

Form 21-3 (Article 246-5)

(letter)

Explanatory document for the 8th term

From: 01/01/2021
To: 12/31/2021

Date: 03/31/2022

Name of Business:

USAA Eagle Real Estate GP, LLC

Address or location:

(Principal Business Office)

9830 Colonnade Boulevard, Suite
600 San Antonio, Texas 78230-2239,
U.S.A.

(Registered Office)

The Corporation Trust Company,
1209 Orange Street, in the City of
Wilmington, County of New Castle,
Delaware 19801, U.S.A

Name

Scott M. Stuckman

Executive Managing Director

(Name and Title of the Representative
in the case that applicant legal status is corporation)

(Note)

A person who has changed his/her surname may quote his/her former name next to the current full name in parenthesis in the "Name" section.

1. Operational status of business

(1) Date of notification

① Notification in accordance with Financial Instruments and Exchange Act (hereafter "FIEA") Article 63(2) or Article 63-3(1)

Date: 03/13/2018

② Notification in accordance with Article 48(2), (4) or (6) of the Supplementary Provisions

of the Act to Partially Amend the Securities and Exchange Act (Act No. 65 of 2006)

Date: N/A

(2) Types of businesses currently being operated

SPBQII (private placement and investment management), and real estate investments

(3) Overview of the current term

The GP operated the USAA Eagle Real Estate Fund, which invested primarily in industrial, multi-family, office, and retail properties in major metropolitan areas of the U.S. that exhibit favourable prospects for job growth and economic prosperity, while maintaining balanced supply and demand fundamentals. The fund particularly focused on growth markets and supply-constrained markets offering relative value along with adequate size and transaction volume. The operating performance of the GP remained stable through the term.

(4) Status of corporate officers and employees

① Number of corporate officers and employees

	Corporate officers	of which part-time officers	Employees	Total
Total	11	0	0	11

② Status of corporate officers

Positions	Names
President & CEO	Leonard J. O'Donnell
Global Head of Infrastructure	James A. Hime
General Counsel	Michael A. Boyd
Executive Managing Director	Bruce C. Petersen

Executive Managing Director	Scott M. Stuckman
Executive Managing Director	Peter McLaughlin
Executive Managing Director	Edmund Donaldson
Managing Director	Benjamin Christian
Managing Director	Carrington Brown
Assistant General Counsel and Assistant Secretary	Toni M. Fisher
Managing Director	Patrick Seung

③ Status of performance-linked remuneration for corporate officers

Status of performance-linked remuneration for corporate officers
N/A

(5) Status of the principal business office, and business offices where Specially Permitted Businesses for Qualified Institutional Investors, etc. ("SPBQII") are operated

Name	Location	Number of Corporate officers and employees
Principal Business Office	9830 Colonnade Boulevard, Suite 600 San Antonio, Texas 78230-2239, U.S.A.	11

Registered Office	The Corporation Trust Company, 1209 Orange Street, in the City of Wilmington, County of New Castle, Delaware 19801, U.S.A.	0
Total <u> 2 </u> locations		Total <u> 11 </u>

(6) Status of external auditing

Name or business name of the certified public accountant or auditing firm	Details of auditing
None	

(Note)

1. Operational status of business

(2) Types of businesses currently being operated

In relation to businesses currently under operation, **(1)**enter "private placement" if they include businesses relating to acts specified under FIEA Article 63(1)(i); **(2)**enter "investment management" if they include those relating to acts specified under (ii) of the same Paragraph; **(3)**if they include those specified under the provisions of Article 17-13(2) of the Enforcement ordinance of the Financial Instruments and Exchange Act as businesses that especially require the protection of investors among those specified under (9) of the same Article, please indicate thus; and **(4)**if there are other businesses, please enter the types of such businesses. In addition, if there have been changes in such businesses during the term, please indicate them.

(3) Overview of business operations in the current term

Please give an overview of the business activities, business performance, and important events that have affected operating performance during the current term.

(4) Status of corporate officers and employees

① Number of corporate officers and employees

Enter the numbers of corporate officers and employees (limited to corporate officers and employees engaged in SPBQII; the same applies in ② below) as at the end of the current term.

