



For Immediate Release

To Whom It May Concern

Nomura Real Estate Master Fund, Inc.

Securities Code: 3462

Shuhei Yoshida, Executive Director

Asset Management Company:

Nomura Real Estate Asset Management Co., Ltd.

Koki Miura, President & Chief Executive Officer

Inquiries:

Hiroshi Ishigooka

Executive Officer

Head of NMF Investment Management Group

TEL +81-3-3365-8767 nmf3462@nomura-re.co.jp

Notice Concerning Conclusion of Lease Contract (Red Planet Naha Okinawa)

Nomura Real Estate Master Fund, Inc. (“NMF” or the “Fund”) was in discussions with tenant candidates for Red Planet Naha Okinawa (the “Property”) concerning lease conditions following the agreement on the cancellation of the fixed-term lease agreement with the existing tenant as announced in the “Notice Concerning Tenant Change at the Property (Red Planet Naha Okinawa)” dated January 8, 2021. NMF announced today that it has decided to conclude a fixed-term lease agreement (“New Contract”) with a new tenant (hotel operator) as stated below.

1. Overview of New Contract

- | | | |
|-----|---|---|
| (1) | Tenant name (hotel operator) | : GREENS Co., LTD. (Note 1) |
| (2) | Leased area | : 3,350.86 m ² |
| (3) | Percentage of the total leasable area of the Property | : 100.0% |
| (4) | Percentage of the total leasable area of the NMF's portfolio properties | : 0.16% (as of the end of December 2020) |
| (5) | Monthly rent | : Undisclosed (Note 2)
First 1-2 years: fixed rent
From 3rd year: fixed rent + variable rent
(GOP-linked (Note 3)) |
| (6) | Security deposits, etc | : Undisclosed (Note 2) |
| (7) | Date of contract execution | : February 16, 2021 |
| (8) | Contract period | : March 1, 2021 to June 30, 2031 |

(Note 1) The name of the Property will be changed, and NMF will make an announcement promptly after it is determined.

(Note 2) As a result of discussions, the tenant and NMF have agreed to not disclose the details other than the monthly rent method described above.

(Note 3) GOP

GOP is the sum of revenues from hotel operations (revenues from guest room operation and other departments) less cost items, which consist of the cost of sales (accommodation and other costs), personnel expenses (associated with guest room staff and part-time employees), operational expenses (operational fees and commissions, outsourcing expenses associated with facility cleaning and other tasks, and the cost of linens and expendables used by guests) and other expenses (expenses associated with advertising and utilities in addition to facility management, repair and maintenance expenses borne by the tenant). Variable hotel rent depends on the GOP figure recorded by the Property's hotel.



2. Overview of New Tenant

The new tenant, GREENS Co., LTD., is a hotel operator listed on the First Section of the Tokyo Stock Exchange and the First Section of the Nagoya Stock Exchange, and it operates 98 hotels nationwide as of the end of January 2021. In its CHOICE HOTELS business, GREENS operates hotels that specialize in providing accommodation in cities designated by government ordinance and other places across Japan and has rolled out hotels under the “Comfort” brand owned by U.S.-based Choice Hotels International, Inc., which operates a chain of more than 7,000 hotels in 40 countries worldwide. In its GREENS Hotels business, which is adapted to regional characteristics, it has rolled out its original brands, such as “Hotel Econo” and “Hotel Green Park,” based on more than 60 years’ experience as a specialized hotel operator.

Name	GREENS Co., LTD.
Location	Humanitec Plaza 5F, 1-4-28 Unomori, Yokkaichi City, Mie Prefecture
Representative	Yuya Muraki, President & CEO
Main business	Hotel and restaurant management and other incidental operations
Capital	¥1,948 million (as of the end of June 2020)
Date of foundation	January 8, 1964
Net assets	¥6,003 million (as of the end of June 2020)
Total assets	¥17,422 million (as of the end of June 2020)
Relationship with the Fund and/or the asset management company and the new tenant	
Capital	There are no capital relationships.
Personnel	There are no personnel relationships.
Transactions	There are no transactional relationships.

3. Forecasts of Financial Results

There is no revision to NMF’s forecast of financial results for the fiscal period ending February 28, 2021 (September 1, 2020 to February 28, 2021) and the fiscal period ending August 31, 2021 (March 1, 2021 to August 31, 2021) by the New Contract, as the impact on financial results is minimal.

*<Nomura Real Estate Master Fund, Inc.> URL: <https://www.nre-mf.co.jp/en/>

