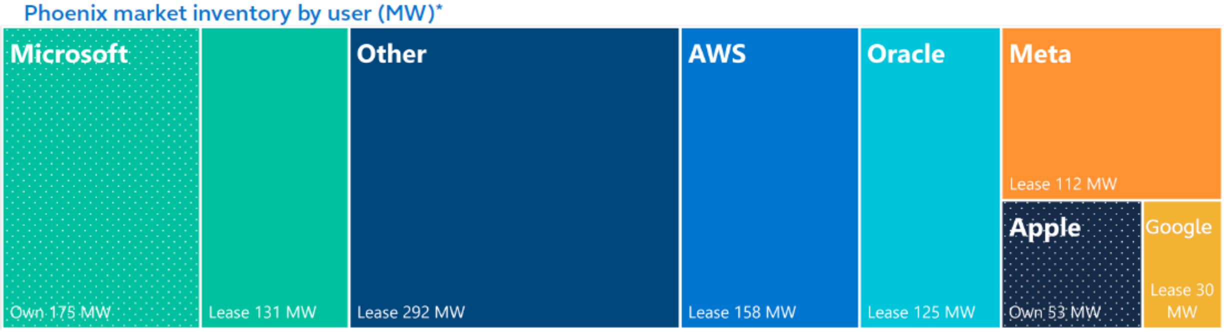
Market strengths

- **Favorable business environment:** DFW is home to over 100,000 businesses with an economy that grows by approximately 6% annually
- **Competitive colocation/cloud environment:** A large number of qualified operators deliver facilities, services, and expertise to the region's many companies who outsource their information technology (IT) infrastructure
- **Reasonable power cost:** A large number of qualified operators deliver facilities, services, and expertise to the region's many companies who outsource their information technology (IT) infrastructure
- **Robust infrastructure:** The region's electrical and telecommunications infrastructure is both dense and diverse
- **Tax abatement incentives:** The State of Texas passed legislation in 2013 to grant tax breaks for large colocation and enterprise users

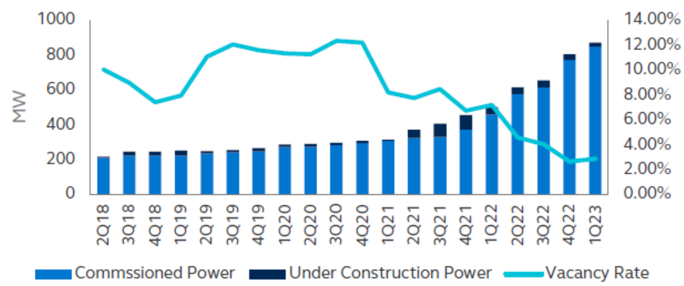
As of 31 March, 2023. Source: datacenterHawk.

EXHIBIT E: Market Profiles (Phoenix)

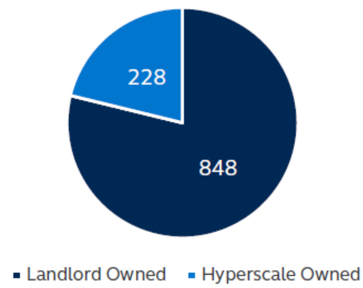
Phoenix market inventory by user (MW)*



Phoenix commissioned power, under construction power, and vacancy rate over the trailing 5 years



Phoenix market inventory by ownership type (MW)

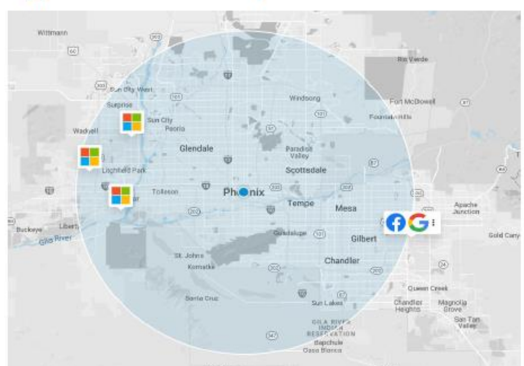


As of 31 March, 2023. Source: datacenterHawk. *This data includes both landlord owned and hyperscale owned facilities. Amazon Web Services (AWS). Vacancy rate is available capacity (MW) as a percentage of total inventory.

