

June 29, 2023

For Immediate Release

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**[Delayed] Notice Concerning Transfer and Acquisition of
Real Estate Trust Beneficiary Interests in Japan**

NIPPON REIT Investment Corporation (“NIPPON REIT”) announces that SBI REIT Advisors Co., Ltd. (“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”).

1. Overview of the Transfer Property and Acquisition Property

(i). Overview of the Property to Be Transferred

Prop. # (Note 1)	Real Estate in Trust (Property Name)	Location	Purchaser (Note 2)	Scheduled Contract Date	Scheduled Transfer Date	Scheduled Transfer Price (¥ mm) (Note 3)
B-24	Imazaki Mansion N1	Higashi- osaka, Osaka	K.K. Nakayama	June 30, 2023	June 30, 2023	1,050

(ii). Overview of the Properties to Be Acquired

Prop. # (Note 1)	Real Estate in Trust (Property Name)	Location	Seller (Note 2)	Scheduled Contract Date	Scheduled Acquisition Date	Scheduled Acquisition Price (¥ mm) (Note 3)
B-45	Muse Ryogoku II	Sumida- ku, Tokyo	Godo Kaisha NRT Growth 17	June 30, 2023	July 14, 2023	630
B-46	Minami-Horie apartment Cielo	Osaka, Osaka				805
B-47	Minami-Horie apartment Grande	Osaka, Osaka				770
B-48	Minami-Horie apartment Rio	Osaka, Osaka				250
B-49	Plowland Horita	Nagoya, Aichi				1,375
B-50	Nasic Nozomigaoka	Nagoya, Aichi				695
Total						4,525

Note 1: “Prop. #.” 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.

Note 2: For details of the “Purchaser” and the “Seller”, please refer to “6. Overview of the Purchaser” and “7. Overview

of the Seller", respectively.

Note 3: "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.

2. Summary of Transactions

(i). Overview of the Transfer

Prop. #	Real Estate in Trust (Property Name)	Scheduled Transfer Price (¥ mm)	Assumed Book Value (Note 1) (¥ mm)	Gain (Loss) on Transfer (Note 2) (¥ mm)	Use of Funds	Brokerage	Settlement Method
B-24	Imazaki Mansion N1	1,050	1,255	▲204	Funds for the Acquisition	Yes (Note 3)	Lump sum payment on the transfer date

(ii). Overview of the Acquisition

Prop. #	Real Estate in Trust (Property Name)	Scheduled Acquisition Price (¥ mm) (Note 1)	Funds for Acquisition	Brokerage	Settlement Method
B-45	Muse Ryogoku II	630	Proceeds from the Transfer and cash on hand	No	Lump sum payment on the transfer date
B-46	Minami-Horie apartment Cielo	805			
B-47	Minami-Horie apartment Grande	770			
B-48	Minami-Horie apartment Rio	250			
B-49	Plowland Horita	1,375			
B-50	Nasic Nozomigaoka	695			
Total		4,525	-	-	-

Note 1: "Assumed Book Value" is the assumed book value as of the transfer date, which SRA calculated based on the book value as of the end of the 21st period (ended December 2022), capital expenditure and depreciation cost that are expected until transaction date. It is rounded down to the nearest million yen and the same shall apply hereinafter.

Note 2: "Gain (Loss) on Transfer" is the difference between the scheduled transfer price and the assumed book value. It is rounded down to the nearest million yen. It is the estimate as of today, and the amount may not be the same as the actual gain (loss) on transfer.

Note 3: The broker is a domestic general business company and does not fall under either the Interested Persons, Etc. or the interested party described in the "Interested Party Transaction Regulation," which is the internal rule of SRA.

3. Reason for Selecting the Transfer Property and the Acquisition Property

NIPPON REIT recognizes that it is an essential strategy to implement asset replacement with precise timing to maintain and improve portfolio competitiveness from a medium-to long-term perspective while expanding AUM.