② Status of corporate officers

Create a table and indicate all corporate officers as at the end of the current

term. Note, however, that foreign corporations do not need to indicate representatives in Japan (i.e., persons specified under FIEA Article 63(7)(i)(d)).

③ Status of performance-linked remuneration for corporate officers

If remuneration, etc. (meaning the remuneration, bonus or other property benefit provided from the company as compensation for execution of operation, which is pertaining to the latest business year, or whose amount of paid or expected to be paid has been clarified in the latest business year (excluding those indicated in the business reports for any business years prior to the latest business year); hereinafter the same applies in ③) for corporate officers includes performance-linked remuneration (meaning remuneration, etc. calculated based on an indicator related to profits accrued by transactions performed as management of investment assets; hereinafter the same applies in ③), indicate the following.

- (a) If a policy regarding the decision of payment rate for performance-linked remuneration and other remuneration is determined, indicate the details.
- (b) Provide the indicator related to performance-linked remuneration, reason for selecting the indicator, and method for determining the performance-linked remuneration.
- (c) Indicate the total amount of performance-linked remuneration, its ratio to officer's remuneration and number of covered officers for each category of directors (excluding supervisory committee members and outside directors), supervisory committee members (excluding outside directors), company auditors (excluding outside company auditors), executive officers, and outside officers.
- (d) Provide prospects and achievements of the indicator related to performance-linked remuneration. If all or part of remuneration, etc. is non-monetary remuneration, indicate the details.

(5) Status of the principal business office, and business offices where SPBQII are operated

Enter information about the principal business office, as well as each of the business offices where SPBQII are operated ("business offices, etc." hereafter in (5)). In addition, if there have been additions or abolitions of business offices, etc., or changes in the names or addresses of business offices, etc. during the term, please indicate them.

(6) Status of external auditing

Provide relevant information in this section if you have your financial statements externally audited by certified public accountants or auditing firms at least once

every year.

Indicate whether the audits are statutory or voluntary, and describe specifically and succinctly the details of the audit results in the "Details of auditing."

(7) Status of the fund (excluding Electronically Recorded Transferable Rights That Must Be Indicated on Securities, etc.)

Names of the Invested Business Equity	USAA Eagle Real Estate Feeder 1, LP	
Details of the Invested Business		
Types of the Invested Business Equity	Rights based on laws and regulations of a foreign state	
Location of the accounts into which investment money is paid		
Flow of funds		
Duration		
Status of investors	Types of investors	Number of investors
	Qualified Institutional Investors ("QIIs")	0
	of whom individuals	0
	Investors other than QIIs	0
	of whom individuals	0
	Total	0
	Amount of investment	yen
	Ratio of investment	%
	Existence of persons specified under the items of Article 233-3 ("yes" or "none")	
	Status of audits	Name or business name of the certified public accountant or auditing firm

	Details of audits	
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(Note)

1. Create a table and provide information for each of the Invested Business Equity regarding securities equivalents related to FIEA Article 2(2)(v) or (vi). Note, however, that you are only required to provide information in the "Names of the Invested Business Equity," "Types of the Invested Business Equity" and "Status of investors" for securities equivalents relating to (v) or (vi) of the same paragraph in which only professional investors invest.

Please indicate securities equivalents relating to (v) or (vi) of the same paragraph that were privately placed in the past and the expirations of whose duration are set in the current term or later, even if there has been no private placement during the current term.

