

February 18, 2021

For Immediate Release

Real Estate Investment Trust Securities Issuer:
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(Securities Code: 3296)

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Notice Concerning Transfer and Acquisition of Assets, and Related Cancellation of Lease and Leasing of Assets

NIPPON REIT Investment Corporation (“NIPPON REIT”) announces that Sojitz REIT Advisors K.K. (“SRA”), which is entrusted to manage the assets of NIPPON REIT, today decided on the following transfer and acquisition of assets (respectively the “Transfer” and the “Acquisition”, and collectively the “Transactions”).

Furthermore, SRA decided cancellation of lease and lease commencement of asset related to the Transactions as well. The tenants of the properties to be acquired comply with the tenant screening criteria described in the Report on the Management Structure and System of the Issuer of Real Estate Investment Trust Units and Related Parties dated September 30, 2020.

1. Overview of To-be-acquired assets and To-be-transferred assets

(i). Overview of To-be-transferred assets

Property Number (Note1)	Real estate in trust (Property Name)	Location	Scheduled transfer price (million yen) (Note2)	Transfer counterparty (Buyer) (Note3)	Scheduled transfer date
A-13	Higashi Ikebukuro Center Building	Toshima-ward, Tokyo	Not disclosed (Note4)	Not disclosed (Note5)	Feb. 25, 2021
A-20	FORECAST Uchikanda	Chiyoda-ward, Tokyo	Not disclosed (Note4)	Not disclosed (Note5)	Feb. 25, 2021
A-43	Marunouchi Sanchome Building	Nagoya, Aichi	Not disclosed (Note4)	Not disclosed (Note5)	Feb. 25, 2021
A-35	Toshin Higashi-Ikebukuro Building	Toshima-ward, Tokyo	Not disclosed (Note4)	Not disclosed (Note5)	The day as is agreed from July 1, 2021 to December 31, 2021 (Note6)
Total			8,056		

(ii). Overview of To-be-acquired assets

Property Number (Note1)	Real estate in trust (Property Name)	Location	Scheduled acquisition price (million yen) (Note2)	Acquisition counterparty (Seller)(Note3)	Scheduled acquisition date
A-73	TENSHO OFFICE SHINBASHI 5	Minato-ward, Tokyo	1,200	Godo Kaisha NRT Growth 14	Feb. 25, 2021
B-33	MAISON Dino	Sumida-ward, Tokyo	700	Not disclosed (Note5)	Feb. 26, 2021
B-34	Meister house Kawasaki	Kawasaki, Kanagawa	709	Sojitz Corporation	Feb. 26, 2021
B-35	LIESSE Tsurumai	Nagoya, Aichi	1,082	Sojitz Corporation	Feb. 26, 2021
B-36	Komatsubara Yamamoto Mansion	Kagoshima, Kagoshima	670	Not disclosed (Note5)	Feb. 26, 2021
B-37	Belleza Kanayama	Nagoya, Aichi	702	Not disclosed (Note5)	Mar. 1, 2021
Total			5,063	-	-

(Note1) Property No." is the number of each property in accordance with each asset type designated by NIPPON REIT. Capital letter of "A" represents office and "B" represents residence, and the same shall apply hereinafter.

(Note2) "Scheduled transfer price" and "Scheduled acquisition price" are stated as prices of Trust beneficiary interests in real estate on sales agreements of Trust beneficiary rights in real estate. Those exclude consumption taxes, local consumption taxes, various expenses required for the transaction, and is rounded down to the nearest million yen. The same shall apply hereinafter.

(Note3) Please refer to "7. Overview of Transferred Counterparty" and "8. Overview of Acquisition Counterparty" below for details of Transfer counterparty (Buyer) and Acquisition counterparty (Seller).

(Note4) Not disclosed because consent has not been obtained from the the seller. However, the transfer price of each property is determined by SRA to be reasonable in consideration of the appraisal value of each property etc. described in "4. Content of the Property to be transferred", the same shall apply herein after.

(Note5) Not disclosed because consent has not been obtained from the buyer or the seller. They are Japanese companies, TMK or Godo Kaisha, and do not fall under the category of interested persons, etc. as provided in the Article 201 of the Act on Investment Trusts and Investment Corporations and Article 123 of the Order of Enforcement thereof, as well as of interested persons stipulated in the SRA internal rules, "Rules on Transactions by Interested Persons". Among above transactions, there is no counterparty as a buyer or a seller who participated in more than one transaction.

(Note6) Transfer date has not been determined as of the date of this document, it shall be informed as soon as it will be determined, and the same shall apply hereinafter. Furthermore, the purchase and sale agreement for the Property corresponds to the forward commitment, etc. stipulated in the Financial Services Agency's "Comprehensive Supervisory Guidelines for Financial Instruments Business Operators, etc." (this refers to a purchase or sale agreement with delivery date one month or more after the conclusion of agreement, and other contracts similar thereto; the same shall apply hereinafter). SRA have conducted an appropriate approval procedure in accordance with internal rules on forward commitment to conclude the agreement. The purchase and sales agreement stipulates that in the event of the other party's willful or negligent breach of its obligations under the agreement, the cancellation may be effected only when the purpose of the contract cannot be achieved due to the breach of such obligations. In such event, the canceller may request the other party to pay a penalty equivalent to 20% of the estimated transfer price. Furthermore, the purchase and sales agreement stipulates that both the buyer and the seller may cancel the agreement without penalty on written notice to the other party for any reason from the date of execution of the agreement to the date of execution of the transfer (such notice shall be required to be delivered to the other party no later than one month prior to the date of cancellation).

2. Outline of the Transaction

① Overview of Transfer

To-be-sold asset	Property name	Agreement conclusion date	Scheduled Transfer date	Scheduled transfer price (¥ mn)	Assumed book value (Note1) (¥ mn)	Balance between scheduled transfer price and assumed book value (Note2) (¥ mn)	Use of Funds
Trust beneficiary interests in real estate	Higashi Ikebukuro Center Building	February 18, 2021	February 25, 2021	Not disclosed	2,647	Not disclosed	Used towards the assets acquisitions
	FORECAST Uchikanda			Not disclosed	1,276	Not disclosed	
	Marunouchi Sanchome Building			Not disclosed	1,640	Not disclosed	
	Toshin Higashi-Ikebukuro Building		The day as is agreed from July 1, 2021 to December 31, 2021	Not disclosed	983	Not disclosed	Acquisition or loan repayment in the future
Total				8,056	6,547	1,509	

(Note1) "Assumed book value" is the figure which SRA calculated based on the amount such as book value as of the end of the 17th period (ended December 2020), Capital expenditure and Depreciation cost that are expected until transaction date as of the transaction date. It is rounded down to the nearest million yen and the same shall apply hereinafter.

(Note2) "Balance between scheduled transfer price and assumed book value" is a reference amount which is calculated difference between disposition price and assumed book value, differs from gain or loss for accounting. It is rounded down to the nearest million yen. Moreover, the gains will be distributed as a part of dividend in the 18th period (ending June 2021) and the 19th period (ending December 2021). Please refer to "Summary of Financial Results for the Fiscal Period Ended December 31, 2020 (REIT)" and "Notice Concerning Revision of the Forecast of Management Status and the Estimated Distribution for the Fiscal Period Ending June 2021" announced today for detail.

② Overview of Acquisition

To-be-acquired asset	Property name	Agreement conclusion date	Scheduled acquisition date	Scheduled acquisition price	Funds for Acquisition
Trust beneficiary interests in real estate	TENSHO OFFICE SHINBASHI 5	February 18, 2021 (Scheduled)	February 25, 2021	1,200	proceeds of the Transfer, and cash on hand
	MAISON Dino		February 26, 2021	700	
	Meister house Kawasaki			709	
	LIESSE Tsurumai			1,082	
	Komatsubara Yamamoto Mansion			670	
	Belleza Kanayama		March 1, 2021	702	

3. Reason for the selection of assets to be transferred and acquired

- ① NIPPON REIT recognizes that it is an essential strategy to implement asset replacement with precise timing in order to maintain and improve portfolio competitiveness from a medium-to long-term perspective while expanding AUM.
- ② The assets to be transferred were selected based on analyses conducted annually as "Tiering-PJ", as part of the Asset Manager's medium-to long-term management strategy. We decided to transfer them in order to maintain and improve portfolio quality from a medium-to long-term perspective such as;
 - To maintain and improve asset liquidity through building age management (FORECAST Uchikanda),
 - In evaluating the profitability, liquidity, and property characteristics of each property, in order to dispel concerns regarding internal growth potential and area potential (Higashi Ikebukuro Center Building, Marunouchi Sancho Building, and Toshin Higashi-Ikebukuro Building)

We determined that realization of unrealized gains from the transfer at this timing would contribute to maximization of unitholders' value.

- ③ 3 of 6 assets scheduled to be acquired are held by NRT Growth 14, a bridge fund, or Sojitz Corporation that is the main sponsor of NIPPON REIT, and NIPPON REIT had first negotiating rights. All of these properties are in accordance with the investment policy of NIPPON REIT. TENSHO OFFICE SHINBASHI 5 is a small-scale service office with young building age, located approximately 5-minute walk from the Shimbashi Station and Shiodome Station. It has high competitiveness due to excellent transportation convenience with multiple routes and sufficient specifications and equipment standards to meet the needs of the target tenants. Meister house Kawasaki is located approximately 9-minute walk from the Kawasaki Station on the multiple JR lines, it is expected to have demand among singles and company housing due to its good accessibility to the city center. LIESSE Tsurumai is located approximately 8-minute walk from the Tsurumai Station on the Nagoya City Subway Subway Tsurumai Line and the JR Chuo Line, it is expected to have demand among singles and family that focus on accessibility due to its high accessibility to the city center.

The other 3 properties are residences that meet the investment policy of the NIPPON REIT, we succeed to acquire from third parties through acquisition activities in the market at the timing of this asset replacement. MAISON Dino is located approximately 7-minute walk from the Kinshicho Station on the JR Sobu Line and the Tokyo Metro Hanzomon Line, approximately 6-minute walk from the Sumiyoshi Station on the Toei Shinjuku Line, it is expected to have demand among singles commute to central of Tokyo due to its high accessibility to the city center and excellent transportation convenience with multiple lines. Komatsubara Yamamoto Mansion is located approximately 3-minute walk from the Taniyama Station on the Kagoshima-shiden Taniyama Line, and it is convenient for transportation as takes approximately 20 minutes from the Taniyama Station to the Kagoshima-Chuo Station which serves as the base for the entire prefecture. It also has high living convenience with various living facilities within 10-minute walking distance, it is expected stable demand especially among student of universities and vocational schools on the line and single commuters to the east coast area where many enterprises located. Belleza Kanayama is 4-minute walk to the Kanayama Station which functions as a terminal station after Nagoya Station, and available on multiple routes including the Nagoya Main Line, the JR Chuo Main Line and the Tokaido Main Line, and the Nagoya Municipal Subway. It is expected to have stable demand among business persons who focus on accessibility and singles commute to enterprises located in subcenter of Nagoya City.

