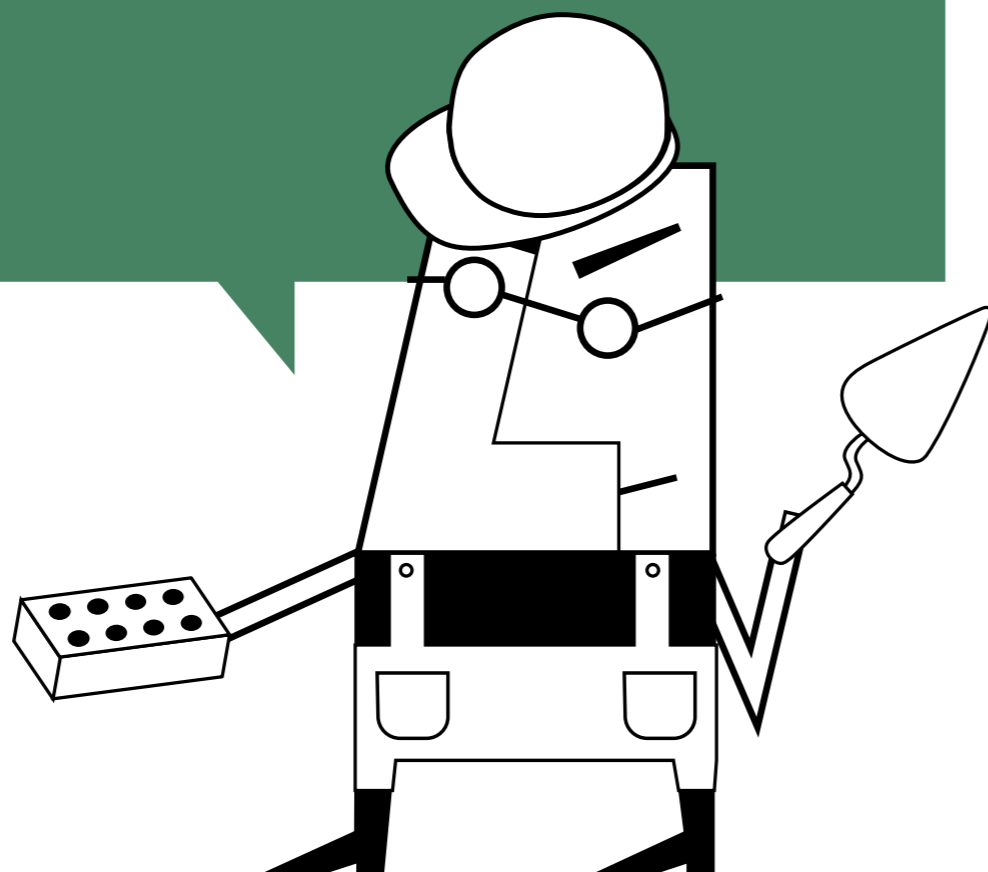




BUILDING A SOLID FOUNDATION FOR YOUR BUSINESS

Real Estate Practice



CONTENTS

REAL ESTATE PRACTICE:
FACTS AND FIGURES 04

OUR SERVICES 06

Real Estate Sale and Purchase
Transactions

Legal Due Diligence of
Acquired Assets

Legal Disputes Challenging the
Cadastral Value

Construction and Development
Investment Projects

Leasehold Transactions

Legislative Drafting

Mineral Resource Use

Environmental Regulation

THE TEAM 18

ABOUT THE FIRM 20

GEOGRAPHICAL SCOPE
OF OUR SERVICES 22

REAL ESTATE PRACTICE: FACTS AND FIGURES



There are **9 lawyers** in our Real Estate Practice



For the past three years the Practice's lawyers have succeeded in implementing around **450 projects**

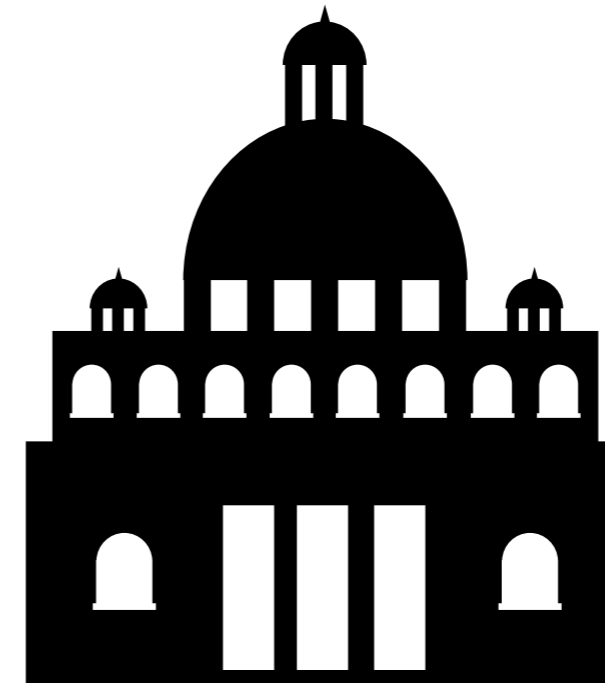


The most expensive deal which the Real Estate Practice of Pepeliaev Group has handled was valued at **USD 700 million**

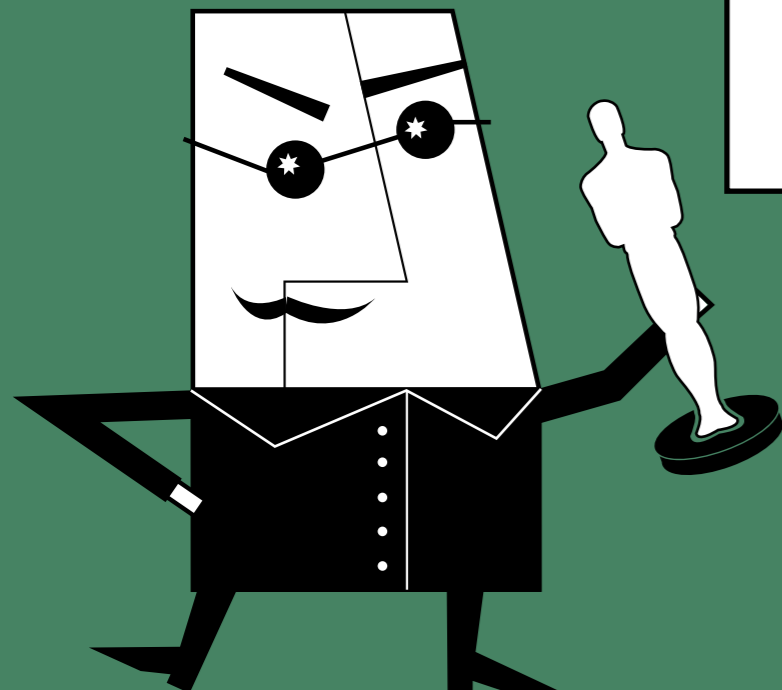
LEGISLATIVE ACTIVITY

The lawyers of our Real Estate Practice:

- Contributed to drafting legislative amendments to the **Russian Land Code** and the **Russian Town-Planning Code**;
- Provided integrated legal support in the drafting of **amendments to Russian legislation** aimed at developing the infrastructure required for the **2018 FIFA World Cup**;
- Were involved in the drafting of legislative amendments to the **Law on Transactions with Agricultural Land** and the **Law on the Russian Continental Shelf**.