For financial professional/institutional use only. May not be used with the public.

Landlord-owned facilities

Hyperscale-owned campuses in Phoenix



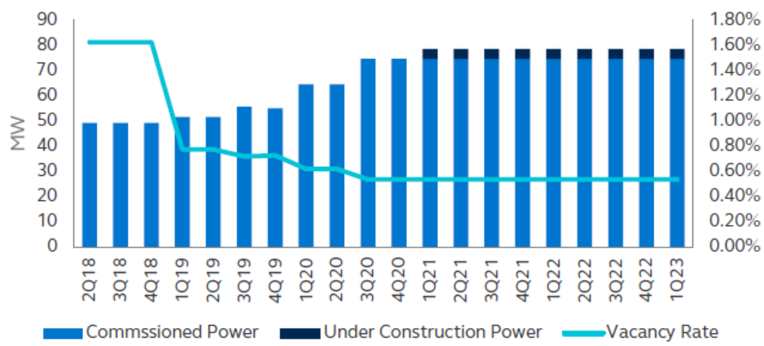
Market strengths

- **Low natural disaster Risk:** The city has almost no history of damage associated with seismic, tornado, and flooding events
- **Inexpensive Power Cost:** A diverse fuel mix and competition from several power providers create a reliable and competitive power environment
- **Tax abatement opportunities:** Legislation passed in 2013 enhances the state's ability to compete on large, national data center requirements
- **Competitive colocation/cloud environment:** Quality colocation and cloud providers have invested significantly in Phoenix over the past few years, creating a competitive market for data center users

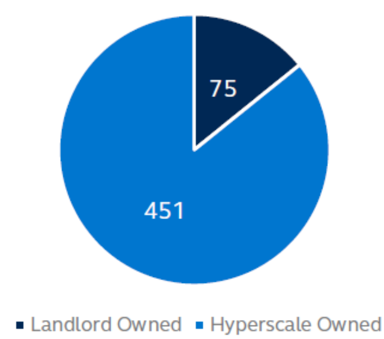
EXHIBIT E: Market Profiles (San Antonio)

San Antonio market inventory by user (MW)*

San Antonio commissioned power, under construction power, and vacancy rate over the trailing 5 years



San Antonio market inventory by ownership type (MW)



As of 31 March, 2023. Source: datacenterHawk. *This data includes both landlord owned and hyperscale owned facilities. Amazon Web Services (AWS). Vacancy rate is available capacity (MW) as a percentage of total inventory.

For financial professional/institutional use only. May not be used with the public.