(i). The Transfer Property was selected based on analyses conducted annually as "Tiering-PJ", as part of SRA's medium-to long-term management strategy.

Imazaki Mansion N1, the property to be transferred, has secured a certain level of income as it continued to maintain high occupancy rate through strong efforts on leasing. However, the property is over 24 years old and it will require additional investment in the future. Although the price offered by the purchaser is lower than the book value and appraisal value as of the end of December 2022, which is the end of the 21st Fiscal Period; it is possible to avoid the loss on transfer by transferring the property during the 21st Fiscal Period, the same period as ANTEX24 Building, whose transfer was completed on March 30, 2023. We also believe that reinvesting in properties which can generate stable earnings in the future will lead to an improvement in the quality of the entire portfolio, and it will contribute to maximize the profit of the unitholders.

(ii). The properties to be acquired are six residential properties owned by the bridge fund, Godo Kaisha NRT Growth 17, which NIPPON REIT has preferential negotiation rights

as an acquisition pipeline, and is in line with the investment policy of NIPPON REIT.

Muse Ryogoku II is located about a 7-minute walk from Ryogoku station on the JR Chuo and Sobu Lines, an 11-minute walk from Ryogoku station on the Toei Oedo Line, and an 11-minute walk from Morishita station on the Toei Shinjuku Line. The location is convenient for commuting, as it only takes about 11 minutes from Chuo/Sobu Line Ryogoku station to JR Tokyo station by changing trains at Akihabara station; and from Oedo Line Ryogoku station to Tokyo Metro Otemachi station, taking about 17 minutes transferring at Monzen-Nakacho station. It is in an area that is considered to have good living convenience with living facilities within a 10-minute walk.

Minami-Horie apartment Cielo, Minami-Horie apartment Grande, and Minami-Horie apartment Rio are located about 4 minutes on foot from Sakuragawa station on the Osaka Metro Sennichimae Line and Hanshin Namba Line, and about 7-minutes on foot to Nishi-Nagahori station on the Osaka Metro Sennichimae Line and Nagahori Tsurumiryokuchi Line. With excellent access to various parts of Osaka City, as well as proximity to Umeda, Honmachi, Namba, and Shinsaibashi, which are major business districts and downtown areas. These are urban residential properties located in an area considered to have high location preference.

Plowland Horita is located about 5 minutes on foot from Horita Station on the Meitetsu Nagoya Main Line and about 8 minute-walk from Horita station on the Nagoya Municipal Subway Meijo Line. From Horita station, Kanayama Station is 2 stations or 4 minutes away. Meitetsu Nagoya station is 4 stations or 10 minutes away. It is considered to have excellent access, close to the city center and has access to multiple stations and multiple lines. In addition, living facilities are available within a 10-minute walk, providing excellent living convenience and considered to be a favorable residential location.

Nasic Nozomigaoka is located about 9 minutes on foot from Fujigaoka station on the Nagoya Municipal Subway Higashiyama Line, about 23 minutes to Sakae station and about 30 minutes to Nagoya station without changing trains and are within walking distance from the care and convenience facilities. The area is expected to attract demand from singles and students who commute to the city center. In addition, since there are many universities and vocational schools in the vicinity of the subject property, it is believed that there will be a certain level of demand for condominiums for students.

As described above, we believe that property replacement of the Transfer Property and the Acquisition Property will contribute to optimize the capex plan and improve liquidity by stabilizing cash flow and lowering building age.