In total we have helped our clients to rent more than **1,000,000 sq.m.** of real estate, which is double the area of the Vatican!



Our Real Estate Practice is recommended by leading independent international ratings:
CHAMBERS AND PARTNERS, THE LEGAL 500, IFLR1000, PLC WHICH LAWYER

We have implemented major projects in 34 industrial and agricultural centres across Russia, including:

- MOSCOW
- ST PETERSBURG
- YAROSLAVL
- ROSTOV VELIKY
- SAMARA
- ROSTOV-ON-DON
- KRASNODAR



- KAZAN
- UFA
- EKATERINBURG
- KRASNOYARSK
- NOVOKUZNETSK
- MAGNITOGORSK
- CHELYABINSK

and others.

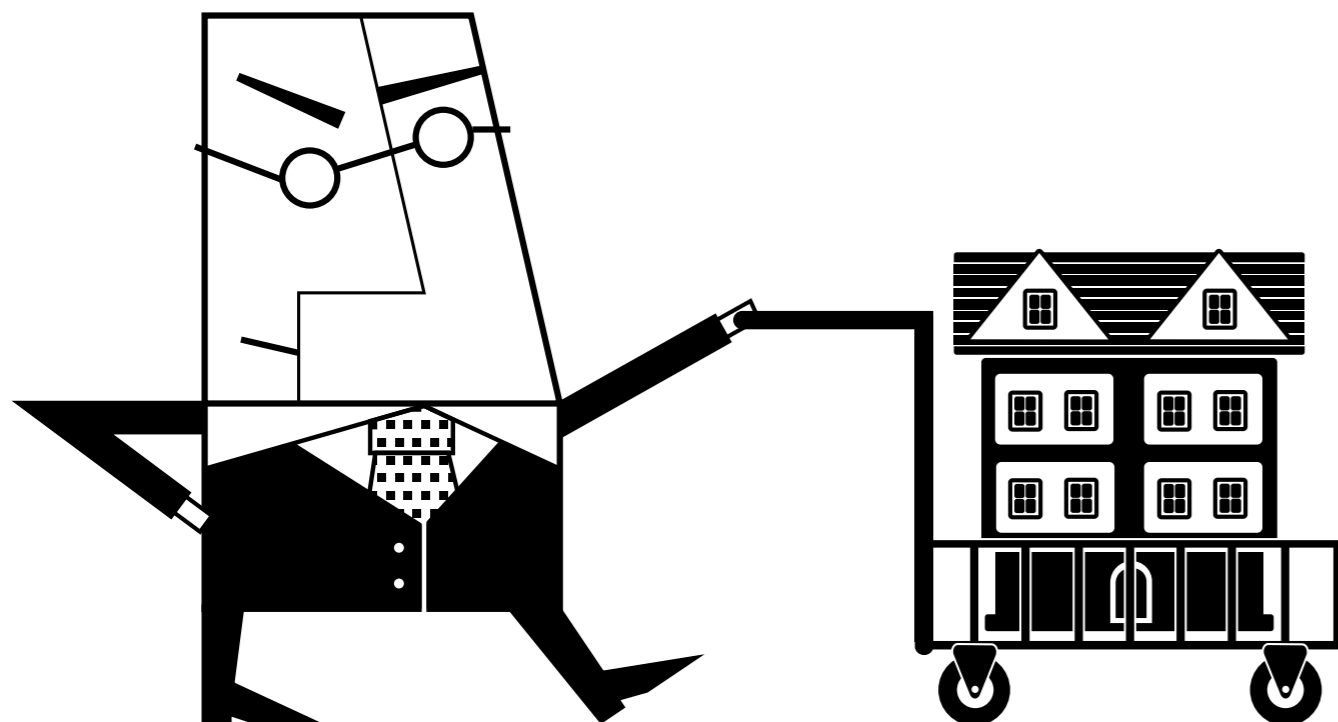


OUR SERVICES

Pepeliaev Group’s lawyers offer the full scope of legal services to both professional players on the real estate market and companies in other industries that need advice on land, real estate, and construction issues.

Over the long history of our Land, Real Estate, and Construction Practice (referred to below as the “Real Estate Practice”), Pepeliaev Group’s team has gained extensive expertise, which underpinned by our in-depth insight into Russian legal realities.

Not only do our Real Estate Practice’s experts apply the law, but they also create it: in recent years Pepeliaev Group’s lawyers have been involved in the drafting of major statutory and other regulatory instruments.



REAL ESTATE SALE AND PURCHASE TRANSACTIONS



01 HOTEL PURCHASE DEAL

Pepeliaev Group’s lawyers performed due diligence and drew up documents for the partial purchase by our client of a large hotel complex in Moscow. The transaction was governed by English law and was valued at around USD 700 million.

02 PURCHASE OF OFFICE PREMISES

Our Real Estate Practice’s lawyers have developed and assisted with a transaction of a major Russian diamond-mining company to purchase office premises in Moscow. The total floor area of the buildings was 11,500 sq.m. while the transaction value amounted to USD 90 million.

03 TRANSACTIONAL SUPPORT FOR THE PURCHASE OF A FUTURE CONSTRUCTION SITE

Our firm’s lawyers provided full legal support during land plot purchase transactions in Moscow Region. The value of the transactions governed by English law totalled around USD 40 million and the plot’s area was about 100,000 sq.m. Another transaction we handled was the sale of a share in a real estate development project with a value of around USD 30 million.

LEGAL DUE DILIGENCE OF ACQUIRED ASSETS



01 DUE DILIGENCE OF AN INDUSTRIAL GROUP

Pepeliaev Group's lawyers performed integrated due diligence of a Russian group of companies manufacturing car components. Its core assets were industrial facilities and manufacturing tools. The due diligence was part of a transaction under which a major car manufacturer acquired these companies.

02 SUPPORT FOR THE INVESTMENT PROJECTS OF A MAJOR RETAILER OF BUILDING AND FINISHING MATERIALS

For five years Pepeliaev Group has been providing ongoing legal support to a French retailer of building and finishing materials worldwide. Among the services we provide are due diligence of acquired land plots, deal structuring, and legal support for several investment projects in different parts of Russia.