Figure 1: Historical Market Information

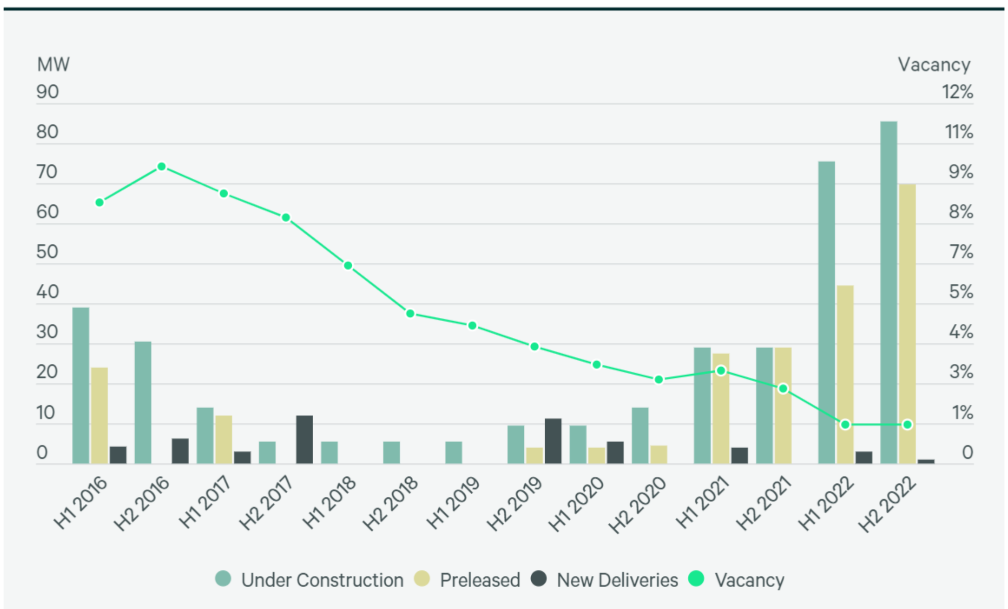


EXHIBIT F: Principal Org Chart

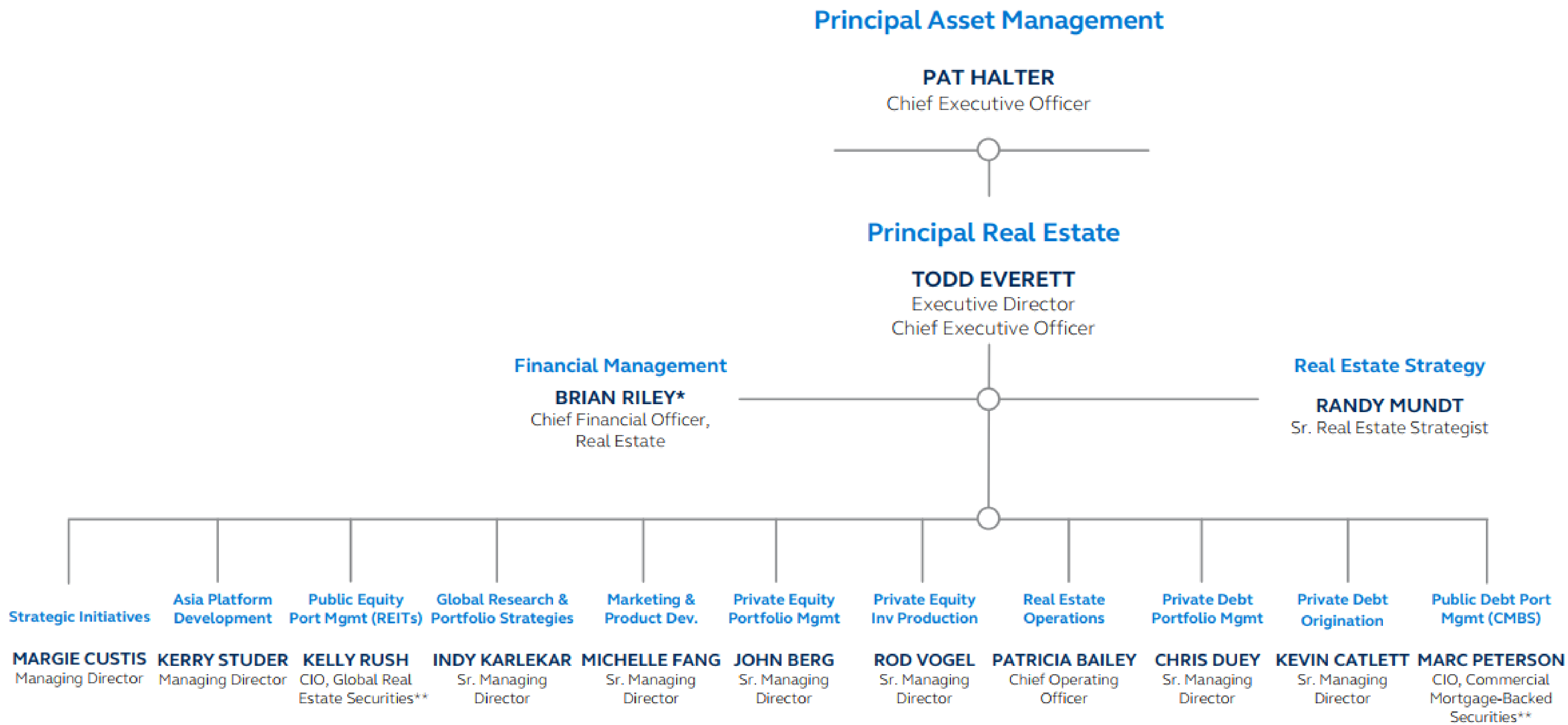


EXHIBIT G: Senior Personnel Biographies

Principal DCGIF Portfolio Management Team

Jeff Menz, CPA - Managing Director – Portfolio Manager
Jeff is a managing director, portfolio management for Principal Real Estate, the dedicated real estate group of Principal Asset Management. Jeff is a portfolio manager for a number of separate account mandates for clients. He joined the firm in 1995. He spent five years in asset management followed by five years as an acquisition & disposition manager before moving into portfolio management in 2005. Prior to joining Principal, Jeff was a tax accountant for Ernst & Young. He received an MBA in finance from Drake University and a bachelor's degree in accounting from the University of Northern Iowa. Jeff is a Certified Public Accountant. He is a member of the National Association of Real Estate Investment Managers (NAREIM).

Casey Miller - Managing Director – Portfolio Manager
Casey is a managing director, portfolio management for Principal Real Estate, the dedicated real estate group of Principal Asset Management. He is responsible for multiple separate account mandates for clients and has been actively involved with Principal's data center development activity nationwide since 2006. Casey joined the firm in 1999. Previously, he was an assistant manager at Wells Fargo Financial. Casey received an MBA in business administration from Drake University and a bachelor's degree in business management from Waldorf College.

Matt Hackman - Associate Portfolio Manager
Matt is an associate portfolio manager for Principal Real Estate, the dedicated real estate unit of Principal Asset Management. He is responsible for providing portfolio analytics, research, reporting, communication, and aiding in portfolio strategy execution for two separate account clients. Matt joined the firm in 2007 as an investment analyst for a wholly-owned subsidiary specializing in the production of bridge and mezzanine loans. Additionally, he spent seven years on the acquisitions and dispositions team covering markets in the Mid-Atlantic and Northeast U.S before moving into a portfolio management role in 2014. He received a bachelor's degree in real estate & finance from the University of Northern Iowa.