2. This table must be created based on the end of the current term as the basis. If the accounting period of the fund (referring to assets into which investment or contribution has been made by persons who own securities equivalents relating to FIEA Article 2(2)(v) or (vi); the same applies in 6) and the term of the notifier of SPBQII do not match, make entries based on figures at the end of the last accounting period that came before the end of the current term.
3. In the "Details of the Invested Business" row, enter specific details of businesses that will manage the money and other assets being invested or contributed.
4. Select and enter, in the "Types of the Invested Business Equity" column, from "Partnership contract under the Civil Code," "Silent partnership contract," "Investment Limited Partnership contract," "Limited Liability Partnership contract," "Membership rights of an incorporated association," "Rights based on laws and regulations of a foreign state" and "Other rights." Provide specific details if you select "Other rights." Please also specify the names of laws the rights are based on and their key details if you select "Rights based on laws and regulations of a foreign state."
5. In "Location of the accounts into which investment money is paid," indicate names of the countries or territories where accounts into which customers pay their investment money are located.
6. In the "Flow of funds" section, indicate the names of business or names and roles of persons responsible for transferring, sending, managing or storing money related to the fund.
7. In the "Ratio of investment" row under "Amount of investment by QIIs and its ratio" section, indicate the percentage of the invested amount by QIIs out of the total invested amount.

8. In the "Existence of persons specified under the items of Article 233-3" column: Specify "yes" in the case of private placement of Invested Business Equity with persons specified under the Paragraphs of Article 233-3 as the counterparty, or management of money and other assets invested or contributed by persons other than QIIs; otherwise enter "none."
9. Indicate whether the external audits are statutory or voluntary and describe specifically and succinctly the details of the audit results in the "Details of audits."
10. If there are circumstances that need reporting but do not fit anywhere in this table, you can indicate this using similar forms within such a scope that they do not cause misunderstanding.

2. Status of accounts

Notifier is required to create balance sheets and profit and loss statements.

If the notifier is a corporation other than large companies prescribed under Article 2(vi) of the Companies Act (Act No. 88 of 2005), it is not required to submit profit and loss statements, but it is required to include net profit/loss in the balance sheets.

If the notifier has made its notification as a member of a partnership, etc., that does not have judicial personality, it is required to prepare balance sheets and profit and loss statements of the partnership, etc. However, partnerships, etc., other than those that have booked 500 million yen or more in investment money, etc. or those that have booked a total 20 billion yen or more in the liabilities section in the balance sheet for the last fiscal year do not need to prepare a profit and loss statement but are required to include net profit/loss in the balance sheets.

Notifiers who are individuals are not required to prepare balance sheets or profit and loss statements.

(7-2) Status of the fund (limited to Electronically Recorded Transferable Rights That Must Be Indicated on Securities, etc.)

Names of the Invested Business Equity	N/A
Details of the Invested Business	
Types of the Invested Business Equity	

Location of the accounts into which investment money is paid		
Flow of funds		
Duration		
Status of investors	Types of investors	Number of investors
	Qualified Institutional Investors ("QIIs")	
	of whom individuals	
	Investors other than QIIs	
	of whom individuals	
	Total	
Amount of investment by QIIs and its ratio	Amount of investment	yen
	Ratio of investment	%
If persons specified under the items of Article 233-3 are among the counterparty	Existence of persons specified under the items of Article 233-3 ("yes" or "none")	
	Status of audits	Name or business name of the certified public accountant or auditing firm
		Details of audits

* Amounts in usd

USAA Eagle Real Estate GP (680200)

Balance Sheet (Unaudited)