- ④ We determined that the replacement of the 4 properties to be transferred and the 6 properties to be acquired above will contribute to improving the portfolio competitiveness of NIPPON REIT through stabilizing cash flow, improving profitability, internal growth potential and liquidity and also optimizing of CAPEX plan.

4. Content of the Property to be transferred

(i) A-13 Higashi Ikebukuro Center Building

① Overview of the property

Type of specified asset		Trust beneficiary interests in real estate			
Transfer date		February 25, 2021			
Trustee		Mitsubishi UFJ Trust and Banking Corporation			
Trust establishment date		June 28, 2013			
Trust expiration date		April 30, 2024			
Location (indication of residential address)		41-24 Higashiikebukuro 4-chome, Toshima-ku, Tokyo			
Land	Parcel number	3277-23 Higashiikebukuro 4-chome, Toshima-ku, Tokyo and other 8 parcels			
	Building coverage ratio / Floor area ratio	100% (Note 1) / 600%			
	Use district	Commercial district			
	Site area	1,041.25 m ²			
	Type of ownership	Ownership			
Building	Construction completion	November, 1991			
	Structure / Floors	Steel-framed reinforced concrete, steel frame structure with zinc coated steel flat roof, B1/9F			
	Use	Office			
	Total floor space	5,641.14 m ²			
	Type of ownership	Ownership			
Master lease company		NIPPON REIT			
Type of master lease		Pass-through			
Appraisal value		3,010 million yen (as of December 31, 2020)			
Real estate appraiser		Japan Real Estate Institute			
PML		4.5%			
Collateral after acquisition		Not applicable			
Status of leasing					
	Leasable floor space	4,219.65 m ²			
	Leased floor space	3,326.81 m ²			
	Occupancy rate	90.9% (as of the end of Sep. 2020)	90.9% (as of the end of Oct. 2020)	90.9% (as of the end of Nov. 2020)	78.8% (as of the end of Dec. 2020)
	Total number of tenants	5			
	Total rent income (annual)	168 million yen			
	Deposits, etc.	135 million yen			
Special notations		A part of the land (393.4 m ²) has surface rights for the purpose of owning subway structures as follow. Superficiary: Tokyo Metro Co., Ltd. Purpose: To own underground railway facilities Term: From the date of establishment, during the business period of the subway. Rent: Free			

(Note1) The building coverage ratio is essentially 80%, but it is increased up to 100% due to relaxation for a building with fire-proof structures located within fire prevention district and commercial district.

② Outline of Appraisals

Property name	Higashi Ikebukuro Center Building
Appraisal value	3,010 million yen
Appraiser	Japan Real Estate Institute
Date of value	December 31, 2020

(Thousand yen)

	Details	Outline
Appraisal Value by capitalization method	3,010,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	3,030,000	
Gross operating revenue	207,074	
Potential gross income	218,555	
Total of vacancy losses, etc.	11,481	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	59,185	
Building management fees	13,980	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	15,900	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	5,343	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report
Property management fees	2,978	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
Leasing cost	1,840	Recorded based on the anticipated turnover period of the tenant.
Taxes	18,899	Recorded based on tax related materials.
Insurance	245	Recorded in consideration of premium under insurance contract, and insurance rates of similar properties, etc.
Others	0	Not applicable
Net operating income	147,889	
Non-operating income	1,367	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	12,840	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	136,416	
Capitalization rate	4.5%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
Appraisal value using the discount cash flow method	2,980,000	
Discount rate	4.3%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Terminal rate	4.7%	Assessed in consideration of future trends of investment yields,

			risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
	Appraisal value by cost method	2,670,000	
	Proportion of land	82.7%	
	Proportion of building	17.3%	
Other matters to which the appraiser paid attention in appraisal		Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.	

(ii) A-20 FORECAST Uchikanda

① Overview of the property

Type of specified asset		Trust beneficiary interests in real estate			
Transfer date		February 25, 2021			
Trustee		Mitsubishi UFJ Trust and Banking Corporation			
Trust establishment date		January 31, 2002			
Trust expiration date		The last day of January 2025			
Location (indication of residential address)		3-3, Uchikanda 1-chome, Ciyoda-ku, Tokyo			
Land	Parcel number	28-15, Uchikanda 1-chome, Ciyoda-ku, Tokyo and another parcel			
	Building coverage ratio / Floor area ratio	100% (Note1) / 480% (Note2)			
	Use district	Commercial district			
	Site area	388.88 m ²			
	Type of ownership	Ownership			
Building	Construction completion	December 1976			
	Structure / Floors	Steel-framed reinforced concrete with flat roof,B1/8F			
	Use	Office			
	Total floor space	2,051.61 m ²			
	Type of ownership	Ownership			
Master lease company		NIPPON REIT			
Type of master lease		Pass-through			
Appraisal value		1,350 million yen (as of December 31, 2020)			
Real estate appraiser		Japan Real Estate Institute			
PML		9.9%			
Collateral after acquisition		Not applicable			
Status of leasing					
	Leasable floor space	1,230.44 m ²			
	Leased floor space	1,230.44 m ²			
	Occupancy rate (by space)	100% (as of the end of Sep. 2020)	100% (as of the end of Oct. 2020)	100% (as of the end of Nov. 2020)	100% (as of the end of Dec. 2020)
	Total number of tenants	5			
	Total rent income (annual)	70 million yen			
	Deposits, etc.	85 million yen			
Special notations		The Building was designed and constructed before the revision of the earthquake-resistance standards in 1981 (so-called old earthquake-resistance standards). However NIPPON REIT has the confirmation by Tokio Marine & Nichido Risk Consulting Co., Ltd. that the Property can be considered to have seismic performance comparable to that of buildings designed under the new seismic standards due to seismic reinforcement work that was carried out in 2006.			

(Note1) The building coverage ratio is essentially 80%, but it is increased up to 100% due to relaxation for a building with fire-proof structures located within fire prevention district.

(Note2) The floor area ratio is essentially 800%, but it is limited to 480% because of the regulation by the width of the front road.

② Outline of Appraisals

Property name	FORECAST Uchikanda
Appraisal value	1,350 million yen
Appraiser	Japan Real Estate Institute
Date of value	December 31, 2020

(Thousand yen)

	Details	Outline
Appraisal Value by capitalization method	1,350,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,370,000	
Gross operating revenue	78,782	
Potential gross income	83,569	
Total of vacancy losses, etc.	4,787	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	22,311	
Building management fees	4,600	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	6,130	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	2,120	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report
Property management fees	1,200	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
Leasing cost	618	Recorded based on the anticipated turnover period of the tenant.
Taxes	7,527	Recorded based on tax related materials.
Insurance	84	Recorded in consideration of premium under insurance contract, and insurance rates of similar properties, etc.
Others	32	Recorded the CATV fee and postal cost etc. as other expenses.
Net operating income	56,471	
Non-operating income	658	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	5,100	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	52,029	
Capitalization rate	3.8%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
Appraisal value using the discount cash flow method	1,320,000	
Discount rate	3.6%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Terminal rate	4.0%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general

			forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,310,000	
Proportion of land		95.5%	
Proportion of building		4.5%	
Other matters to which the appraiser paid attention in appraisal		Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.	

(iii)A-43 Marunouchi Sanhome Building

① Overview of the property

Type of specified asset		Trust beneficiary interests in real estate			
Transfer date		February 25, 2021			
Trustee		Mizuho Trust & Banking Corporation			
Trust establishment date		May 30, 2007			
Trust expiration date		January 31, 2025			
Location (indication of residential address)		14-32, Marunouchi 3-chome, Naka-ku, Nagoya, Aichi			
Land	Parcel number	1422-1, Marunouchi 3-chome, Naka-ku, Nagoya, Aichi and other 3 parcels			
	Building coverage ratio / Floor area ratio	100% (Note 1) / 600%			
	Use district	Commercial district			
	Site area	892.31 m ²			
	Type of ownership	Ownership			
Building	Construction completion	July 1988			
	Structure / Floors	Reinforced concrete with flat roof,9F			
	Use	Office			
	Total floor space	5,268.20 m ² (Note2)			
	Type of ownership	Ownership			
Master lease company		NIPPON REIT			
Type of master lease		Pass-through			
Appraisal value		2,040 million yen (as of December 31, 2020)			
Real estate appraiser		Japan Real Estate Institute			
PML		7.1%			
Collateral after acquisition		Not applicable			
Status of leasing					
	Leasable floor space	4,219.19 m ²			
	Leased floor space	4,219.19 m ²			
	Occupancy rate (by space)	100% (as of the end of Sep. 2020)	100% (as of the end of Oct. 2020)	100% (as of the end of Nov. 2020)	100% (as of the end of Dec. 2020)
	Total number of tenants	24			
	Total rent income (annual)	142 million yen			
	Deposits, etc.	65 million yen			
Special notations		Not applicable			

(Note1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts and commercial district.

(Note2) Annex buildings stated below are not included.

Parking: (Structure) steel frame structure with zinc coated steel flat roof (Floor space) 41.82m²

Parking: (Structure) steel frame structure with zinc coated steel flat roof (Floor space) 43.31m²

② Outline of Appraisals

Property name	Marunouchi Sanhome Building
Appraisal value	2,040 million yen
Appraiser	Japan Real Estate Institute
Date of value	December 31, 2020

(Thousand yen)

	Details	Outline
Appraisal Value by capitalization method	2,040,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,060,000	
Gross operating revenue	146,494	
Potential gross income	155,499	
Total of vacancy losses, etc.	9,005	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	47,456	
Building management fees	12,910	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	11,400	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	3,733	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report
Property management fees	2,772	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
Leasing cost	1,016	Recorded based on the anticipated turnover period of the tenant.
Taxes	15,189	Recorded based on tax related materials.
Insurance	219	Recorded in insurance rates of similar properties, etc.
Others	217	Recorded the road possession fee as other expenses.
Net operating income	99,038	
Non-operating income	559	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	8,980	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	90,617	
Capitalization rate	4.4%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
Appraisal value using the discount cash flow method	2,020,000	
Discount rate	4.2%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Terminal rate	4.6%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and

			rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,770,000	
Proportion of land		80.6%	
Proportion of building		19.4%	
Other matters to which the appraiser paid attention in appraisal		Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.	