Management Committee

Patricia (Pat) A. Bailey – Senior Managing Director, Chief Operating Officer
Pat is the Chief Operating Officer and Senior Managing Director of Real Estate Operations for Principal Real Estate. She is responsible for the following teams: Commercial Mortgage Servicing, Commercial Mortgage Closing, Commercial Mortgage Engineering (Environmental & Structural), Commercial Appraisal Services (Debt & Equity), Asset Management Operations, Real Estate Risk Management, Equity Financial Services Management (US and UK/Europe) and Real Estate Intelligence and Data Strategy. She also works closely with the Information Technology and Data Science teams. She is a member of the Principal Real Estate's Investment Committee. Pat joined the firm in 1990 and held several other management positions within commercial real estate and prior to moving into this role was the Chief Financial Officer. She received a bachelor's degree in management and accounting from Upper Iowa University.

John T. Berg - Senior Managing Director, Head of Private Equity Portfolio Management
John is a Senior Managing Director at Principal Real Estate and oversees the firm's private equity portfolio management group. He works with the private equity portfolio teams on investment strategy and client solutions. John joined the firm in 1994 and has spent his entire tenure with the firm in the real estate equity area. In addition to portfolio management, John has significant experience in asset management and product development. John received an MBA from the University of Iowa and a bachelor's degree in economics and psychology from Georgetown University. John serves on Principal Real Estate's Investment Committee.

Anne Cook - Assistant General Counsel
Anne is an Assistant General Counsel at Principal Real Estate, the dedicated real estate unit of Principal Asset Management. Anne leads the real estate attorney team supporting Principal Real Estate. She provides legal advice and counsel to Principal Real Estate, focusing on private funds, product development and investment management agreements. Anne joined the firm in 2008. Prior to her current role, Anne served as an Associate Attorney at Bradshaw, Fowler, Proctor & Fairgrave, P.C. She received a JD in Law from University of Kansas School of Law and a bachelor's degree in Management and Organizations from University of Iowa (Tippie College of Business).