Period = Dec 2021

Book = Accrual,Accrual Consolidated,Accrual Eliminations ; Tree = ysi_bs

		Current Balance
10000-000000	ASSETS	
11500-000000	EQUITY IN REAL ESTATE INVESTMENTS	
11505-000000	Contributions - Balance Sheet	5,108,109.39
11505-000009	Contributions-basis difference	609,014.29
11506-000004	Equity Inv-sale/rcls/adj/consol-non-cash	-14,352.24
11510-000000	Distributions From R/E Investments	-929,884.19
11515-000000	Earnings From R/E Investments	1,577,548.31
11515-000009	Earnings eq inv-realized basis diff offset	-605,933.48
11515-000010	Earnings eq inv-unrealized-promote-affiliate	-54,778.67
11515-000011	Earnings eq inv-unrealized-promote-3rd party	82,509.59
11515-000014	Earnings eq inv-preferred equity	127,762.43
11515-045010	Earnings eq inv-unrealized eq gain/loss	1,248,507.48
11515-450109	Earnings eq inv-unrealized equity gain/loss-basis diff	-1,461.75
11599-000000	TOTAL EQUITY IN REAL ESTATE INVESTMENTS	7,147,041.16
12099-000001	INTER/INTRA COMPANIES	
12240-000000	DUE FROM RELATED PARTIES	
12240-680700	Due From Related Party-US Eagle RE (EU Parallel) GP Sarl	2,951.08
12240-907800	Due From Related Party-USAA Eagle RE (EU Parallel) SCS	104,792.51
12240-999900	TOTAL DUE FROM RELATED PARTIES	107,743.59
12299-000000	TOTAL INTER/INTRA COMPANIES	107,743.59
12300-000000	RECEIVABLES	
12400-000000	ACCOUNTS RECEIVABLE	
12495-000000	Rollup Clearing	0.02
12499-000000	TOTAL ACCOUNTS RECEIVABLE	0.02
12599-000000	TOTAL RECEIVABLES	0.02
19000-000000	TOTAL ASSETS	7,254,784.77
20000-000000	LIABILITIES & EQUITY	
20010-000000	LIABILITIES	

* Amounts in usd

USAA Eagle Real Estate GP (680200)

Balance Sheet (Unaudited)

Period = Dec 2021

Book = Accrual,Accrual Consolidated,Accrual Eliminations ; Tree = ysi_bs

		Current Balance
22200-000000	INTER/INTRA COMPANIES	
22201-000001	INTER-COMPANIES - PAYABLES	
22201-680000	Interco - US Realco JV LLC	175,386.69
22201-999900	TOTAL INTER-COMPANIES - PAYABLES	175,386.69
22299-000000	TOTAL INTER/INTRA COMPANIES	175,386.69
29999-000000	TOTAL LIABILITIES	175,386.69
30000-000000	EQUITY	
30000-000001	EQUITY (CONTROLLING)	
36000-000000	CAPITAL CONTRIBUTIONS	
36005-000000	Contributions - Members	6,888,182.78
36005-000118	Contrib - USAA Real Estate Company	5,517.24
36015-000000	Distributions - Members	-14,873,703.16
36099-000000	TOTAL CAPITAL CONTRIBUTIONS	-7,980,003.14
39000-000000	RETAINED EARNINGS	
39005-000000	Prior Years Retained Earnings	14,047,357.88
39006-000000	Current Year Retained Earnings	1,012,043.34
39097-000000	TOTAL RETAINED EARNINGS	15,059,401.22
39098-000000	TOTAL EQUITY (CONTROLLING)	7,079,398.08
39198-000000	TOTAL EQUITY	7,079,398.08
39199-000000	TOTAL LIABILITIES & EQUITY	7,254,784.77

* Amounts in usd

USAA Eagle Real Estate GP (680200)

Income Statement (Unaudited)