(iii)A-35 Toshin Higashi-Ikebukuro Building

① Overview of the property

Type of specified asset		Trust beneficiary interests in real estate			
Transfer date		February 25, 2021			
Trustee		Sumitomo Mitsui Trust Bank, Limited			
Trust establishment date		September 10, 2004			
Trust expiration date		January 31, 2025			
Location (indication of residential address)		44-15, Higashiikebukuro 5-chome, Toshima-ku, Tokyo			
Land	Parcel number	3459-2, Higashiikebukuro 5-chome, Toshima-ku, Tokyo			
	Building coverage ratio / Floor area ratio	100% (Note 1) / 500%			
	Use district	Commercial district			
	Site area	397.05 m ² (Note2)			
	Type of ownership	Ownership			
Building	Construction completion	November 1989			
	Structure / Floors	Steel-framed reinforced concrete with flat roof,B1/7F			
	Use	Office			
	Total floor space	1,998.75 m ²			
	Type of ownership	Ownership			
Master lease company		NIPPON REIT			
Type of master lease		Pass-through			
Appraisal value		1,140 million yen (as of December 31, 2020)			
Real estate appraiser		Japan Real Estate Institute			
PML		3.6%			
Collateral after acquisition		Not applicable			
Status of leasing					
	Leasable floor space	1,645.17 m ²			
	Leased floor space	1,645.17 m ²			
	Occupancy rate (by space)	100% (as of the end of Sep. 2020)	100% (as of the end of Oct. 2020)	100% (as of the end of Nov. 2020)	100% (as of the end of Dec. 2020)
	Total number of tenants	3			
	Total rent income (annual)	74 million yen			
	Deposits, etc.	45 million yen			
Special notations		Not applicable			

(Note1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.

(Note2) Including a private road burden portion (approximately 0.75 m²) pursuant to Article 42, Paragraph 2 of the Building Standards Act.

② Outline of Appraisals

Property name	Toshin Higashi-Ikebukuro Building
Appraisal value	1,140 million yen
Appraiser	Japan Real Estate Institute
Date of value	December 31, 2020

(Thousand yen)

	Details	Outline
Appraisal Value by capitalization method	1,140,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,150,000	
Gross operating revenue	80,303	
Potential gross income	83,836	
Total of vacancy losses, etc.	3,533	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	23,044	
Building management fees	5,400	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	7,500	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repairs and maintenance costs	2,435	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report
Property management fees	1,075	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
Leasing cost	492	Recorded based on the anticipated turnover period of the tenant.
Taxes	5,459	Recorded based on tax related materials.
Insurance	83	Recorded in insurance rates of similar properties, etc.
Others	600	Recorded the road possession fee as other expenses.
Net operating income	57,259	
Non-operating income	421	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	5,860	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	51,820	
Capitalization rate	4.5%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
Appraisal value using the discount cash flow method	1,130,000	
Discount rate	4.3%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Terminal rate	4.7%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and

			rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		924,000	
Proportion of land		85.4%	
Proportion of building		14.6%	
Other matters to which the appraiser paid attention in appraisal		Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.	

5. Content of the Property to be acquired

(i) A-73 TENSHO OFFICE SHINBASHI 5

① Overview of the property

Type of specified asset		Trust beneficiary interests in real estate			
Acquisition date		February 25, 2021			
Trustee		Mizuho Trust & Banking Corporation			
Trust establishment date		February 28, 2019			
Trust expiration date		January 31, 2031			
Location (indication of residential address)		12-11 Shimbashi 5-chome, Minato-ku, Tokyo			
Land	Parcel number	6-7 Shimbashi 5-chome, Minato-ku, Tokyo and another parcel			
	Building coverage ratio / Floor area ratio	100% (Note1) / 640% (Note2)			
	Use district	Commercial district			
	Site area	144.39 m²			
	Type of ownership	Ownership			
Building	Construction completion	September 2018			
	Structure / Floors	Steel frame structure with flat roof, 10F			
	Use	Office			
	Total floor space	828.19 m²			
	Type of ownership	Ownership			
Master lease company		NIPPON REIT (Scheduled)			
Type of master lease		Rent guaranteed (Note3)			
Appraisal value		1,230 million yen (as of January 1, 2021)			
Real estate appraiser		Japan Real Estate Institute			
PML		3.5%			
Collateral after acquisition		Not applicable			
Status of leasing					
	Leasable floor space	828.19 m²			
	Leased floor space	828.19 m²			
	Occupancy rate	100% (as of the end of Sep. 2020)	100% (as of the end of Oct. 2020)	100% (as of the end of Nov. 2020)	100% (as of the end of Dec. 2020)
	Total number of tenants	1			
	Total rent income (annual)	Not disclosed (Note4)			
	Deposits, etc.	Not disclosed (Note4)			
Special notations		Not applicable			

(Note1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts and commercial district.

(Note2) The floor area ratio is essentially 700%, but it is decreased to 640% due to restriction of regulation regarding frontal road width.

(Note3) The type of master lease contract that is concluded with master lessee is "pass-through", however, rent guaranteed type lease contract will conclude between master lessee and end tenant.

(Note4) Not disclosed because consent has not been obtained from the end tenant.

Characteristics	<ul style="list-style-type: none"> • Location The Property is located approximately 5-minute walk to the Shinbashi Station on the JR Yamanote Line and Keihintohoku Line, the Tokyo Metro Ginza Line and the Toei subway Asakusa Line, and the Shiodome Station on the Toei subway Oedo Line, where multiple routes are available and the location is highly convenient for transportation. Therefore, we expect firm demand as office. • Building The Property is a 10-story steel-framed service office building built in 2018, the first floor is used as office, conference room and free space, etc., from the second to tenth floor are used as office. Compared to general office building, it lacks flexibility because each area has smaller space as from 4 to 7㎡. However it has sufficient specifications as a service office, and equipment standards to meet the needs of the target tenants.
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② Photo of real estate that is the trust property and Map
Photo



Map



③ Outline of Appraisals

Property name	TENSHO OFFICE SHINBASHI 5
Appraisal value	1,230 million yen
Appraiser	Japan Real Estate Institute
Date of value	January 1, 2021

(Thousand yen)

	Details	Outline
Appraisal Value by capitalization method	1,230,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,252,000	
Gross operating revenue	Not disclosed (Note1)	
Operating expenses	Not disclosed (Note1)	
Net operating income	45,645	
Non-operating income	Not disclosed (Note1)	
Capital expenditure	720	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	45,097	
Capitalization rate	3.6%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
Appraisal value using the discount cash flow method	1,210,000	
Discount rate	3.3%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Terminal rate	3.7%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method	1,170,000	
Proportion of land	83.0%	
Proportion of building	17.0%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.
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(Note) We deemed that disclosing this information would have an adverse effect on NIPPON REIT's competitive position and may harm the interests of the unitholders. Therefore, this information will not be disclosed.

(ii) B-33 MAISON Dino

① Overview of the property

Type of specified asset		Trust beneficiary interests in real estate				
Acquisition date		February 26, 2021				
Trustee		Mitsubishi UFJ Trust and Banking Corporation (Scheduled)				
Trust establishment date		February 26, 2021 (Scheduled)				
Trust expiration date		The last day of February 2031 (Scheduled)				
Location (indication of residential address)		15-6 Kotobashi 5-chome, Sumida-ku, Tokyo				
Land	Parcel number	9-11 Kotobashi 5-chome, Sumida-ku, Tokyo and another parcel				
	Building coverage ratio / Floor area ratio	70% (Note1) / 300%				
	Use district	Quasi-industrial districts				
	Site area	292.57 m ²				
	Type of ownership	Ownership				
Building	Construction completion	October 2006				
	Structure / Floors	Reinforced concrete with flat roof,7F				
	Use	Residence				
	Total floor space	860.66 m ²				
	Type of ownership	Ownership				
Master lease company		NIPPON REIT (Scheduled)				
Type of master lease		Pass-through				
Appraisal value		711 million yen (as of January 1, 2021)				
Real estate appraiser		JLL Morii Valuation & Advisory K.K.				
PML		6.9%				
Collateral after acquisition		Not applicable				
Status of leasing						
	Leasable floor space		817.30 m ²			
	Leased floor space		684.00 m ²			
	Occupancy rate		89.9% (as of the end of Sep. 2020)	89.9% (as of the end of Oct. 2020)	89.9% (as of the end of Nov. 2020)	83.7% (as of the end of Dec. 2020)
	Number of leasable units		26			
	Number of leased units		21			
	Occupancy rate (by unit)		88.5% (as of the end of Sep. 2020)	88.5% (as of the end of Oct. 2020)	88.5% (as of the end of Nov. 2020)	80.8% (as of the end of Dec. 2020)
	Total number of tenants		21			
	Total rent income (annual)		28 million yen			
	Deposits, etc.		1 million yen			
Special notations		Not applicable				

(Note1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within fire prevention districts.

Characteristics	<ul style="list-style-type: none"> • Location The Property is accessible on multiple routes, with a 7-minute walk to the Kinshicho Station on the JR Sobu Line and the Tokyo Metro Hanzomon Line, and a 6-minute walk to the Sumiyoshi Station on the Toei Shinjuku Line, providing excellent transportation convenience and accessibility to central area. While there are concerns about noise due to the Metropolitan Expressway running on the north side of the region, demand from singles who commute to the city center is expected due to the living convenience with facilities located within walking distance and the transportation convenience that is mentioned above. • Building The Property is considered to have a standard competitiveness in the area because the condition of maintenance and management of the building is fairly as good as that of competing properties, as well as the room arrangement and specifications. Therefore, stable demands can be expected, particularly among single persons.
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② Photo of real estate that is the trust property and Map
Photo



Map



③ Outline of Appraisals

Property name	MAISON Dino
Appraisal value	711 million yen
Appraiser	JLL Morii Valuation & Advisory K.K.
Date of value	January 1, 2021

(Thousand yen)

	Details	Outline
Appraisal Value by capitalization method	711,000	Calculated the value by associating values based on the direct capitalization method and the DCF method.
Appraisal value using the direct capitalization method	727,000	
Gross operating revenue	36,968	Assessed stable rent and other areas over the medium- and long-term based on the current terms and conditions and so on.
Potential gross income	38,584	
Total of vacancy losses, etc.	1,616	Assessed by taking into account the standard vacancy rate and the individuality of the target property.
Operating expenses	6,956	
Building management fees	1,800	Assessed based on the estimation with reference to the level of similar properties.
Utilities	593	Assessed based on the actual performance with reference to the level of similar properties.
Repairs and maintenance costs	408	Recorded 30% of the levelled amount based on our judgment that the estimated ER is reasonable.
Property management fees	717	Assessed based on the estimation with reference to the level of similar properties.
Restoration fee	579	Assessed based on the actual performance and moving-out ratio with reference to the level of similar properties.
Leasing cost	1,043	1.5 months' worth of new monthly rent
Taxes	1,288	Land: Took volatility into account based on the actual amount. Building: Assessed by taking into account age depreciation. Depreciable assets: Assessed by taking into account age depreciation.
Insurance	140	Recorded equivalent to 0.06% of replacement value.
Others	388	Recorded contract updating fee.
Net operating income	30,012	
Non-operating income	29	Assessed by multiplying the amount obtained by deducting guarantee deposits for vacant rooms from room guarantee deposits for the time of full occupancy by a 1.0% yield.
Capital expenditure	952	Recorded 70% of the levelled amount based on our judgment that the estimated ER is reasonable.
Net income	29,089	
Capitalization rate	4.0%	Assessed by adding the volatility risk of revenue and the principal to the discount rate.
Appraisal value using the discount cash flow method	695,000	
Discount rate	3.8%	Assessed by comprehensively taking into account investor research, examples of REITs, and trading market trends and other aspects in consideration of risk factors related to the regional characteristics and individuality of the target property, in addition to the standard basic yield in a region where the risk is deemed to be the lowest, in light of interest rate trends for long-term JGBs and other instruments.
Terminal rate	4.2%	Assessed by taking into account uncertainties in the forecast for future changes in net revenue and future degradation and sales risks of the building, in addition to the cap rate
Appraisal value by cost method	546,000	
Proportion of land	84.6%	