03 DUE DILIGENCE OF OIL AND GAS COMPANIES

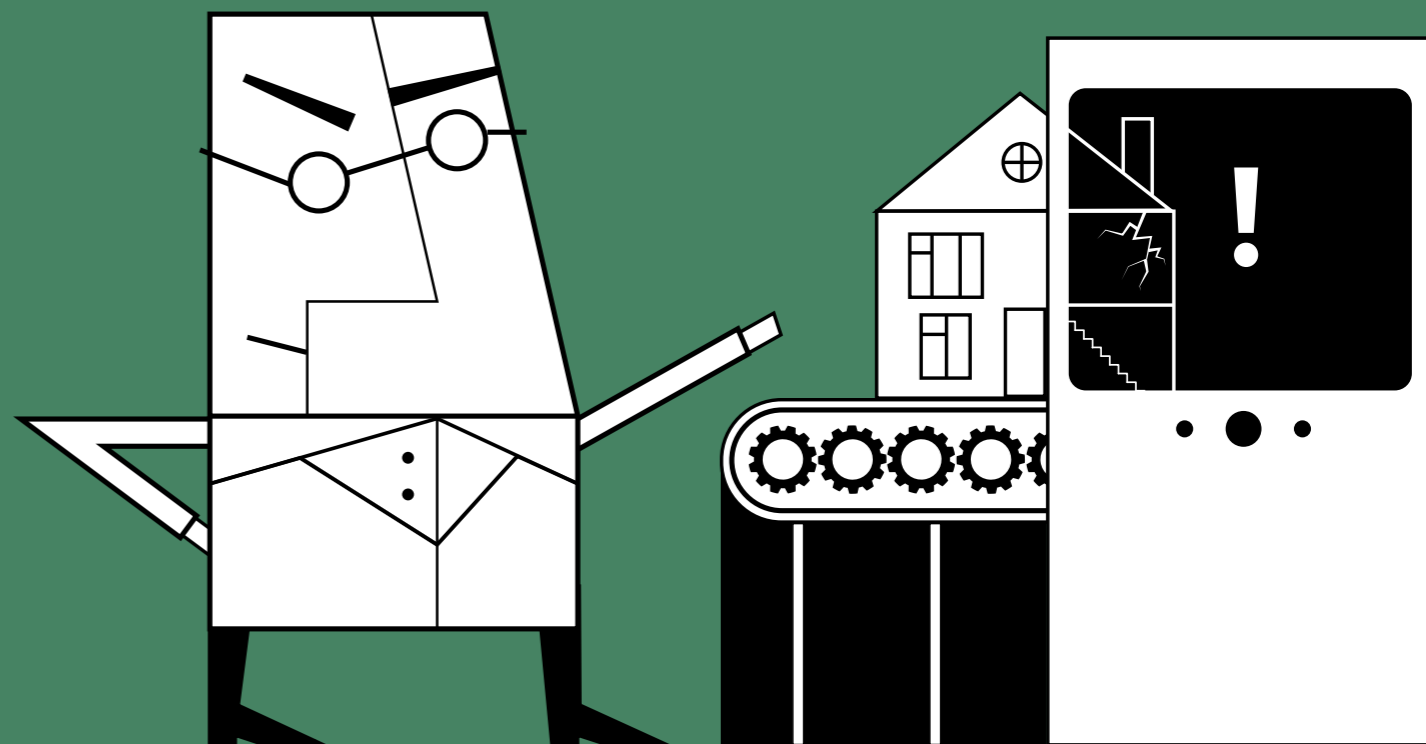
Our Real Estate Practice's lawyers represented a Russian group of companies in an acquisition of a group of oil and gas producers. Our experts performed due diligence of six companies in order to establish what legal issues occurring after the acquisition needed to be dealt with.

04 DUE DILIGENCE OF A METAL WORKS

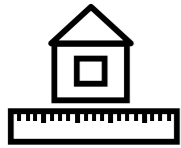
Our firm's lawyers performed due diligence for the acquisition of a metal works by a leading Russian company producing and supplying iron ore and producing steel. The transaction value amounted to USD 120 million.

"WELL-REGARDED DOMESTIC TEAM ADVISING ON A SPECTRUM OF REAL ESTATE MATTERS".

CHAMBERS EUROPE



LEGAL DISPUTES. CHALLENGING THE CADASTRAL VALUE



01 THE CADASTRAL VALUE OF THE CENTRAL CHILDREN'S STORE AT MOSCOW'S LUBYANKA SQUARE WAS CUT SEVERAL FOLD

Pepeliaev Group's lawyers challenged the cadastral value of the Central Children's Store at Lubyanka Square in Moscow. An unreasonably high figure had previously been set. Moreover, the cadastral value for one of the premises within the store was more than two and a half times greater than the cadastral value of the actual building that houses the store. We successfully represented the client and the cadastral value was cut several fold. This substantially reduced the amount of the tax base for corporate property tax.

03 INTEGRATED LEGAL SUPPORT IN A CASE OF ILLEGAL CONSTRUCTION

Pepeliaev Group's lawyers successfully represented a client in a major court dispute regarding an illegal construction that infringed its rights. Our lawyers developed the client's case for the court and pursued it in courts of different levels, where we had to provide explanations relating to the technical construction rules and regulations applied with regard to the matter in dispute.

02 AN UNFAIR AMOUNT OF TAX SUCCESSFULLY CHALLENGED

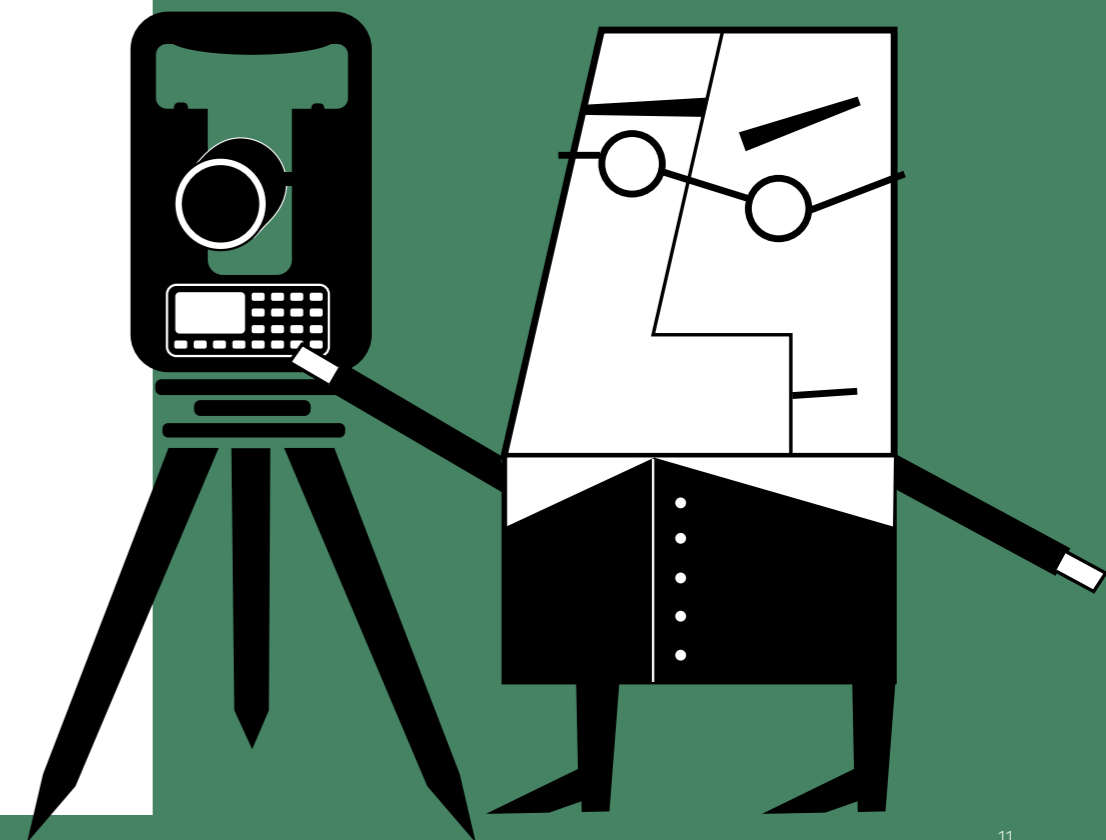
Our Real Estate Practice's lawyers represented clients in court proceedings against the government of Moscow Region. The matter in dispute was a failure to include seven shopping malls in the cadastral register for taxation purposes based on their cadastral value. Our lawyers successfully challenged the unfair tax amounts assessed on these real estate items.