Todd Everett – Executive Director, Chief Executive Officer - Principal Real Estate
Todd is the Executive Director, Chief Executive Officer of Principal Real Estate. He is responsible for leadership of all global commercial real estate operations and staff (including the business lines in private debt, private equity, CMBS, and REITs). In addition, he is a board member for Principal Real Estate Europe and chair of the management committees for all U.S. real estate operations. Todd is also the leader of the Real Estate Strategic Working Group and chairman for many of the organization's investment committees. He joined the organization in 1985 and has served in a wide array of investment production, portfolio management and leadership positions. Todd is a graduate of the University of Nebraska with a degree in finance and is a past chair of the CRE Finance Council's Portfolio Lenders Forum, a member of North American Real Estate Investment Managers Association (NAREIM) and the Real Estate Roundtable. Todd serves on Principal Real Estate's Investment Committee.

Michelle B. Fang - Senior Managing Director, Head of Real Estate Marketing & Product Development
Michelle is a Senior Managing Director at Principal Real Estate. As head of marketing and product development, she works with the real estate portfolio management teams and generalist sales to raise capital for the firm's private and public real estate strategies, globally. Michelle joined the firm in 2012. Prior to her current role, Michelle led the investor relations and portfolio analytics team at Metropolitan Real Estate Equity Management and held multiple product design, research, and marketing roles during her tenure with GE Asset Management. She received a bachelor's degree in communications from University of Pennsylvania. Michelle is a member of the Pension Real Estate Association (PREA), a delegate to PREA's Defined Contribution Affiliate Group, and a member of the Defined Contribution Real Estate Council.

Indraneel Karlekar, Ph.D. - Senior Managing Director, Global Head of Research & Portfolio Strategies
Indraneel (Indy) is a Senior Managing Director, global head of research & portfolio strategies at Principal Real Estate. His responsibilities include helping with allocation of capital via the creation of real estate portfolio strategies across the four quadrants of commercial real estate. He also helps disseminate Principal Real Estate's economic and real estate views to external clients and is a member of Principal Global Investors Economic Committee. Indy joined the real estate industry in 2003 and Principal Real Estate in 2013. Prior to his current role he has served as an executive vice president and chief investment strategist at Cole Real Estate Investments and head of global research and strategy at ING Clarion. At ING Clarion, he worked on creating global top-down asset allocation strategies by analyzing macroeconomic and real estate variables and was also responsible for investment research, white papers, and new product development. Prior to ING, Indy was a member of the global research team at AIG Global Real Estate. Indy started his career as an economic analyst at The Economist Intelligence Unit. He received a Ph.D. in economics from University of Cambridge and is a member of Pension Real Estate Association (PREA), the National Council of Real Estate Investment Fiduciaries (NCREIF), and the Association for International Real Estate Investors (AFIRE).

Cara Underwood - Managing Director – Capital Markets
Cara is a managing director at Principal Real Estate. She is responsible for the project-level and fund level debt, capital markets consulting, loan procurement and lender relationship management for Principal-owned and Principal-managed properties. Cara joined the firm in 1994. She received an MBA from Drake University and a bachelor's degree in finance and real estate from the University of Northern Iowa. She is a Fellow of the Life Management Institute.

Rod Vogel - Senior Managing Director - Head of Private Equity Production

Rod is the Senior Managing Director of Equity Production and oversees asset management, development, acquisitions and dispositions for Principal Real Estate. In this capacity, he has managed investment transaction activity while also providing strategic direction on the assets managed by Principal Real Estate. Rod also manages the project finance area for Principal Real Estate. In this role he oversees the capital structuring of transactions for clients of the firm. Rod joined the firm in 1986. He received a bachelor's degree in finance and real estate from the University of Nebraska. Rod is a member of the National Multi Housing Council (NMHC) and the Urban Land Institute (ULI). He also serves on Principal Real Estate's Investment Committee.