Proportion of building	15.4%	
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Other matters to which the appraiser paid attention in appraisal	We have determined the appraisal value by adopting the income approach value, using the cost approach value as a reference, after taking into account the characteristics of each method applied and the details and other aspects in the process of the application.
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(iii)B-34 Meister house Kawasaki

① Overview of the property

Type of specified asset		Trust beneficiary interests in real estate			
Acquisition date		February 26, 2021			
Trustee		Mitsubishi UFJ Trust and Banking Corporation (Scheduled)			
Trust establishment date		November 22, 2019			
Trust expiration date		The last day of February 2031			
Location (indication of residential address)		5-2 Minamisaiwaicho 5-chome, Saiwaiku, Tokyo			
Land	Parcel number	5-3 Minamisaiwaicho 5-chome, Saiwaiku, Tokyo and another parcel			
	Building coverage ratio / Floor area ratio	100% (Note1) / 400%			
	Use district	Commercial district			
	Site area	239.67 m ²			
	Type of ownership	Ownership			
Building	Construction completion	February 2004			
	Structure / Floors	Reinforced concrete with flat roof,10F			
	Use	Residence			
	Total floor space	956.24 m ²			
	Type of ownership	Ownership			
Master lease company		Not disclosed (Note2)			
Type of master lease		Rent guaranteed			
Appraisal value		714 million yen (as of January 1, 2021)			
Real estate appraiser		Daiwa Real Estate Appraisal Co., LTD.			
PML		6.3%			
Collateral after acquisition		Not applicable			
Status of leasing					
	Leasable floor space	891.60 m ²			
	Leased floor space	891.60 m ²			
	Occupancy rate	100% (as of the end of Sep. 2020)	100% (as of the end of Oct. 2020)	100% (as of the end of Nov. 2020)	100% (as of the end of Dec. 2020)
	Number of leasable units	35			
	Number of leased units	35			
	Occupancy rate (by unit)	100% (as of the end of Sep. 2020)	100% (as of the end of Oct. 2020)	100% (as of the end of Nov. 2020)	100% (as of the end of Dec. 2020)
	Total number of tenants	1			
	Total rent income (annual)	Not disclosed (Note2)			
	Deposits, etc.	Not disclosed (Note2)			
Special notations		Not applicable			

(Note1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within fire prevention districts and commercial district.

(Note2) Not disclosed because consent has not been obtained from the master lessee.

Characteristics	<ul style="list-style-type: none"> • Location The property is 9-minute walk from the Kawasaki station on the JR Keihin-Tohoku Line, the Tokaido Main Line, and the Nanbu Line, and 13-minute walk from the Keikyu-Kawasaki station on the Keikyu Main Line. It has a convenient location to commute to the midtown, and the surrounding area has a rich convenience of living. • Building The building is used as a 10-story apartment of approximately 17 years of age with equipment such as auto-lock, bath drying function, system kitchen, independent washbasin with shower and etc. The property is mainly composed by studio type rooms within a walking distance from the west exit of Kawasaki Station, where LAZONA Kawasaki of huge commercial facilities and other life-connected shops are located. It is considered to have a standard level of rent for similar properties, and is expected to attract rent demands among the use of single persons and company housing with corporate contracts.
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② Photo of real estate that is the trust property and Map

Photo



Map



③ Outline of Appraisals

Property name	Meister house Kawasaki
Appraisal value	714 million yen
Appraiser	JLL Morii Valuation & Advisory K.K.
Date of value	January 1, 2021

(Thousand yen)

	Details	Outline
Appraisal Value by capitalization method	714,000	Calculated based on a decision that the DCF-based appraisal value is more convincing by clarifying the fluctuation in net operating income in the future, also verified with the appraisal value by the direct capitalization method.
Appraisal value using the direct capitalization method	725,000	
Gross operating revenue	Not disclosed (Note1)	
Operating expenses	Not disclosed (Note1)	
Net operating income	30,820	
Non-operating income	Not disclosed (Note1)	
Capital expenditure	1,132	Recorded bases on annual average of renewal expenses indicated on the ER with consideration of CM fees.
Net income	29,715	
Capitalization rate	4.1%	
Appraisal value using the discount cash flow method	709,000	
Discount rate	3.9%	Assessed in comparison with transaction in similar properties and yields of financial products.
Terminal rate	4.3%	Assessed in consideration the market value of the property basis at the time of the analysis period expires for the terminal rate.
Appraisal value by cost method	643,000	
Proportion of land	79.8%	
Proportion of building	20.2%	

Other matters to which the appraiser paid attention in appraisal	Assessed based on the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference, because the Income Capitalization Approach Value, which reflects actual supply and demand trend in real estate market and market participants' behavior is more persuasive.
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(Note) We deemed that disclosing this information would have an adverse effect on NIPPON REIT's competitive position and may harm the interests of the unitholders. Therefore, this information will not be disclosed.

(v) B-35 LIESSE Tsurumai

① Overview of the property

Type of specified asset		Trust beneficiary interests in real estate			
Acquisition date		February 26, 2021			
Trustee		Mitsubishi UFJ Trust and Banking Corporation			
Trust establishment date		January 8, 2020			
Trust expiration date		The last day of February 2031			
Location (indication of residential address)		①2-5-1, Tsurumai, Showa-ku, Nagoya-shi, Aichi ②2-5-2, Tsurumai, Showa-ku, Nagoya-shi, Aichi			
Land	Parcel number	①2-501-1, Tsurumai, Showa-ku, Nagoya-shi, Aichi ②2-501-2, Tsurumai, Showa-ku, Nagoya-shi, Aichi			
	Building coverage ratio / Floor area ratio	90% (Note2) / 200%			
	Use district	Neighborhood commercial districts			
	Site area	①401.63 ㎡ ②796.96 ㎡			
	Type of ownership	Ownership			
Building	Construction completion	March 2006			
	Structure / Floors	①Reinforced concrete with flat roof,8F ②Reinforced concrete with flat roof,10F			
	Use	Residence			
	Total floor space	①826.35 ㎡ ②1,670.94 ㎡			
	Type of ownership	Ownership			
Master lease company		NIPPON REIT (Scheduled)			
Type of master lease		Pass-through			
Appraisal value		1,150 million yen (as of January 1, 2021)			
Real estate appraiser		JLL Morii Valuation & Advisory K.K.			
PML		①4.5% ②4.4%			
Collateral after acquisition		Not applicable			
Status of leasing					
	Leasable floor space	①731.55 m ² ②1,461.16 m ²			
	Leased floor space	①706.98 m ² ②1,436.59 m ²			
	Occupancy rate ①	96.7% (as of the end of Sep. 2020)	96.7% (as of the end of Oct. 2020)	100% (as of the end of Nov. 2020)	96.6% (as of the end of Dec. 2020)
	Occupancy rate②	98.3% (as of the end of Sep. 2020)	98.3% (as of the end of Oct. 2020)	96.7% (as of the end of Nov. 2020)	98.3% (as of the end of Dec. 2020)
	Number of leasable units	①30 ②57			
	Number of leased units	①29 ②56			
	Occupancy rate (by unit) ①	96.7% (as of the end of Sep. 2020)	96.7% (as of the end of Oct. 2020)	100% (as of the end of Nov. 2020)	96.7% (as of the end of Dec. 2020)
	Occupancy rate (by unit) ②	98.2% (as of the end of Sep. 2020)	98.2% (as of the end of Oct. 2020)	96.5% (as of the end of Nov. 2020)	98.2% (as of the end of Dec. 2020)
	Total number of tenants	①27 ②49			
	Total rent income (annual)	①20 million yen ②43 million yen			
	Deposits, etc.	①1 million yen ②3 million yen			
Special notations		Not applicable			

(Note1) The property including two independent buildings is described as one property in total, same shall apply hereinafter.

(Note2) The building coverage ratio is essentially 80%, but it is increased up to 100% due to relaxation for a building with fire-proof structures located within fire prevention district and commercial district.

Characteristics	<ul style="list-style-type: none"> • Location The property is 8-minute walk from the the Maizuru station on the Nagoya Municipal Subway Maizuru Line and the JR Chuo Line. It is located in an area with high residential demands from singles and families who need high convenience for commuting. Although the property is somewhat affected by running sound from the elevated railroad of the Chuo Line, the three sides face the municipal roads, and as a floor plan sunshine and ventilation are fairly good, thus securing a certain level of comfort. Furthermore, life-connected facilities are located in the vicinity of the station, making it generally easy for residents to live. • Building Although the building time-relatedly deteriorated, the condition of maintenance and management of the building is fairly as good as that of competing properties, as well as the room arrangement and specifications. Therefore, stable demands can be expected, particularly among single persons.
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② Photo of real estate that is the trust property and Map

Photo



Map



③ Outline of Appraisals

Property name	LIESSE Tsurumai	
Appraisal value	1,150 million yen	
Appraiser	JLL Morii Valuation & Advisory K.K.	
Date of value	January 1, 2021	
(Thousand yen)		
	Details	Outline
Appraisal Value by capitalization method	1,150,000	Calculated the value by associating values based on the direct capitalization method and the DCF method.
Appraisal value using the direct capitalization method	1,170,000	
Gross operating revenue	68,585	Assessed stable rent and other areas over the medium- and long-term based on the current terms and conditions and so on.
Potential gross income	72,295	
Total of vacancy losses, etc.	3,710	Assessed by taking into account the standard vacancy rate and the individuality of the target property.
Operating expenses	15,961	
Building management fees	4,236	Assessed based on the estimation with reference to the level of similar properties.
Utilities	1,035	Assessed based on the actual performance with reference to the level of similar properties.
Repairs and maintenance costs	600	Recorded 30% of the levelled amount based on our judgment that the estimated ER is reasonable.
Property management fees	1,371	Assessed based on the estimation with reference to the level of similar properties.
Restoration fee	1,558	Assessed based on the actual performance and moving-out ratio with reference to the level of similar properties.
Leasing cost	1,950	1.0 months' worth of new monthly rent
Taxes	4,216	Land: Took volatility into account based on the actual amount. Building: Assessed by taking into account age depreciation.
Insurance	369	Recorded equivalent to 0.06% of replacement value.
Others	626	Recorded CATV fee and town assembly costs.
Net operating income	52,624	
Non-operating income	50	Assessed by multiplying the amount obtained by deducting guarantee deposits for vacant rooms from room guarantee deposits for the time of full occupancy by a 1.0% yield.
Capital expenditure	1,400	Recorded 70% of the levelled amount based on our judgment that the estimated ER is reasonable.
Net income	51,274	
Capitalization rate	4.4%	Assessed by adding the volatility risk of revenue and the principal to the discount rate.
Appraisal value using the discount cash flow method	1,120,000	
Discount rate	4.2%	Assessed by comprehensively taking into account investor research, examples of REITs, and trading market trends and other aspects in consideration of risk factors related to the regional characteristics and individuality of the target property, in addition to the standard basic yield in a region where the risk is deemed to be the lowest, in light of interest rate trends for long-term JGBs and other instruments.
Terminal rate	4.6%	Assessed by taking into account uncertainties in the forecast for future changes in net revenue and future degradation and sales risks of the building, in addition to the cap rate
Appraisal value by cost method	916,000	
Proportion of land	77.1%	
Proportion of building	22.9%	