04 PROTECTING A CLIENT IN A SIGNIFICANT DISPUTE OUTSIDE RUSSIA

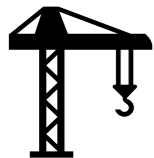
Our firm's lawyers successfully defended a client in a major court dispute (worth around USD 150 million) with its investment partner in a development project in Russia. The parties' relations were regulated by foreign law, but information about the partner's actions and the legal consequences of such actions in the context of the Russian law was of critical importance for the settlement of the dispute.

"BOASTS A DIVERSE CLIENT BASE, DEMONSTRATING A PARTICULARLY SOLID TRACK RECORD IN THE RETAIL SECTOR".

CHAMBERS EUROPE



CONSTRUCTION AND DEVELOPMENT. INVESTMENT PROJECTS



01 LEGAL SUPPORT IN A PROJECT IMPLEMENTED BY THE LARGEST EUROPEAN CAR MANUFACTURER

Our Real Estate Practice's lawyers provided comprehensive legal support to a leading European car manufacturer which enjoys the same prominence on a global scale. The development project the client implemented in Moscow included the construction of an individual building and the subsequent purchase of A-class warehousing facilities with an area of 60,000 sq.m. The value of the transaction was estimated at around USD 80 million.

02 PROVIDING INTEGRATED LEGAL SUPPORT TO A MAJOR RUSSIAN DEVELOPER

Pepeliaev Group's lawyers provided integrated legal support to a major Russian developer whose business is focused on the construction of multi-functional A and B class complexes, premium and business class residential housing, hotels, and transportation facilities. The tasks our team had to accomplish included the following: legal due diligence, structuring residential housing construction projects, and challenging the cadastral value of land plots and real estate properties.

03 COMPREHENSIVE LEGAL SUPPORT FOR THE BELAYA DACHA PARK DEVELOPMENT

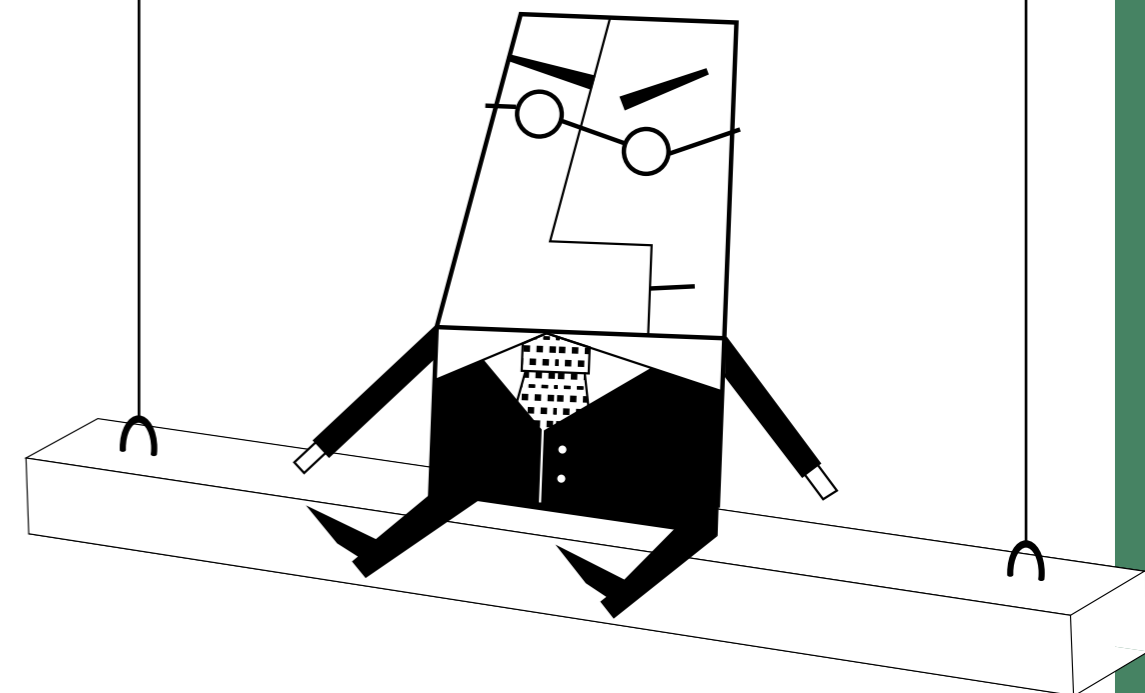
Our firm's experts provided legal support during the development of the Belaya Dacha Park urban district in the Kotelniki area of Moscow Region, at the request of a major international commercial real estate construction group. The tasks our lawyers faced were: settling disputes with contractors, drafting a construction agreement with the general contractor, and restructuring the project.

04 LEGAL SUPPORT DURING THE REDEVELOPMENT OF A KRASNOYARSK AIRPORT

Pepeliaev Group's lawyers provided comprehensive legal support during the redevelopment and redesign of an airport in Krasnoyarsk. The scope of our work included: structuring the project, as well as drafting the transaction documentation and obtaining approval for it.

"CLIENTS HIGHLIGHT THE CLARITY OF ADVICE, WITH ONE OF THEM NOTING: 'THEY EXPLAINED EVERYTHING IN GREAT DETAIL – ALL RISKS AND CONSEQUENCES'".

CHAMBERS EUROPE



LEASEHOLD TRANSACTIONS



01 OPENING OF A GLOBAL BRAND'S FLAGSHIP STORE IN MOSCOW

Our lawyers represented a French multinational group, the second biggest worldwide brand portfolio of luxury, sport & lifestyle divisions and retail brands, in a transaction to lease 2,000 sq. m. of retail premises in extremely close proximity to the Kremlin. Among the tasks our team had to accomplish was full transactional support, including for the subsequent renovation of the facilities before the store opened.