Period = Jan 2021-Dec 2021

Book = Accrual,Accrual Consolidated,Accrual Eliminations ; Tree = ysi_is

	Period to Date	%	Year to Date	%
40000-000000 INCOME (LOSS)				
40001-000000 REVENUES				
45000-000000 EQUITY METHOD PTNSHIP INCOME				
45005-000000 Equity Income From R/E Investments	164,539.73	13.86	164,539.73	13.86
45005-000007 Equity Inc-Realized Bonus/Profit Participation fee	-37,455.90	-3.15	-37,455.90	-3.15
45005-000009 Equity Inc-realized-gain/loss basis diff	116.52	0.01	116.52	0.01
45005-000011 Equity Inc-realized-promote-3rd Party	-19,523.66	-1.64	-19,523.66	-1.64
45005-000012 Equity Inc-realized-incentive-Affiliate	-23,264.89	-1.96	-23,264.89	-1.96
45005-000014 Equity Inc-return on preferred equity	39,237.35	3.30	39,237.35	3.30
45005-000020 Equity Inc-Port Mgmt. Fees-Affiliate	-70,169.51	-5.91	-70,169.51	-5.91
45005-049800 Equity Inc-Realized Gain Other	18,896.89	1.59	18,896.89	1.59
45005-049801 Equity Income-Realized gain on sale	174,173.04	14.67	174,173.04	14.67
45010-000000 Unrealized equity gain/loss-capitalized interest	-0.21	0.00	-0.21	0.00
45010-000001 Unrealized equity gain/loss-debt valuation	1,000.38	0.08	1,000.38	0.08
45010-000002 Unrealized equity gain/loss-intrst rate hedge	19,355.98	1.63	19,355.98	1.63
45010-000003 Unrealized equity gain/loss-income prod prop	799,174.37	67.30	799,174.37	67.30
45010-000004 Unrealized equity gain/loss-land held for inv	10,702.76	0.90	10,702.76	0.90
45010-000006 Unrealized equity gain/loss-RE under development	327,404.86	27.57	327,404.86	27.57
45010-000007 Unrealized equity gain/loss-Bonus/Profit Participation fee	-27,318.38	-2.30	-27,318.38	-2.30
45010-000009 Unreal. equity gain/loss-basis diff	-20,273.31	-1.71	-20,273.31	-1.71
45010-000010 Unrealized Equity Promote/Incntv-Affiliate	-31,299.85	-2.64	-31,299.85	-2.64
45010-000011 Unrealized Equity Promote/Incntv-3rd Party	32,065.96	2.70	32,065.96	2.70
45010-049802 Unrealized equity gain/loss-prior year unrealized	-106,336.29	-8.96	-106,336.29	-8.96
45010-089001 Eq Inc-Unrealized-NCI	-63,595.81	-5.36	-63,595.81	-5.36
45099-000000 TOTAL EQUITY METHOD PTNSHIP INCOME	1,187,430.03	100.00	1,187,430.03	100.00
49999-000000 TOTAL REVENUES	1,187,430.03	100.00	1,187,430.03	100.00
50000-000000 EXPENSES				
50050-000000 REAL ESTATE PROPERTY EXPENSES				
60000-000000 NON-RECOVERABLE EXPENSES				
60500-000000 OTHER NON-OPERATING EXPENSES				
60507-000000 Legal - Non-Lease Related	110,355.25	9.29	110,355.25	9.29
60524-000000 Fundraising Expenses (New Investors)	1,034.78	0.09	1,034.78	0.09
60550-000000 TOTAL OTHER NON-OPERATING EXPENSES	111,390.03	9.38	111,390.03	9.38
60599-000000 TOTAL NON-RECOVERABLE EXPENSES	111,390.03	9.38	111,390.03	9.38
66000-000000 TOTAL REAL ESTATE PROPERTY EXPENSES	111,390.03	9.38	111,390.03	9.38
70000-000000 ENTITY LEVEL GEN & ADMIN EXPENSES				
70050-000000 G&A EXP BEFORE DEPR & INT				
72900-000000 PROFESSIONAL SERVICES				
72903-000000 Legal	61,837.66	5.21	61,837.66	5.21

* Amounts in usd

USAA Eagle Real Estate GP (680200)

Income Statement (Unaudited)

Period = Jan 2021-Dec 2021

Book = Accrual,Accrual Consolidated,Accrual Eliminations ; Tree = ysi_is

	Period to Date	%	Year to Date	%
72998-000000 Professional Svcs - Allocation (From)	1,282.50	0.11	1,282.50	0.11
72999-000000 TOTAL PROFESSIONAL SERVICES	63,120.16	5.32	63,120.16	5.32
73100-000000 TAXES LICENSES & FEES				
73105-000000 Filing Fees	876.50	0.07	876.50	0.07
73199-000000 TOTAL TAXES LICENSES & FEES	876.50	0.07	876.50	0.07
74000-000000 TOTAL G&A EXP BEFORE DEPR & INT	63,996.66	5.39	63,996.66	5.39
79999-000000 TOTAL ENTITY LEVEL GEN & ADMIN EXPENSES	63,996.66	5.39	63,996.66	5.39
88900-000000 TOTAL EXPENSES	175,386.69	14.77	175,386.69	14.77
99900-000000 NET INCOME (LOSS)	1,012,043.34	85.23	1,012,043.34	85.23