Other matters to which the appraiser paid attention in appraisal	We have determined the appraisal value by adopting the income approach value, using the cost approach value as a reference, after taking into account the characteristics of each method applied and the details and other aspects in the process of the application.
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(vi) B-36 Komatsubara Yamamoto Mansion

① Overview of the property

Type of specified asset		Trust beneficiary interests in real estate			
Acquisition date		February 26, 2021			
Trustee		Mitsubishi UFJ Trust and Banking Corporation (Scheduled)			
Trust establishment date		February 26, 2021 (Scheduled)			
Trust expiration date		The last day of February 2031 (Scheduled)			
Location (indication of residential address)		15-22 Komatsubara 2-chome, Kagoshima, Kagoshima			
Land	Parcel number	15-15 Komatsubara 2-chome, Kagoshima, Kagoshima and other 3 parcels			
	Building coverage ratio / Floor area ratio	90% (Note1) / 400%			
	Use district	Commercial district			
	Site area	693.99 m ²			
	Type of ownership	Ownership			
Building	Construction completion	January 2004			
	Structure / Floors	Steel frame ・ Reinforced concrete with flat roof,10F			
	Use	Residence			
	Total floor space	2,762.48 m ²			
	Type of ownership	Ownership			
Master lease company		NIPPON REIT (Scheduled)			
Type of master lease		Pass-through			
Appraisal value		680 million yen (as of January 1, 2021)			
Real estate appraiser		JLL Morii Valuation & Advisory K.K.			
PML		8.5%			
Collateral after acquisition		Not applicable			
Status of leasing					
	Leasable floor space	2,671.99 m ²			
	Leased floor space	2,620.25 m ²			
	Occupancy rate	100% (as of the end of Sep. 2020)	99.0% (as of the end of Oct. 2020)	100% (as of the end of Nov. 2020)	98.1% (as of the end of Dec. 2020)
	Number of leasable units	100			
	Number of leased units	98			
	Occupancy rate (by unit)	100% (as of the end of Sep. 2020)	99.0% (as of the end of Oct. 2020)	100% (as of the end of Nov. 2020)	98.0% (as of the end of Dec. 2020)
	Total number of tenants	98			
	Total rent income (annual)	53 million yen			
	Deposits, etc.	1 million yen			
Special notations		Not applicable			

(Note1) The building coverage ratio is essentially 80%, but it is increased up to 90% due to relaxation for a building on corner lot.

Characteristics	<ul style="list-style-type: none"> • Location The Property is located about 3-minute walk to the Taniyama Station on the Kagoshima-shi Denkayama Line, and it is convenient for transportation as takes approximately 20 minutes from the Taniyama Station to the Kagoshima-Chuo Station which serves as the base for the entire prefecture. In addition, a variety of living facilities are located within a 10-minute walking distance, and Aeon Mall Kagoshima and other large-scale commercial facilities have been opened one after another, providing excellent convenience in daily life. • Building The condition of maintenance and management of the building of the Property is fairly as good as that of competing properties, as well as the room arrangement and specifications. Therefore, stable demands can be expected, particularly among single persons.
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② Photo of real estate that is the trust property and Map
Photo



Map



③ Outline of Appraisals

Property name	Komatsubara Yamamoto Mansion
Appraisal value	680 million yen
Appraiser	JLL Morii Valuation & Advisory K.K.
Date of value	January 1, 2021

(Thousand yen)

	Details	Outline
Appraisal Value by capitalization method	680,000	Calculated the value by associating values based on the direct capitalization method and the DCF method.
Appraisal value using the direct capitalization method	691,000	
Gross operating revenue	55,211	Assessed stable rent and other areas over the medium- and long-term based on the current terms and conditions and so on.
Potential gross income	57,668	
Total of vacancy losses, etc.	2,457	Assessed by taking into account the standard vacancy rate and the individuality of the target property.
Operating expenses	15,101	
Building management fees	1,380	Assessed based on the actual performance with reference to the level of similar properties.
Utilities	582	Assessed based on the actual performance with reference to the level of similar properties.
Repairs and maintenance costs	1,229	Recorded 30% of the levelled amount based on our judgment that the estimated ER is reasonable.
Property management fees	1,611	Assessed based on the estimation with reference to the level of similar properties.
Restoration fee	2,756	Assessed based on the estimation with reference to the level of similar properties.
Leasing cost	2,225	2.5 months' worth of new monthly rent
Taxes	3,879	Land: Took volatility into account based on the actual amount. Building: Assessed by taking into account age depreciation. Depreciable assets: Assessed by taking into account age depreciation.
Insurance	376	Recorded equivalent to 0.06% of replacement value.
Others	1,063	Recorded CATV fee and parking usage fee.
Net operating income	40,110	
Non-operating income	48	Assessed by multiplying the amount obtained by deducting guarantee deposits for vacant rooms from room guarantee deposits for the time of full occupancy by a 1.0% yield.
Capital expenditure	2,867	Recorded 70% of the levelled amount based on our judgment that the estimated ER is reasonable.
Net income	37,291	
Capitalization rate	5.4%	Assessed by adding the volatility risk of revenue and the principal to the discount rate.
Appraisal value using the discount cash flow method	668,000	
Discount rate	5.2%	Assessed by comprehensively taking into account investor research, examples of REITs, and trading market trends and other aspects in consideration of risk factors related to the regional characteristics and individuality of the target property, in addition to the standard basic yield in a region where the risk is deemed to be the lowest, in light of interest rate trends for long-term JGBs and other instruments.
Terminal rate	5.6%	Assessed by taking into account uncertainties in the forecast for future changes in net revenue and future degradation and sales risks of the building, in addition to the cap rate
Appraisal value by cost method	375,000	
Proportion of land	45%	
Proportion of building	55%	

Other matters to which the appraiser paid attention in appraisal	We have determined the appraisal value by adopting the income approach value, using the cost approach value as a reference, after taking into account the characteristics of each method applied and the details and other aspects in the process of the application.
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(vii) B-37 Belleza Kanayama

① Overview of the property

Type of specified asset		Trust beneficiary interests in real estate			
Acquisition date		March 1, 2021			
Trustee		Mitsubishi UFJ Trust and Banking Corporation (Scheduled)			
Trust establishment date		March 1, 2021 (Scheduled)			
Trust expiration date		The last day of March 2031 (Scheduled)			
Location (indication of residential address)		9-10 Masaki 4-chome, Naka-ku, Nagoya, Aichi			
Land	Parcel number	905-1 Masaki 4-chome, Naka-ku, Nagoya, Aichi			
	Building coverage ratio / Floor area ratio	100% (Note1) / 400%			
	Use district	Neighborhood commercial districts			
	Site area	330.58 m²			
	Type of ownership	Ownership			
Building	Construction completion	September 2006			
	Structure / Floors	Reinforced concrete with concrete roof,7F			
	Use	Residence			
	Total floor space	1,437.05 m²			
	Type of ownership	Ownership			
Master lease company		NIPPON REIT (Scheduled)			
Type of master lease		Pass-through			
Appraisal value		738 million yen (as of January 1, 2021)			
Real estate appraiser		JLL Morii Valuation & Advisory K.K.			
PML		7.1%			
Collateral after acquisition		Not applicable			
Status of leasing					
	Leasable floor space	1,250.41 m²			
	Leased floor space	1,131.51 m²			
	Occupancy rate	98.1% (as of the end of Sep. 2020)	90.5% (as of the end of Oct. 2020)	90.5% (as of the end of Nov. 2020)	90.5% (as of the end of Dec. 2020)
	Number of leasable units	48			
	Number of leased units	44			
	Occupancy rate (by unit)	97.9% (as of the end of Sep. 2020)	91.7% (as of the end of Oct. 2020)	91.7% (as of the end of Nov. 2020)	91.7% (as of the end of Dec. 2020)
	Total number of tenants	44			
	Total rent income (annual)	40 million yen			
	Deposits, etc.	7 million yen			
Special notations		Not applicable			

(Note1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within quashi-commercial districts and corner lot.

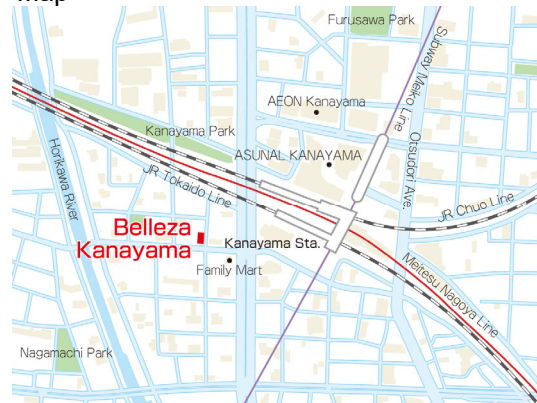
Characteristics	<ul style="list-style-type: none"> • Location The Property is 4-minute walk to the Kanayama Station which functions as a terminal station after Nagoya Station, and available on multiple routes including the Nagoya Main Line, the JR Chuo Main Line and the Tokaido Main Line, and the Nagoya Municipal Subway, has good transportation convenience. In addition, various living facilities are located within a 10-minute walking distance, providing superior convenience for daily life, it is good for residential locations. • Building The condition of maintenance and management of the building of the Property is fairly as good as that of competing properties, as well as the room arrangement and specifications. Therefore, stable demands can be expected, particularly among single persons.
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② Photo of real estate that is the trust property and Map