03 DRAFTING LEASES FOR A MAJOR DEVELOPER IN MOSCOW

Our experts represented one of the major Moscow-based development companies, which owns and manages a portfolio of 10 A-, B+/B-class business centres with a total area of around 9,500 sq.m. located in the main business districts of Moscow. We drafted short- and long-term lease agreements and helped the client to enter into such agreements with the principal tenants of the buildings.

02 DRAFTED LEASE AGREEMENTS WITH KEY TENANTS OF A LARGE SHOPPING MALL

Pepeliaev Group's lawyers provided ongoing legal support to a Russian private development company in a project involving the construction of a 157,000 sq.m. shopping mall in Moscow Region. One of our major tasks was to provide support as the client entered into agreements with 23 tenants of the shopping mall.

04 THE OPENING OF RETAIL CHAIN STORES OF A WELL-KNOWN US MANUFACTURER OF SPORTS CLOTHING, FOOTWEAR, AND ACCESSORIES

Pepeliaev Group's lawyers provided integrated legal support to a well-known US manufacturer of sports clothing, footwear, and accessories when their retail stores were being opened. We drafted contracts with respect to fitting out the premises as well as all the documents required to launch the stores. Within a year of the project, six lease agreements had been entered into: in St Petersburg, Kazan, Novosibirsk, Rostov-on-Don, Ufa, and Moscow.

LEGISLATIVE DRAFTING

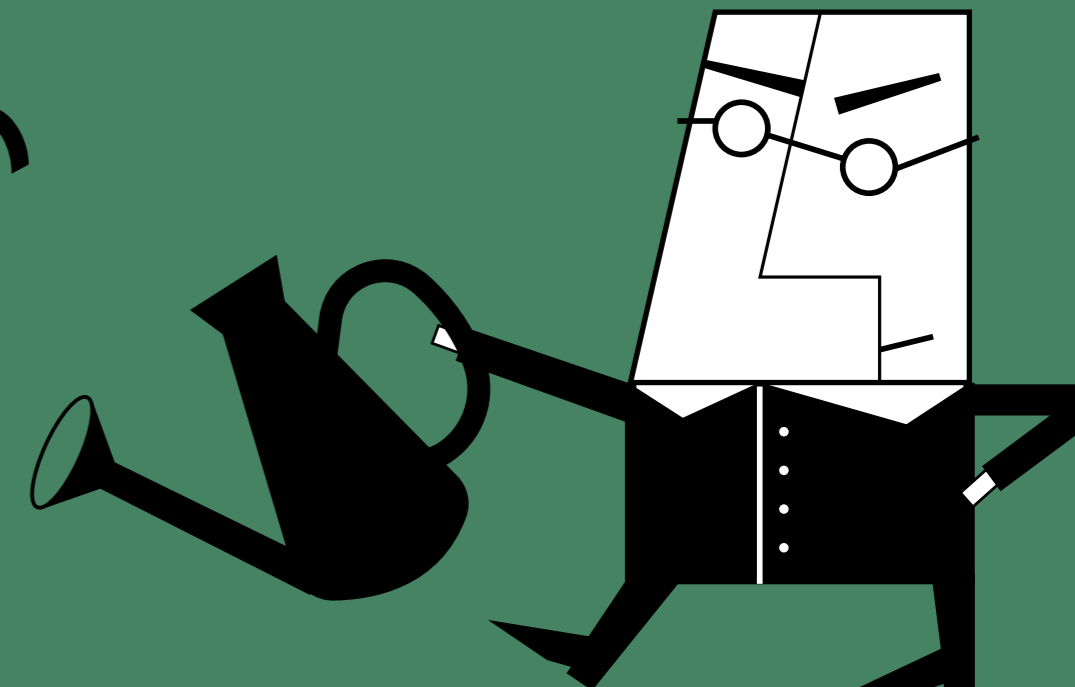


01 DRAFTING STATUTORY AMENDMENTS RELATED TO THE 2018 FIFA WORLD CUP

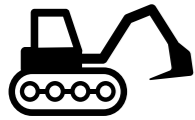
The firm's experts provided advice on amending and supplementing Russian legislation associated with the staging of the 2018 FIFA World Cup in Russia. Our key function was to draft amendments aimed at developing infrastructure for the event, including stadiums and other facilities.

02 DRAFTING AMENDMENTS TO LEGISLATION IN ORDER TO IMPROVE RUSSIA'S INVESTMENT CLIMATE

Our Real Estate Practice's lawyers provided legal support to the Office of the Ombudsman for Entrepreneurs' Rights in Moscow and were involved in the drafting the law on amending the Russian Land Code and the Russian Town-Planning Code. The amendments were aimed at offering enhanced access to energy generation facilities by simplifying the procedures and, therefore, reducing the time required for the construction of such facilities.



MINERAL RESOURCE USE



01 PARTICIPATED IN THE DEVELOPMENT OF THE SH TOKMAN GAS CONDENSATE FIELD

Pepeliaev Group's lawyers provided full Russian law legal support during the development of the Shtokman gas condensate field for Shtokman Development AG. Our tasks in the project involved reviewing and drafting EPC contracts, advising on legislative amendments, as well as on land law issues and the regulation of construction. This included advice on the following: developing infrastructure, obtaining rights to develop land plots, constructing offshore facilities, and structuring the project. Pepeliaev Group's lawyers also advised the client on issues relating to environmental regulation.

03 COMPREHENSIVE LEGAL SUPPORT WHEN THE OPERATOR FUNCTIONS AT THE KHARYAGA OIL DEPOSIT WERE TRANSFERRED

Our firm's lawyers provided comprehensive legal support during the transfer of the operator functions at the Kharyaga Oil Deposit from a French oil and gas operator to a major Russian state-controlled oil company. Our work included assisting with various construction, real estate, customs, commercial, and currency control matters as well as other specific issues related to the transfer of the operator functions.

02 EXPERT REVIEW OF THE PSA CONCERNING THE KHALYNSKOYE OIL AND GAS CONDENSATE FIELD

Pepeliaev Group's lawyers performed an expert review of the proposed amendments to the Production Sharing Agreement (PSA) for subsoil use of the Khvalynskoye oil and gas condensate field on behalf of the Russian Ministry of Energy. Moreover, we provided suggestions on how to ensure that the project was as effective as possible for the Russian Federation and that the state's interests were protected. This project is part of the inter-governmental agreement entered into by Russia and Kazakhstan, and is only the fourth of its kind in Russia.

04 COMPREHENSIVE SUPPORT DURING THE CONSTRUCTION OF THE FIRST LIQUEFIED NATURAL GAS PLANT IN RUSSIA

The firm's lawyers provided legal assistance in the construction of the first LNG plant in Russia, which has a capacity of 10 million tonnes per year. The assistance involved resolving issues related to: corporate law and antimonopoly regulation, licensing, maritime law, the use of natural resources and the environment, customs law, litigation, employment law, intellectual property, and banking law. Upon completion of construction, we provided legal support to the project operator.