EXHIBIT H: Fund Structure Chart

Principal Data Center Growth & Income Fund
Illustrative Fund Structure – U.S. Fund and Luxembourg Parallel Fund
(Draft for Discussion Purposes Only)

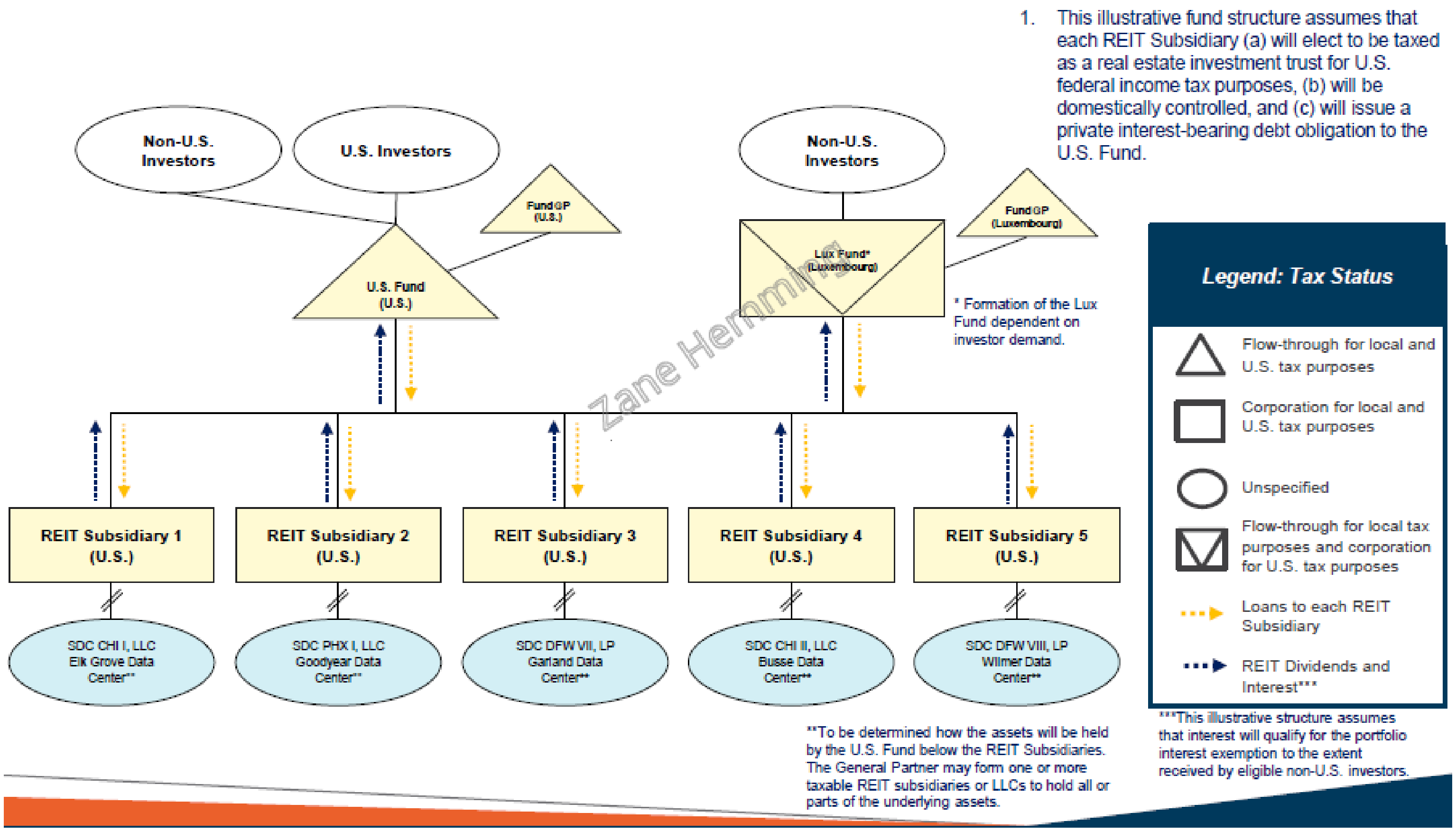


EXHIBIT I: Data Center Performance Detail

Deal Name	Location	Capital Source	Partner	Acq / Dev	Property Type	Status	Acq Date	Actual / Projected Disp Date	Actual and Budgeted Cost	Total Invested Equity to Date	LTV	Underwritten Gross IRR (Unlevered)	Since Inception Gross IRR (Unlevered)	Since Inception Gross EM (Unlevered)	Projected Gross IRR (Levered)	Projected Gross Multiple (Levered)
DFW III	Dallas, TX	General Account	Stream	Development	RTF Powered Shell	Realized	Jan 2007	May 2008	$21.40	$1.2	-	32.80%	103.60%		327.00%	1.75x
San Antonio I	San Antonio, TX	General Account	Stream	Development	RTF Powered Shell	Realized	Jul 2008	Jun 2011	$29.00	$1.0	-	23.90%	18.50%		343.70%	1.48x
DFW VI	Dallas, TX	Separate Account	Stream	Development	RTF Powered Shell	Realized	Nov 2016	Dec 2017	$29.20	$20.3	-	19.00%	88.10%		82.70%	1.54x
West Frye Road	Phoenix, AZ	Core Fund	Lincoln Rackhouse	Acquisition	Turn-key / Shell expansion	Realized	Jun 2018	Jul 2019	$42.30	$42.3	-	16.00%	59.70%		53.72%	1.72x
194th St SW	Seattle, WA	Core Fund	Lincoln Rackhouse	Acquisition	Turn-Key	Realized	May 2019	Dec 2020	$6.20	$6.2	-	17.70%	7.50%		7.50%	1.25x
Chicago I	Chicago, IL	Separate Account	Stream	Acquisition (Conversion)	RTF Shell / Turn-Key	Unrealized	Dec 2017	1Q23	$166.00	$115.1	46%	30.10%	15.72%	1.55x	42.8%	2.06x
DFW VII	Dallas, TX	Separate Account	Stream	Development	RTF Shell / Turn-Key	Unrealized	Apr 2018	1Q23	$435.10	$282.4	13%	34.30%	38.71%	1.66x	34.0%	1.50x
Coit Road	Dallas, TX	Core Fund	Lincoln Rackhouse	Acquisition	Turn-key / Shell expansion	Unrealized	Jun 2018	2Q23	$127.80	$97.8	0%	13.90%	-9.39%	0.81x	13.9%	1.57x