Photo



Map



③ Outline of Appraisals

Property name	Belleza Kanayama	
Appraisal value	738 million yen	
Appraiser	JLL Morii Valuation & Advisory K.K.	
Date of value	January 1, 2021	
(Thousand yen)		
	Details	Outline
Appraisal Value by capitalization method	738,000	Calculated the value by associating values based on the direct capitalization method and the DCF method.
Appraisal value using the direct capitalization method	752,000	
Gross operating revenue	44,407	Assessed stable rent and other areas over the medium- and long-term based on the current terms and conditions and so on.
Potential gross income	46,345	
Total of vacancy losses, etc.	1,938	Assessed by taking into account the standard vacancy rate and the individuality of the target property.
Operating expenses	10,323	
Building management fees	1,860	Assessed based on the actual performance with reference to the level of similar properties.
Utilities	590	Assessed based on the actual performance with reference to the level of similar properties.
Repairs and maintenance costs	782	Recorded 30% of the levelled amount based on our judgment that the estimated ER is reasonable.
Property management fees	811	Assessed based on the estimation with reference to the level of similar properties.
Restoration fee	873	Assessed based on the estimation with reference to the level of similar properties.
Leasing cost	1,712	2.0 months' worth of new monthly rent
Taxes	2,131	Land: Took volatility into account based on the actual amount. Building: Assessed by taking into account age depreciation.
Insurance	196	Recorded equivalent to 0.06% of replacement value.
Others	1,368	Recorded CATV fee and parking usage fee.
Net operating income	34,084	
Non-operating income	68	Assessed by multiplying the amount obtained by deducting guarantee deposits for vacant rooms from room guarantee deposits for the time of full occupancy by a 1.0% yield.
Capital expenditure	1,825	Recorded 70% of the levelled amount based on our judgment that the estimated ER is reasonable.
Net income	32,327	
Capitalization rate	4.3%	Assessed by adding the volatility risk of revenue and the principal to the discount rate.
Appraisal value using the discount cash flow method	723,000	
Discount rate	4.1%	Assessed by comprehensively taking into account investor research, examples of REITs, and trading market trends and other aspects in consideration of risk factors related to the regional characteristics and individuality of the target property, in addition to the standard basic yield in a region where the risk is deemed to be the lowest, in light of interest rate trends for long-term JGBs and other instruments.
Terminal rate	4.5%	Assessed by taking into account uncertainties in the forecast for future changes in net revenue and future degradation and sales risks of the building, in addition to the cap rate
Appraisal value by cost method	469,000	
Proportion of land	75%	
Proportion of building	25%	

Other matters to which the appraiser paid attention in appraisal	We have determined the appraisal value by adopting the income approach value, using the cost approach value as a reference, after taking into account the characteristics of each method applied and the details and other aspects in the process of the application.
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6. Explanation of matters stated in table” 4. Content of the Property to be transferred” and ” 5. Content of the Property to be acquired”

- “Location (indication of residential address)” is the indication of residential address of the Property. In addition, if there is no indication of residential address, the building location in the registry (if several, then one of the locations) is stated.
- “Parcel number”, lot number in the registry (if several, then one of the locations) is stated.
- “Building coverage ratio” and “Floor area ratio” of land are, in principle, the figures provided in accordance with related laws and regulations, such as the Building Standards Act and the City Planning Act, and rounded to the nearest whole number. Depending on a specified asset, there are cases where “Building coverage ratio” and “Floor area ratio” are subject to certain relaxation measures or restriction measures. In addition, where there are several floor area ratios that apply to a site, the floor area ratio is stated by converting to one that applies to the entire site.
- “Use district” of land is the type of use district listed in Article 8, Paragraph 1, Item 1 of the City Planning Act.
- “Site area” of land is based on that stated in the registry and may differ from the present state.
- “Type of ownership” of land is the type of rights of the real estate held by the trustee of the Property.
- “Construction completion” of building is the date of new construction in the registry. In addition, the date of extension, reconstruction, etc. are also stated, if any.
- “Structure / Floors” of building is based on that stated in the registry.
- “Use” of building is the major type of building in the registry.
- “Total floor space” of building is based on that stated in the registry, and annex buildings are separately stated, if any.
- “Type of ownership” of building is the type of rights of the real estate held by the trustee of the Property.
- “Master lease company” is the company that has concluded or the company that is scheduled to conclude a master lease agreement that is valid as of today for the Property.
- “Type of master lease” is the main type of master lease agreement concluded or scheduled to be concluded as of today, where “Pass-through” is a master lease agreement in which the master lease company shall pay the same amount of rent as the rent payable by end tenants to the master lease company and “Rent guaranteed” is a master lease agreement in which the master lease company shall pay a fixed amount of rent.
- “Appraisal value” is the appraisal value stated in the appraisal report prepared by Japan Real Estate Institute, JLL Morii Valuation & Advisory K.K. or Daiwa Real Estate Appraisal Co., LTD. and rounded down to the nearest million yen. The appraisal value does not guarantee the possibility of acquisition or disposition with the price. Furthermore, there is no special interest among the Appraisers, NIPPON REIT and SRA.
- “PML” is the PML (Probable Maximum Loss) calculated in the evaluation of seismic risk analysis conducted by Tokio Marine & Nichido Risk Consulting Co., Ltd. as requested as part of due diligence upon acquisition of the real estate trust beneficiary right by NIPPON REIT, and rounded to one decimal place. Furthermore, “Probable Maximum Loss” means the probable maximum loss that may result from an earthquake and, herein, refers to the extent of damage that may be suffered due to an earthquake of the assumed maximum scale (earthquake with a probability of occurring once in 475 years = earthquake with a 10% probability of occurrence in 50 years) in the assumed scheduled use period (50 years = useful life of a general building), expressed as the estimated cost of restoring such damage as a percentage (%) of the replacement cost.
- “Collateral after acquisition” is whether or not collateral is scheduled to be established after acquisition of the real estate trust beneficiary right by each party.
- “Status of leasing” is based on the figures and information provided by the previous owner or the trust beneficiary, etc. regarding the content, etc. of the lease agreement, etc. that is valid as of the end of December 2020, unless otherwise stated.
- “Leasable floor space” is the floor space regarded as being available for leasing based on the lease agreement or building drawing, etc. of the building of each asset as of the end of December 2020 for the Property. (Note 1)
- “Leased floor space” is the sum total of the leased floor space indicated in each lease contract or each provisional lease contract for the Property as of the end of December 2020. However, in cases where a pass-through type master lease agreement is scheduled to be concluded, the sum total of the leased floor space of end tenants indicated in each sublease contract or each provisional sublease contract for the Property as of the end of December 2020. Furthermore, because there are cases where leased floor space indicated in lease contracts, etc. includes the portion not included in total floor space, there are cases where total leased floor space may exceed total floor space.
- “Occupancy rate” is the ratio of the leased floor space to the leasable floor space for the Property at each date stated, and rounded to one decimal place.
- “Occupancy rate (by unit)” is ratio of number of leased unit to number of leasable unit, and rounded to one decimal place.

- “Number of leasable units” for residence is the number of units regarded as being available for leasing based on the lease agreement or building drawing, etc. (not including the number of stores, etc., if any) as of the end of December 2020.
- “Number of leased units” for residence is the number of units actually leased to end tenants under the lease contract of the To-be-acquired asset as of the end of December 2020.
- “Unit occupancy rate” is the ratio of the number of leased units to the number of leasable units for the To-be-acquired asset at each date stated, rounded to one decimal place.
- “Total number of tenants” is the sum total of the number of tenants in the lease agreement of the Property indicated in each lease agreement for the Property as of the end of December 2020. Furthermore, in cases where a pass-through type master lease agreement is scheduled to be concluded for the concerned asset, the total number of end tenants (Note 1) is stated. However, even in the case of a pass-through type master lease agreement, in cases where the sub lessee subleasing the entire property from the master lease company has been entrusted with property management and shall pay fixed rent to the master lease company, the total number of tenants is stated as 1.
- “Total rent income (annual)” is the annual rent, or the amount annualized by multiplying the monthly rent by 12, for the building indicated in each lease contract or each provisional lease contract for the Property as of the end of December 2020 (Note 2), and rounded down to the nearest million yen. However, in cases where a pass-through type master lease agreement is scheduled to be concluded between the master lease company and the lessor, etc. in which, in principle, the rent, etc. from end tenants is received as is, the annual rent, or the amount annualized by multiplying the monthly rent by 12, indicated in each sublease contract or each provisional sublease contract with end tenants for the Property as of the end of December 2020 (Note 2), and rounded down to the nearest million yen is stated.
- “Deposits, etc.” is the sum total amount of tenant leasehold and security deposits required based on each lease agreement for the Property as of the end of December 2020 (limited to the tenant leasehold and security deposits based on the lease agreement for the leasing space occupied as of the end of December 2020), and rounded down to the nearest million yen. In cases where a master lease agreement is scheduled to be concluded for the concerned asset, the sum total amount of tenant leasehold and security deposits required based on the lease agreement concluded with end tenants, and rounded down to the nearest million yen is stated.
- “Special notations” indicate, in general, items believed to be important in terms of the respective relationship of rights and use of each asset as well as items believed to be important in consideration of their impact on the appraisal value, profitability, and possibility of disposal of such asset based on the information as of the date of this press release. Prior notices of cancellation from a tenant or execution of an agreement with a new tenant which were received or executed before the end of December 2020, if any, are indicated.
- “Characteristics” describe the basic characteristics and features of the property that is the trust property and characteristics of the zone and area in which such property is located, based on the appraisal report and market reports prepared by CBRE K.K. Such appraisal reports, etc. only constitute judgment and opinions of external professionals who prepared such reports at a specific point of time and any validity or accuracy of such reports is guaranteed. Also, environmental changes, etc. which occurred after the preparation of such reports are not reflected.

(Note 1) Excluding warehouse, signboard, parking lot, etc.

(Note 2) For the Property under several lease agreements, the sum total amount thereof. In addition, common area maintenance charges are included, but warehouse, signboard, parking lot, etc. usage fees are not included, and free-rent is not taken into account (excluding consumption taxes).

7. Overview of Transfer Counterparty

A-13 Higashi Ikebukuro Center Building

A-20 FORECAST Uchikanda

A-43 Marunouchi Sancho Building

The buyer of these properties above is a Japanese TMK. However, details are not described in this press release because no consent has been obtained from the seller to disclose its name, etc. There is no capital relationship, personnel relationship or business relationship to be stated between NIPPON REIT or SRA and the buyer. The seller does not fall under the category of related party of NIPPON REIT or SRA. In addition, the seller does not fall under the category of any interested party or sponsor-related party, as of today.

A-35 Toshin Higashi-Ikebukuro Building

The buyer of these properties above is a Japanese company. However, details are not described in this press release because no consent has been obtained from the seller to disclose its name, etc. There is no capital relationship, personnel relationship or business relationship to be stated between NIPPON REIT or SRA and the buyer. The seller does not fall under the category of related party of NIPPON REIT or SRA. In addition, the seller does not fall under the category of any interested party or sponsor-related party, as of today.