ENVIRONMENTAL REGULATION



01 THE RUSSIAN CONSTITUTIONAL COURT HAS SETTLED A CASE ON WHETHER ENVIRONMENTAL CHARGES WERE PROPORTIONATE

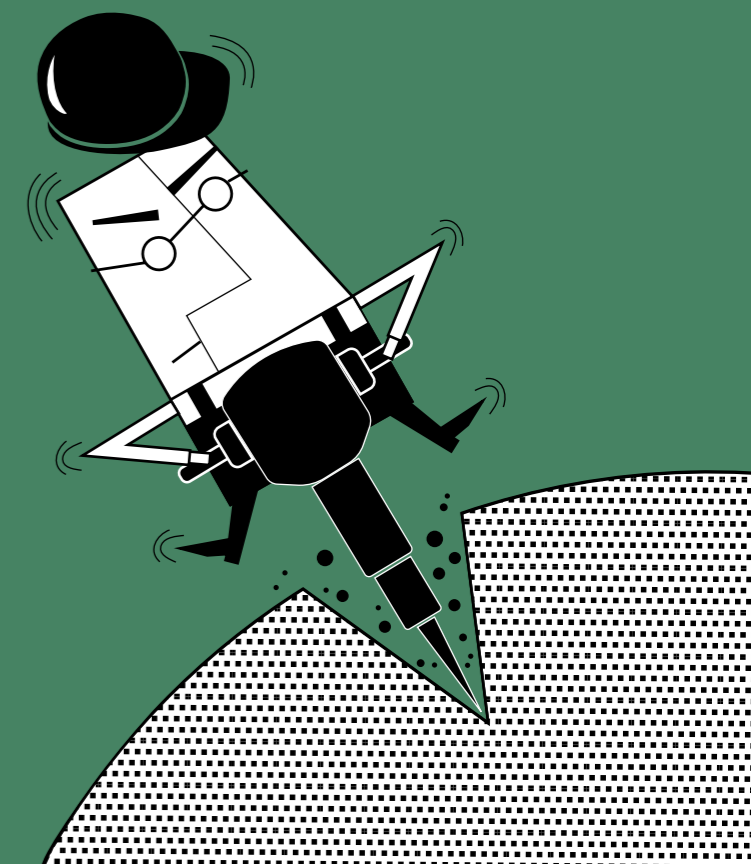
Pepeliaev Group's lawyers prepared an application to the Constitutional Court and successfully represented the client in a public hearing on the procedure for determining the amount of environmental damage under the Russian Forest Code. This resolution of the Court has allowed principles of environmental liability to be established in Russia. In particular, the issue has been settled of whether a company's expenditures on eliminating pollution on its own should be taken into account when compensation for damage to the environment is assessed.

02 LEGAL ASSISTANCE TO AN OIL COMPANY WITH REGARD TO THE USE OF NATURAL RESOURCES

Pepeliaev Group's lawyers provided legal support to a major Russian oil company regarding the rational use of natural resources, use of mineral resources, and environmental protection. Among the issues covered were the compensation of damage caused to the environment, the devastation of forests, excessive air pollution, industrial safety, compliance with sanitary legislation, and other matters.

03 ADVICE ON THE ASSESSMENT OF ENVIRONMENT IMPACT

Pepeliaev Group's experts advised major national companies in Tyumen, on Sakhalin, in Khanty-Mansiysk Autonomous Region, and Khabarovsk Territory on issues related to the use of mineral resources. In doing so, our firm's lawyers settled the following project-specific matters: compliance with environmental legislation, respect for the rights of local communities and the native population, environmental impact assessment, and the obtaining of mining licences. The project included legal support during the environmental impact assessment, as well as when the state environmental compliance review of the mining fields was held. Our firm also provided assistance in liaising with representatives of non-profit environmental organisations and state authorities across Russia.



THE TEAM



ALEXEY KONEVSKY

Partner

a.konevsky@pgplaw.ru

Specialist area

Alexey specialises in real estate, construction and land law. He has significant experience in supporting investment projects in various industries and transactions with real estate (including due diligence, deal structuring, and drafting contracts). He advises clients across these specialist areas, and also defends clients in courts in civil law and public law disputes over real estate, construction and investment projects.

Key accomplishments

- Participated in drafting amendments to the Russian Land Code with a view to improving the investment environment in Russia. This was achieved through offering enhanced access to energy generation facilities by simplifying the procedures and, therefore, the time limits for the construction of such facilities.
- Successfully challenged the cadastral value that had been set for the premises of the Central Children's Store located at the famous Lubyanka Square.
- Developed and assisted with a transaction of a major Russian diamond mining company to purchase office premises in Moscow; The total floor area of the buildings was 11 500 sq.m. while the transaction value amounted to USD 90 million.
- Provided integrated legal support in connection with amendments to be made to Russian legislation governing the construction of infrastructure (stadiums and other facilities) required to hold 2018 FIFA World Cup.

Major clients

Hals Development, Crocus International, Hines International, Thomson Reuters, Volkswagen, Zara

What they say

According to the independent international rating of law firms The Legal 500, Alexey Konevsky is a recommended lawyer in land law, real estate and construction in Russia.



NATALIA STENINA

Partner, PhD in Law

n.stenina@pgplaw.ru

Specialist area

Natalia specialises in real estate, corporate law, and energy and environmental protection. Natalia's professional experience includes legal support in real estate transactions, structuring transactions in Russia and former USSR countries, establishing joint ventures, and providing legal support in investment projects. She advises clients on a wide range of issues associated with the exploration and development of the largest deposits of oil, gas and other types of minerals. Natalia has significant experience in advising clients on the implementation of construction projects.

Key accomplishments

Below are some of Natalia's recent projects:

- covered a breadth of legal issues in connection with the transfer of the operator functions at the Kharyaga Oil Deposit from Total to Zarubezhneft, including various construction, real property, customs, currency control, and commercial and corporate aspects together with other specific issues related to the transfer of the operator functions;
- provided legal assistance to a development unit of VTB group in connection with the proposed acquisition and further development of a number of real estate projects in Moscow and Moscow Region (including an acquisition of an integrated plant); due diligence of the development sites, expert review of Russian law issues and transactional support.

Major clients

Hals-Development, Zarubezhneft, Hines International, INTECO, Omya, Ruukki Rus, UFC, Riga Mall, TNS, Shtokman Development AG, Leroy Merlin

What they say

"Clients recommend 'tough negotiator' Natalia Stenina, one of the heads of real estate practice". (The Legal 500 EMEA)



ELENA KRESTYANTSEVA

Head of Land Law,
Real Estate and
Construction Practice
(St Petersburg)

e.krestyantseva@pgplaw.ru

Specialist area

Elena specialises in real estate and construction, land and environmental law, industrial safety legislation, and for more than eight years she has been representing clients when conflicts occur that need to be settled in court. Elena has extensive experience in providing legal support in real estate transactions and in projects aimed at eliminating the legal risks inherent in the construction, operation and leasing of real estate facilities.