North Airworld Drive	Kansas City, MO	Core Fund	Lincoln Rackhouse	Acquisition	Turn-key / Shell expansion	Unrealized	Jun 2018	2Q23	$91.10	$50.0	0%	15.50%	-23.47%	0.58x	15.5%	1.56x
Phoenix I (Initial Phase)	Phoenix, AZ	Separate Account	Stream	Acquisition (Conversion)	RTF Shell / Turn-Key	Unrealized	Feb 2019	2Q23	$225.30	$228.8	0%	16.20%	5.69%	1.14x	16.4%	1.43x
Meridian Parkway	Chicago, IL	Core Fund	Lincoln Rackhouse	Acquisition	Turn-key / Shell expansion	Unrealized	May 2019	2Q23	$33.90	$22.5	0%	13.00%	0.99%	1.02x	13.0%	1.64x
Prosperity Drive	Silver Spring, MD	Core Fund	Lincoln Rackhouse	Acquisition	Turn-Key	Unrealized	May 2019	2Q23	$32.80	$36.0	0%	15.60%	-26.67%	0.55x	15.6%	1.75x
Chicago II (Initial Phase)	Chicago, IL	Separate Account	Stream	Acquisition (Conversion)	RTF Shell / Turn-Key	Unrealized	Dec 2020	3Q23	$251.60	$196.4	0%	30.60%	25.32%	1.31x	30.6%	1.46x
Sunrise MSO	Ft. Lauderdale, FL	Core Fund	n/a	Acquisition	Powered Shell	Unrealized	Jun 2021	2Q31	$26.20	$26.1	0%	5.80%	8.24%	1.15x	5.8%	1.60x
Hammond Phase I	Chicago, IL	Digital RE Fund	Decennial Group	Acquisition	Turn-Key	Unrealized	Jul 2021	2Q24	$170.40	$132.0	6%	15.50%	-3.99%	0.94x	22.6%	1.64x
DFW VIII (Initial Phase)	Wilmer, TX	Separate Account	Stream	Development	RTF Shell / Turn-Key	Unrealized	Jan 2022	4Q26	$294.70	$57.6	0%	15.80%	62.86%	1.37x	22.1%	1.89x
Alpharetta	Alpharetta, GA	Digital RE Fund	Lincoln Rackhouse	Acquisition	Turn-Key	Unrealized	Aug 2022	3Q25	$130.60	$69.5	0%	16.70%	1.60%	1.02x	22.3%	1.47x
Forest Grove (Initial Phase)	Forest Grove, OR	Digital RE Fund	Crane Data Centers	Development	Turn-Key	Unrealized	Oct 2022	2Q26	$277.30	$8.0	0%	21.50%	9.93%	1.09x	21.5%	1.51x
Skybox Lancaster	Lancaster, TX	Digital RE Fund	Skybox Data Centers	Development	Turn-Key	Unrealized	Apr 2023	1Q26	$319.60	$13.3	0%	20.31%	0.00%	1.00x	20.31%	1.60x