8. Overview of Acquisition Counterparty

A-73 TENSHO OFFICE SHINBASHI 5

Name	Godo Kaisha NRT Growth 14
Location	2-7-1 Nihombashi, Chuo-ku, Tokyo
Title and name of representative	Representative member: Ippan Shadan Hojin NRT Growth 14 Person to execute duties: Shogo Kikuchi
Capital	100 thousand yen
Other equity investor in silent partnership	Not disclosed (Note1)
Date of establishment	February 4, 2019
Consolidated net assets	5,531 million yen (Scheduled) (Note2)
Consolidated total assets	100 thousand yen
Main line of Business	1. Acquisition, holding and disposition of trust beneficiary interests in real estate 2. Acquisition, holding, disposition, leasing and management of real estate 3. Other businesses incidental or related to businesses listed in the preceding items
Relationship with NIPPON REIT or SRA	
Capital relationship Personnel relationship	There is no capital relationship, personnel relationship or business relationship to be stated between NIPPON REIT or SRA and the concerned company. In addition, there is no capital relationship, personnel relationship or business relationship to be specially noted between associated persons and associated companies of NIPPON REIT or SRA and associated persons and associated companies of the concerned company.
Business relationship	The company is the operator of Godo Kaisha NRT Growth 15 of which NIPPON REIT owns silent Partnership Equity Interest of 50 million yen. Please refer to "Notice Concerning Acquisition of Asset (Silent Partnership Equity Interest) (Godo Kaisha NRT Growth 14)" dated February 27, 2019 for detail.
Related-party status	The concerned company does not fall under the category of related party of NIPPON REIT or SRA. In addition, associated persons and associated companies of the concerned company do not fall under the category of a related party of NIPPON REIT or SRA.

(Note1) Not disclosed because consent has not been obtained from other equity investor in silent partnership.

(Note2) Total asset is rounded down to the nearest million yen.

B-34 Meister house Kawasaki
B-35 LIESSE Tsurumai

Name	Sojitz Corporation
Location	1-1 Uchisaiwaicho 2-chome, Chiyoda-ku, Tokyo
Title and name of representative	Masayoshi Fujimoto Representative Director, President & CEO
Capital	160,339 million yen (Note1)
Date of establishment	April 1, 2003
Main line of Business	General trading company
Relationship with NIPPON REIT or SRA	
Capital relationship	The company is parent company (67% stake) of SRA and thus falls under the category of interested persons, etc. as provided in the Act on Investment Trusts and Investment Corporations.
Personnel relationship	
Business relationship	
Related-party status	
	9 of the employees of SRA are seconded from Sojitz New Urban Development Corporation. Moreover CEO of the company holds the position of part-time director of SRA.
	This company is a sponsor group company based on the Sponsor Support Agreement executed between NIPPON REIT and SRA, and Sojitz Corporation.
	The company falls under the category of a related party of NIPPON REIT and SRA. In addition, as stated above, the company falls under the category of interested persons, etc. of SRA as provided in the Act on Investment Trusts and Investment Corporations and interested parties prescribed in the SRA's internal rule, the "Rules on Transactions with Interested Parties".

(Note1) Rounded down to the nearest million yen.

B-33 MAISON Dino
B-36 Komatsubara Yamamoto Mansion
B-37 Belleza Kanayama

The sellers of properties above are Japanese corporation and Godo Kaisha. However, details are not described in this press release because no consent has been obtained from the sellers to disclose their name, etc. There is no capital relationship, personnel relationship or business relationship to be stated between NIPPON REIT or SRA and the sellers. The sellers do not fall under the category of related party of NIPPON REIT or SRA. In addition, the sellers do not fall under the category of any interested party or sponsor-related party, as of today.

9. Overview of brokerage
(i) Brokers
B-36 Komatsubara Yamamoto Mansion

Name	Tokyu Livable, Inc.
Location	1-9-5 Dogenzaka, Shibuya-ku, Tokyo
Title and name of representative	Yoichi Ota, President
Capital	1,396 million yen (Note1)
Date of establishment	March 10, 1972
Main business	Real estate business
Relationship with NIPPON REIT or SRA	
Capital relationship	There is no capital relationship, personnel relationship or business relationship to be stated between NIPPON REIT or SRA and the concerned company. In addition, there is no capital relationship, personnel relationship or business relationship to be specially noted between associated persons and associated companies of NIPPON REIT or SRA and associated persons and associated companies of the concerned company.
Personnel relationship	
Business relationship	
Related-party status	
	The concerned company does not fall under the category of related party of NIPPON REIT or SRA. In addition, associated persons and associated companies of the concerned company do not fall under the category of a related party of NIPPON REIT or SRA.

(Note1) Truncated to the nearest million yen

(ii) Brokerage fees
B-36 Komatsubara Yamamoto Mansion

Brokerage fee: Not disclosed because consent has not been obtained from the broker

10. Transaction with interested persons, etc.

(1)As stated above in “8. Overview of Acquisition Counterparty”, Sojitz Corporation, as the seller for Meister house Kawasaki and LIESSE Tsurumai, the company falls under the category of interested persons, etc. of SRA as provided in the Act on Investment Trusts and Investment Corporations and interested parties prescribed in the SRA’s internal rule, the “Rules on Transactions with Interested Parties”. NIPPON REIT and SRA have conducted an appropriate approval procedure upon the entrustment of brokerage service pertaining to the Acquisition in accordance with voluntary rules pursuant to the rules on transactions with interested parties.

(2)NIPPON REIT will make the trustee execute the Management Consignment Agreement with Sojitz LifeOne Corporation regarding A-73 TENSHO OFFICE SHINBASHI 5. The execution of the Management Consignment Agreement concerned is based on a plan to date. The execution thereof would be changed or cancelled without notice. As Sojitz General Property Management Corporation is a wholly-owned subsidiary of the parent company of SRA (67% of stake) and falls under the category of interested persons, etc., as well as of interested persons stipulated in the SRA internal rules, “Rules on Transactions by Interested Persons,” SRA duly processed the review and resolution as stipulated in the Rules on Transactions by Interested Persons when NIPPON REIT makes the trustee execute or continue agreements with Sojitz General Property Management Corporation.

<Consignee>

Name	Sojitz LifeOne Corporation
Head office address	3-1 Daiba 2-chome, Minato-ku, Tokyo
Title and name of representative	Takeshi Umeda, President & CEO
Capital	324 million yen (Note1)
Date of establishment	September 12, 1989
Line of business	Real estate management business
Relationship with NIPPON REIT or SRA	
Capital relationship	The company is 100% subsidiary of Sojitz Corporation which is the parent company (67.0% stake) of SRA and thus falls under the category of interested persons, etc. as provided in the Act on Investment Trusts and Investment Corporations and interested parties prescribed in the SRA’s internal rule, the “Rules on Transactions with Interested Parties”.
Personnel relationship	9 of the officers and employees of SRA are seconded from Sojitz Corporation which is the parent company of the company.
Business relationship	NIPPON REIT paid administration expenses of 289,494 thousand yen, repair works expenses of 136,949 thousand yen (Note2) and other leasing business expenses of 18,234 thousand yen to Sojitz Corporation during the 16th fiscal period (ended in December 2020), the latest calculation period. This company is a sponsor group company based on the Sponsor Support Agreement executed between NIPPON REIT and SRA, and Sojitz Corporation.
Related-party status	The company falls under the category of a related party of NIPPON REIT and SRA. In addition, as stated above, the company falls under the category of interested persons, etc. of SRA as provided in the Act on Investment Trusts and Investment Corporations and interested parties prescribed in the SRA’s internal rule, the “Rules on Transactions with Interested Parties”. NIPPON REIT and SRA have conducted an appropriate approval procedure upon the entrustment of brokerage service pertaining to the Acquisition in accordance with voluntary rules pursuant to the rules on transactions with interested parties.

(Note1) Truncated to the nearest million yen.

(Note2) Repair works expenses includes the amount of capital expenditure other than repair costs.

11. Impact on the financial condition of the NIPPON REIT in the event of failure to fulfill the forward commitment, etc.

The purchase and sales agreement for the Toshin Higashi-Ikebukuro Building falls under the category of forward commitment, etc. However, the agreement stipulates that both the buyer

and the seller may cancel the sales contract without incurring a penalty, etc. by giving written notice to the other party (such notice shall be required to reach the other party no later than one month prior to the date of cancellation) for any reason from the date of conclusion of the agreement to the date of execution of the transfer. Therefore, in the event NIPPON REIT is unable to fulfill the relevant agreement, the NIPPON REIT may cancel the agreement without paying a penalty, etc., and therefore it is unlikely that the NIPPON REIT will have a financial impact if it is unable to fulfill the forward commitment, etc.

12. Future outlook

Please refer to the “Summary of Financial Results for the Fiscal Period Ended December 30, 2020 (REIT)” and “Notice Concerning Revision of the Forecast of Management Status and the Estimated Distribution for the Fiscal Period Ending June 2021” announced today.

< Attachment >

Reference List of properties (after the Transaction)

Property no.	Real estate in trust (Property name)	Location	Acquisition date	Scheduled acquisition price (Note1)	
				Price (¥mn)	Ratio (%)
A-1	FORECAST Nishishinjuku	Shinjuku ward, Tokyo	March 29, 2011	2,260	0.9
A-2	Nihombashi Playa Building	Chuo ward, Tokyo	March 29, 2011	2,130	0.8
A-3	FORECAST Yotsuya	Shinjuku ward, Tokyo	March 29, 2011	1,430	0.6
A-4	FORECAST Shinjuku AVENUE	Shinjuku ward, Tokyo	April 24, 2014	6,500	2.6
A-5	FORECAST Ichigaya (Note2)	Shinjuku ward, Tokyo	April 24, 2014	4,800	1.9
A-6	FORECAST Mita	Minato ward, Tokyo	April 24, 2014	1,800	0.7
A-7	FORECAST Shinjuku SOUTH	Shinjuku ward, Tokyo	April 24, 2014	13,990	5.5
A-8	FORECAST Sakurabashi	Chuo ward, Tokyo	April 24, 2014	5,760	2.3
A-9	GreenOak Kayabacho	Chuo ward, Tokyo	April 24, 2014	2,860	1.1
A-10	GreenOak Kudan	Chiyoda ward, Tokyo	April 24, 2014	2,780	1.1
A-11	GreenOak Takanawadai	Minato ward, Tokyo	April 24, 2014	2,260	0.9
A-14	Central Daikanyama	Shibuya ward, Tokyo	December 19, 2014	3,510	1.4
A-16	Hiroo Reeplex B's	Minato ward, Tokyo	February 12, 2015	2,827	1.1
A-17	Shibakoen Sanchome Building	Minato ward, Tokyo	February 12, 2015	7,396	2.9
A-19	Kudankita 325 Building	Chiyoda ward, Tokyo	February 12, 2015	1,850	0.7
A-21	Itohpia Iwamotocho 2-chome Building	Chiyoda ward, Tokyo	February 12, 2015	2,810	1.1
A-22	Itohpia Iwamotocho 1-chome Building	Chiyoda ward, Tokyo	February 12, 2015	2,640	1.0
A-23	Itohpia Iwamotocho ANNEX Building	Chiyoda ward, Tokyo	February 12, 2015	2,100	0.8
A-24	Pigeon Building	Chuo ward, Tokyo	February 12, 2015	2,837	1.1
A-25	FORECAST Ningyocho	Chuo ward, Tokyo	February 12, 2015	2,070	0.8
A-26	FORECAST Ningyocho PLACE	Chuo ward, Tokyo	February 12, 2015	1,650	0.7
A-27	FORECAST Shin-Tokiwabashi	Chuo ward, Tokyo	February 12, 2015	2,030	0.8
A-28	Nishi-Shinjuku Sanko Building	Shinjuku ward, Tokyo	February 12, 2015	2,207	0.9
A-29	Iidabashi Reeplex B's	Shinjuku ward, Tokyo	February 12, 2015	1,249	0.5
A-30	FORECAST Shinagawa	Shinagawa ward, Tokyo	February 12, 2015	2,300	0.9
A-31	Nishi-Gotanda 8-chome Building	Shinagawa ward, Tokyo	February 12, 2015	2,210	0.9
A-32	Towa Higashi-Gotanda Building	Shinagawa ward, Tokyo	February 12, 2015	2,033	0.8
A-33	FORECAST Takadanobaba	Toshima ward, Tokyo	February 12, 2015	5,550	2.2
A-37	Itabashi Honcho Building	Itabashi ward, Tokyo	February 12, 2015	3,146	1.2
A-38	ANTEX24 Building	Taito ward, Tokyo	February 12, 2015	1,691	0.7