Key accomplishments

Elena's recent successful projects include:

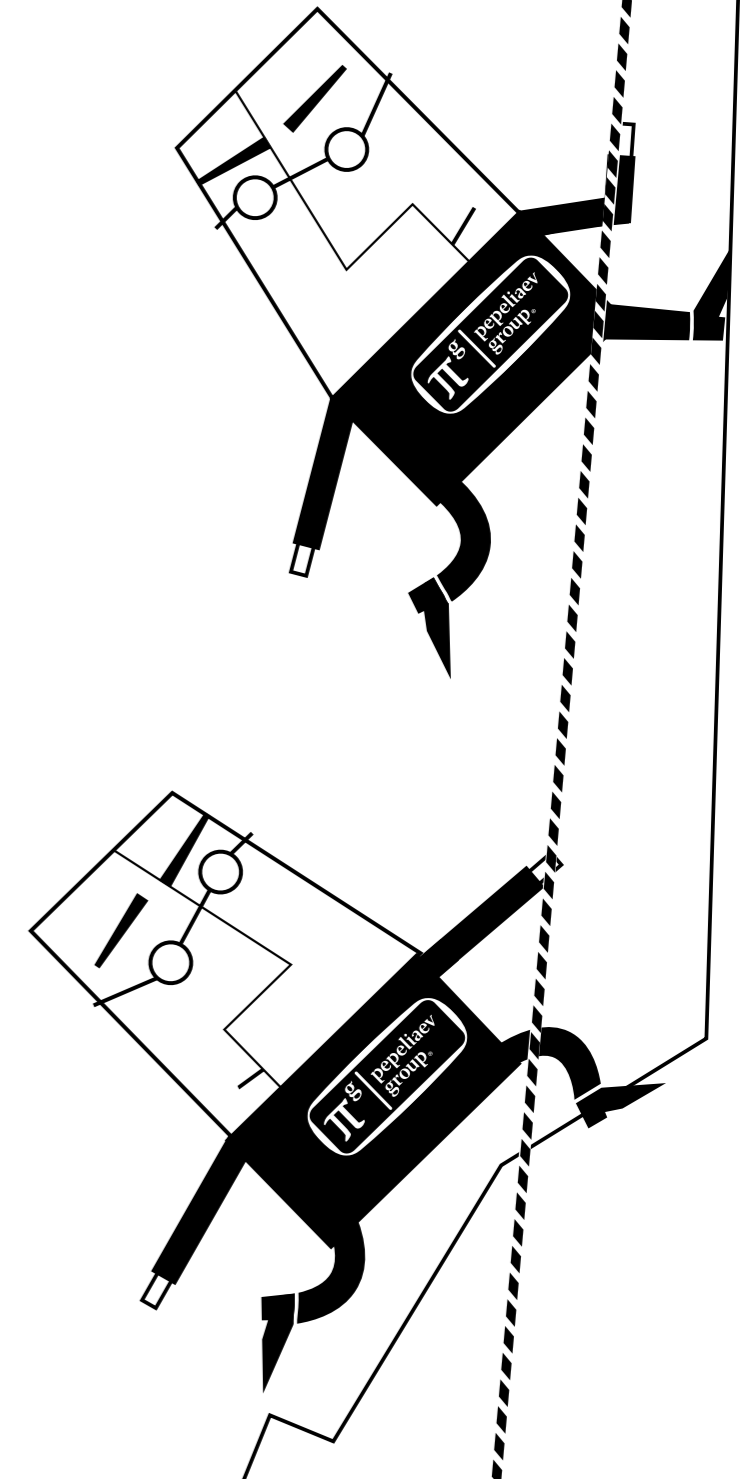
- represented Russia's largest oil refinery at the International Court of Commercial Arbitration (ICCA) under the Chamber of Commerce and Industry of the Russian Federation in a number of cases that involved collecting debt under a contractor agreement within the framework of the construction of an advanced oil refining complex. This resulted in the client saving over EUR 10 million;
- carried out more than 30 due diligence exercises for real estate facilities across more than 20 regions of Russia for the purposes of the subsequent construction of hypermarkets for a major Russian retailer;
- successfully defended two foreign car plants in disputes under construction contracts with regard to: collecting fines and losses; a refusal to pay for the works; and the return of the full amount of an advance payment (the value of each claim amounted to USD 1 million);
- developed a construction contract for a major international car manufacturer. This included, among other things, bringing standard international construction procedures adopted by the client's company into line with Russian law.

Major clients

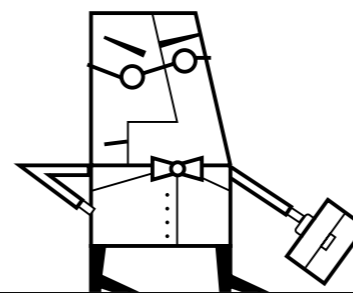
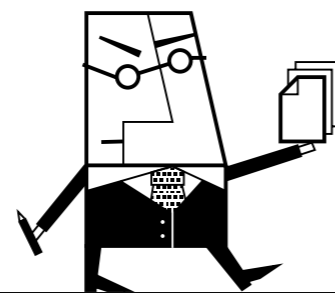
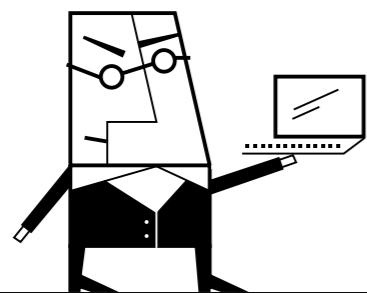
Lenta, Petrovskiy Fort, Mertens House, Kirishinefteorgsintez (KINEF)

What they say

"Pepeliaev Group lawyers provide highly professional, valuable advice. The firm has been particularly active in the real estate sector". (The Legal 500 EMEA)

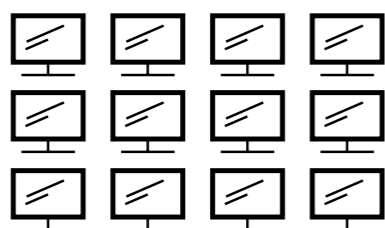


ABOUT THE FIRM

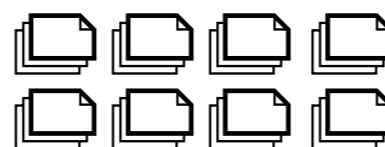


2024

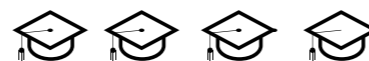
Employees
250



Lawyers
160

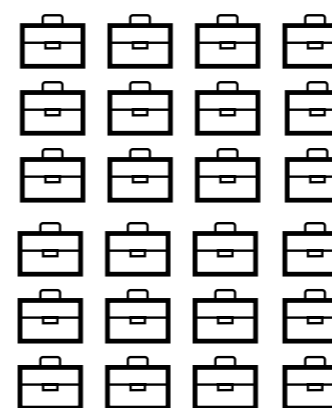


Our lawyers include twenty two Doctors of Law and PhDs in Law



Pepeliaev Group lawyers are constantly involved in drafting legislation and are called on to act as experts in state bodies, at the highest level. Thus they are involved in creating a favourable business environment in the country