Appendix

Rating Rationale

ESG Policy & Practices	"Integrated" as defined below.
Fund Structure	Closed-end structure is appropriate to accommodate a portfolio of development projects. Legal structuring to accommodate the prospective LP base and a broad profile of investors.
Investment Process	Typical of longtime fund sponsor serving institutional investors. Includes a broad array of senior resources.
Operational Due Diligence	Rated A2 Pass as defined below.
Performance	Projections are reasonable but performance is too unrealized to be a factor driving a "Buy" rating.
Sponsor	Longtime fund sponsor and fiduciary to institutional capital, overseeing joint venture property specialist, Stream, which is a well-established developer and operator of data centers.
Strategy	Targeted exposure consistent with Aon/Townsend VOTW.
Terms & Conditions	Fee structure is investor friendly. Terms and LP protections are industry standard with certain tweaks consistent with structure of the fully seeded fund.
Overall	Buy Rated

Investment Rating Explanation

The comments and assertions reflect Townsend views of the specific investment product, its strengths and weaknesses in general and in the context of Townsend's *View of the World* and same vintage alternative choices.

- **Buy** - Suitable for institutional investors that have a portfolio construction need. Appropriate overall risk profile given the strategy and targeted returns.
- **Qualified** - Suitable for institutional capital. In addition to customary risks, contains one or more heightened risks that should be weighed against an investor's preferences, risk tolerances, and portfolio construction needs.

Operational due diligence rating provided by Aon's dedicated multi-asset class Operational Due Diligence team according to its autonomous review of the Sponsor's policies & procedures, infrastructure and capabilities across a range of operations, middle and back office, and control functions.

- **A1-Pass** – (✓+) No material operational concerns; firm's operations largely align with a well-controlled operating environment.
- **A2-Pass (✓)** - Firm's operations largely align with a well-controlled operating environment, with limited exceptions due to resource limitations or where isolated areas do not align with best practice.
- **Conditional Pass** - Aon noted specific operational concerns that the firm has agreed to address in a reasonable timeframe.

ESG scoring and an associated rating is according to guidance from AON's internal ESG Committee and sub-committees for various asset classes.

- **Limited** - The fund management team takes limited steps to address ESG considerations in existing and anticipated portfolios.
- **Integrated** - The fund management team takes essential steps to identify, evaluate, and mitigate potential financially material ESG risks within existing and anticipated portfolios.
- **Advanced** - The fund management team demonstrates an advanced awareness of potential ESG risks in the investment strategy. The fund management team can demonstrate advanced processes to identify, evaluate, and potentially mitigate these risks across its activities.

About Townsend Group – An Aon Company
Founded in 1983, The Townsend Group, an Aon Company ("Townsend") provides a core set of investment skills exclusively focused on global real estate and real asset classes. The firm offers these capabilities to institutional investors as an investment advisor and consultant.

Townsend has been advising and managing real estate portfolios for over three decades and across multiple market cycles. As of September 30, 2022, Townsend had assets under management of approximately $23.9 billion. As of September 30, 2022, Townsend provided advisory services to clients who had real estate/real asset allocations exceeding $119.2 billion. We believe, through our global investment platform, fiduciary culture, asset class expertise and client capital scale, we are able to deliver clients unique information, while providing a sourcing and execution advantage.