Property no.	Real estate in trust (Property name)	Location	Acquisition date	Scheduled acquisition price (Note 1)	
				Price (¥mn)	Ratio (%)
A-39	Itohpia Kiyosubashidori Building	Taito ward, Tokyo	February 12, 2015	1,550	0.6
A-40	East Side Building	Taito ward, Tokyo	February 12, 2015	1,372	0.5
A-41	I・S Minamimorimachi Building	Osaka, Osaka	February 12, 2015	2,258	0.9
A-42	Sunworld Building	Osaka, Osaka	February 12, 2015	1,200	0.5
A-44	MK Kojimachi Building	Chiyoda ward, Tokyo	March 27, 2015	1,781	0.7
A-45	Toranomon Sakura Building	Minato ward, Tokyo	July 2, 2015	4,120	1.6
A-46	La Verite AKASAKA	Minato ward, Tokyo	July 2, 2015	2,000	0.8
A-47	Kanda Ocean Building	Chiyoda ward, Tokyo	July 2, 2015	1,440	0.6
A-48	Shinto Ginza EAST	Chuo ward, Tokyo	July 2, 2015	1,352	0.5
A-49	FORECAST Kayabacho	Chuo ward, Tokyo	July 2, 2015	3,000	1.2
A-50	FORECAST Waseda FIRST	Shinjuku ward, Tokyo	July 2, 2015	4,775	1.9
A-51	FORECAST Gotanda WEST	Shinagawa ward, Tokyo	July 2, 2015	6,520	2.6
A-52	Omiya Center Building	Saitama, Saitama	July 2, 2015	15,585	6.1
A-53	Sumitomo Mitsui Bank Koraibashi Building	Osaka, Osaka	July 2, 2015	2,850	1.1
A-54	NORE Fushimi	Nagoya, Aichi	July 2, 2015	2,840	1.1
A-55	NORE Meieki	Nagoya, Aichi	July 2, 2015	2,520	1.0
A-56	Homat Horizon Building	Chiyoda ward, Tokyo	September 28, 2017	6,705	2.6
A-57	Sannomiya First Building	Kobe, Hyogo	September 28, 2017	1,390	0.6
A-58	Towa Kandanishikicho Building	Chiyoda ward, Tokyo	July 3, 2018	960	0.4
A-59	Yusen Higashi-Nihonbashi Ekimae Building	Chuo ward, Tokyo	July 3, 2018	1,152	0.5
A-60	Hiroo On Building	Shibuya ward, Tokyo	July 3, 2018	2,392	0.9
A-61	TK Gotanda Building	Shinagawa ward, Tokyo	July 3, 2018	4,130	1.6
A-62	Gotanda Sakura Building	Shinagawa ward, Tokyo	July 3, 2018	1,460	0.6
A-63	Esprit Kameido	Koto ward, Tokyo	July 3, 2018	1,265	0.5
A-64	Alte Building Higobashi	Osaka, Osaka	July 3, 2018	1,453	0.6
A-65	DIA Building Meieki	Nagoya, Aichi	July 3, 2018	1,167	0.5
A-66	TENSHO OCHANOMIZU BUILDING	Chiyoda ward, Tokyo	February 27, 2019	1,800	0.7
A-67	Kameido i-Mark Building	Koto ward, Tokyo	February 27, 2019	2,580	1.0
A-68	UNIZO Kandasudacho 2-chome Building	Chiyoda ward, Tokyo	October 30, 2020	1,311	0.5
A-69	REID-C Megurofudomae	Shinagawa ward, Tokyo	October 30, 2020	1,220	0.5
A-70	The Square	Nagoya, Aichi	October 30, 2020	1,080	0.4

Property no.	Real estate in trust (Property name)	Location	Acquisition date	Scheduled acquisition price (Note1)	
				Price (¥mn)	Ratio (%)
A-71	Tsukiji Front	Chuo ward, Tokyo	November 20, 2020	825	0.3
A-72	Hatchobori River Gate	Chuo ward, Tokyo	November 20, 2020	835	0.3
A-73	TENSHO OFFICE SHINBASHI 5	Minato Ward, Tokyo	February 25, 2021 (Scheduled)	1,200	0.5
Office 64properties Sub total				186,770	73.5
B-1	Tower Court Kitashinagawa	Shinagawa ward, Tokyo	March 29, 2011	11,880	4.7
B-2	Sky Hills N11	Sapporo, Hokkaido	April 24, 2014	1,570	0.6
B-4	my atria Sakae	Nagoya, Aichi	April 24, 2014	1,110	0.4
B-5	Mac Village Heian	Nagoya, Aichi	April 24, 2014	785	0.3
B-6	Seam Dwell Tsutsui	Nagoya, Aichi	April 24, 2014	695	0.3
B-7	Ciel Yakuin	Fukuoka, Fukuoka	April 24, 2014	640	0.3
B-8	Kanda Reeplex R's	Chiyoda ward, Tokyo	February 12, 2015	1,813	0.7
B-9	Splendid Namba	Osaka, Osaka	September 28, 2017	3,502	1.4
B-10	Residence Hiroo	Minato ward, Tokyo	July 3, 2018	2,590	1.0
B-11	Residence Nihonbashi Hakozaki	Chuo ward, Tokyo	July 3, 2018	1,300	0.5
B-12	Primegate Iidabashi (Note3)	Shinjuku ward, Tokyo	July 3, 2018	5,200	2.1
B-13	Residence Edogawabashi	Shinjuku ward, Tokyo	July 3, 2018	1,230	0.5
B-14	Merveille Senzoku	Ota ward, Tokyo	July 3, 2018	740	0.3
B-15	Field Avenue (Note5)	Ota ward, Tokyo	July 3, 2018	3,110	1.2
B-16	Domeal Kitaakabane	Kita ward, Tokyo	July 3, 2018	785	0.3
B-17	Dormy Kitaakabane	Kita ward, Tokyo	July 3, 2018	986	0.4
B-18	Splendid Shin-Osaka III	Osaka, Osaka	July 3, 2018	2,428	1.0
B-19	ZEPHYROS Minami-horie	Osaka, Osaka	July 3, 2018	1,608	0.6
B-20	Charmant Fuji Osakajominami	Osaka, Osaka	July 3, 2018	905	0.4
B-21	Piacere Fuminosato	Osaka, Osaka	July 3, 2018	571	0.2
B-22	Wald Park Minamioi	Shinagawa ward, Tokyo	January 31, 2019	715	0.3
B-23	LAPUTA KUJO	Osaka, Osaka	February 28, 2019	1,480	0.6
B-24	Imazaki Mansion N1	Higashiosaka, Osaka	February 28, 2019	1,180	0.5
B-25	Tenjin-higashi Residence	Fukuoka, Fukuoka	October 30, 2020	913	0.2
B-26	L'arte Nakatsu	Osaka, Osaka	October 30, 2020	565	0.7
B-27	City hills Andoji	Osaka, Osaka	October 30, 2020	1,750	0.5

Property no.	Real estate in trust (Property name)	Location	Acquisition date	Scheduled acquisition price (Note 1)	
				Price (¥mn)	Ratio (%)
B-28	Hermitage Shin-sakae	Nagoya, Aichi	October 30, 2020	1,150	0.4
B-29	Sun・Meiekinami Building	Nagoya, Aichi	October 30, 2020	950	0.4
B-30	DeLCCS KASAI	Edogawa Ward, Tokyo	November 20, 2020	1,320	0.5
B-31	Serenite Shin-Osaka	Osaka, Osaka	November 20, 2020	1,148	0.5
B-32	Mullion Josai	Nagoya, Aichi	November 20, 2020	729	0.3
B-33	MAISON Dino	Sumida Ward, Tokyo	February 26, 2021 (Scheduled)	700	0.3
B-34	Meister house Kawasaki	Kawasaki, Kanagawa	February 26, 2021 (Scheduled)	709	0.3
B-35	LIESSE Tsurumai	Nagoya, Aichi	February 26, 2021 (Scheduled)	1,082	0.4
B-36	Komatsubara Yamamoto Mansion	Kagoshima, Kagoshima	February 26, 2021 (Scheduled)	670	0.3
B-37	Belleza Kanayama	Nagoya, Aichi	March 1, 2021 (Scheduled)	702	0.3
Residence 36 properties Sub total				59,212	23.3
Retail					
C-1	Otakibashi Pacifica Building	Shinjuku ward, Tokyo	March 12, 2015	3,350	1.3
C-3	BECOME SAKAE	Nagoya, Aichi	July 3, 2018	4,770	1.9
Retail 2 properties Sub total				8,120	3.2
102properties Total				254,103	100.0

(Note 1) (Scheduled) Acquisition price is truncated to the nearest million and the ratio is rounded to the first decimal place.

(Note 2) 1F to 7F is named "FORECAST Ichigaya" as an office property, and 8F to 9F is named "Eponoqu Ichigaya" as a residential property. "FORECAST Ichigaya" includes the residential area thereof.

(Note 3) Part of the building (1F to 5F) is named "S&S Building" as an office/retail store. However, "Primegate Iidabashi" includes the office area thereof.

(Note 4) This property includes a separate building, which is structurally independent from the main building, and these two buildings are counted as one property

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