Clients
2000



Practices
20 law practices

- Tax Law
- Currency Control
- Administrative Law
- Defence of Business
- Corporate Law / M&A
- Antimonopoly Regulation
- Commercial Law
- Banking and Finance Law
- Real Estate & Construction
- Dispute Resolution & Mediation
- International Litigation and Arbitration Practice
- Bankruptcy
- Intellectual Property
- Customs Law
- Employment and Migration Law
- Data Protection
- Legal GR and defence against illegal takeovers
- Family and Inheritance Law
- Criminal Law Defence of Business
- Services for Private Clients
- Translation and interpreting

10 branch of economy

- Life sciences
- Ecology
- Telecom, media and IT
- Digital Economy Legal Support Group
- Energy
- Oil and gas sector and mineral resource use
- Legal support of projects in the sphere of culture and art
- Maritime law
- Automotive industry and transportation
- Production and sale

Offices
6

Moscow
St Petersburg
Nizhnekamsk
Krasnoyarsk
Vladivostok
Dubai

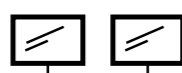
Developing Eastwards

- Chinese Desk
- Korean Desk

2002

The year we were founded

19



15



50



5

- Tax Law
- Customs Law
- Corporate Law
- Commercial Law
- Real Estate & Construction

1



Moscow



Rankings



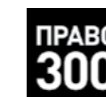
CHAMBERS EUROPE

CHAMBERS GLOBAL

IFLR1000

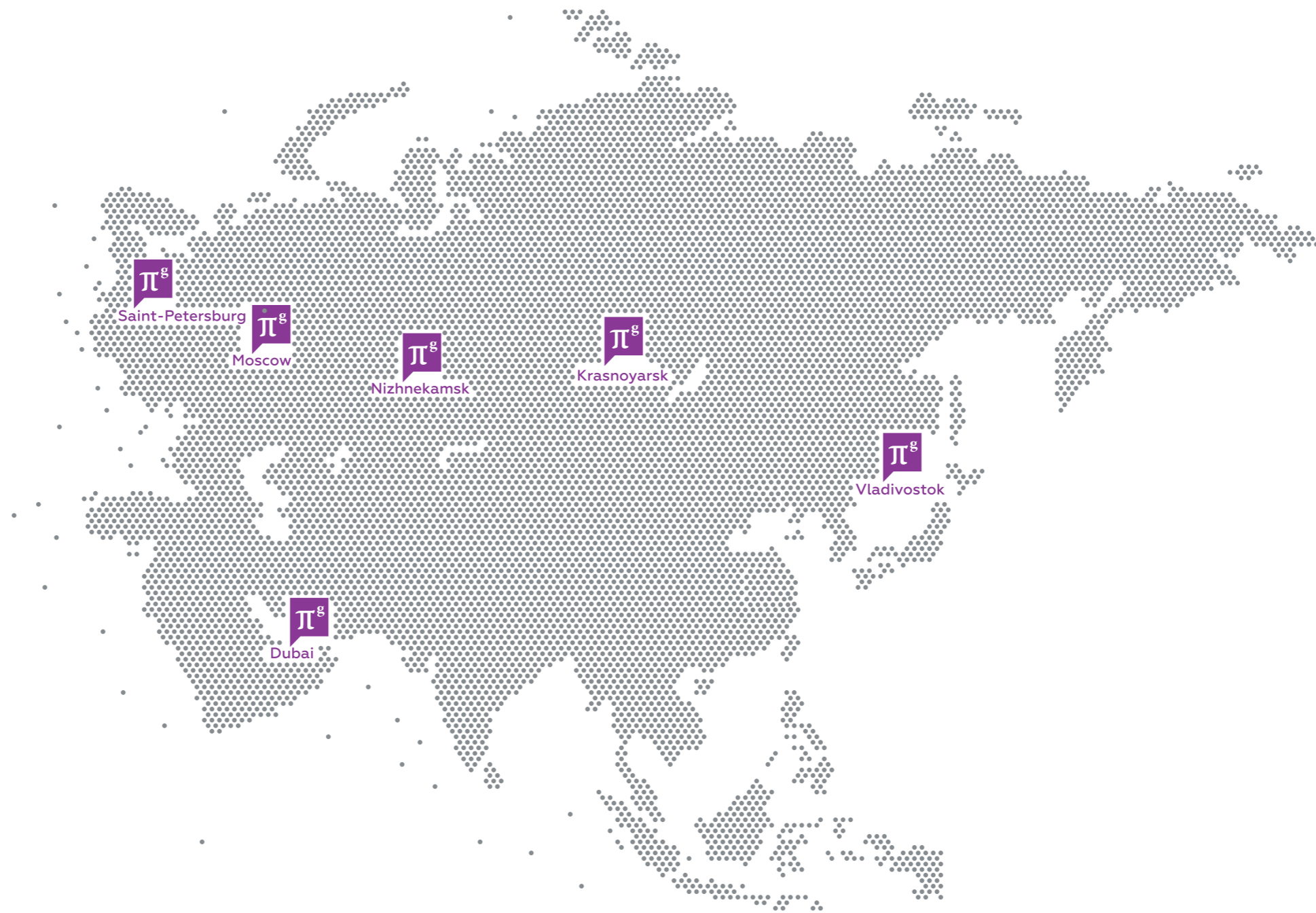
World Trademark Review

INTERNATIONAL TAX REVIEW



Best Lawyers

GEOGRAPHICAL SCOPE OF OUR SERVICES



REGIONAL OFFICES

Pepeliaev Group has offices in Russia located in Moscow, St Petersburg, Nizhnekamsk, Krasnoyarsk and Vladivostok.

What do our local offices offer to our clients?

- Local knowledge
- Time-efficient communication
- Favourable pricing

CHINESE DESK

- Support for Chinese investors in Russia and for Russian investors in China.
- We have strategic partners on the Chinese market.
- Comprehensive legal support.

KOREAN DESK

- Legal advice to Korean companies in Russia and to Russian investors in Korea.

MIDDLE EAST DESK

PG TAX Consultancy LLC provides services on tax structuring and tax consultancy in UAE and GCC.

- Tax structuring in the GCC states.
- Tax support.
- Tax consultancy in the UAE.
- Private Wealth Tax Services in UAE.
- Tax Compliance.
- Legal project management.

INTERNATIONAL PROJECTS

- Pepeliaev Group is a member of the TerraLex international association of law firms.
- Pepeliaev Group is also a part of Taxand, which is a well-known tax advisory group.
- Efficient liaison with partners which are leaders in their respective jurisdictions.
- Comprehensive project management and a single manager to address all project-related issues.