4. Summary of the Property to Be Transferred

B-24 Imazaki Mansion N1

(i). Overview of the Asset

Type of specified asset		Trust beneficiary interests in real estate			
Scheduled Transfer date		June 30, 2023			
Trustee		Mitsubishi UFJ Trust and Banking Corporation			
Trust establishment date		February 28, 2019			
Trust expiration date		The end of January 2029			
Location (Indication of residential address)		1-4-12 Nagatanaka, Higashiosaka, Osaka			
Land	Parcel number	1-60 Nagatanaka, Higashiosaka, Osaka			
	Building coverage ratio / Floor area ratio	100% (Note) / 400%			
	Use district	Commercial district			
	Site area	727.20 m ²			
	Type of ownership	Ownership			
Building	Construction completion	March, 1999			
	Structure / Floors	Steel-framed flat roof / 12F			
	Use	Residencial			
	Total floor space	3,733.63 m ²			
	Type of ownership	Ownership			
Master lease company		NIPPON REIT			
Type of master lease		Pass-through			
Appraisal value		1,230 million yen (as of December 31, 2022)			
Real estate appraiser		Japan Valuers Co., Ltd.			
PML		9.6%			
Collateral after acquisition		Not applicable			
Status of leasing					
	Leasable floor space	2,639.14 m ²			
	Leased floor space	2,531.08 m ²			
	Occupancy rate	92.5% (As of the end of Jan. 2023)	93.2% (As of the end of Feb. 2023)	96.6% (As of the end of Mar. 2023)	95.9% (As of the end of Apr. 2023)
	Total number of units	137			
	Occupancy rate by unit	92.0% (As of the end of Jan. 2023)	92.7% (As of the end of Feb. 2023)	96.4% (As of the end of Mar. 2023)	95.6% (As of the end of Apr. 2023)
	Total number of tenants	131			
	Total rent income (annual)	77 million yen			
	Deposits, etc.	15 million yen			
Special notations		Not applicable			

Note: 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.

(ii). Summary of the Appraisal Report

Property name	Imazaki Mansion N1
Appraisal value	1,230 million yen
Appraiser	Japan Valuers Co., Ltd.
Date of value	December 31, 2022

(Thousand yen)

	Details	Outline
Indicated value by income approach	1,230,000	
Direct capitalization method	1,240,000	
Gross operating revenue	84,123	
Potential gross income	87,782	
Total of vacancy losses, etc.	3,659	
Operating expenses	22,522	
Building management fees	2,700	Posted actual fees
Utilities	3,568	Posted actual fees.
Repairs and maintenance costs	1,455	Yearly average of repairs and maintenance costs indicated in ER.
Residence restoration costs	3,092	Determined that the appraisal amount obtained based on the actual results is standard.
Property management fees	1,605	Determined that the appraisal amount obtained based on the actual results is standard.
Construction management fees	224	Repair costs + capital expenditure - 3% of 1,000,000 yen.
Leasing cost	2,915	Determined that the appraisal amount obtained based on the actual results is standard.
Internet / locker rental	1,495	Posted actual fees
Taxes	4,381	Land: Assessed based on the actual amount in 2022 and determined that the amount assessed in the 11th year under the DCF method to be standard Building: Assessed based on the actual amount in 2022 and determined that the assessed value for the first year of the DCF method to be standard Depreciable Assets: 2022 actual amount.
Insurance	155	Posted actual fees
Others	927	Determined that the appraisal amount obtained based on the actual results is standard.
Net operating income	54,697	
Non-operating income	141	Determine a standard investment yield as 1.0%.
Capital expenditure	7,044	Yearly average of "Renewal costs" listed in the ER.
Net income	54,697	
Capitalization rate	4.4%	Based on the analysis of the discount rate in the DCF method, considering that the outlook for net income and sales price fluctuation forecasts are not included in the discount rate; and with reference to the yield example in "examples of transaction of similar real estate", the capitalization rate is assessed at 4.4%.
Discount cash flow method	1,220,000	
Discount rate	4.2%	Assessed a discount rate of 4.2%, reflecting market conditions and taking into consideration the individuality

			of the subject property.
	Terminal rate	4.6%	Earnings projections after the end of the holding period are more likely than current earnings projections. Uncertainty, capital expenditures may increase as buildings age should be considered. In this case, based on the characteristics of the real estate market and the potential of the target real estate, the relevant risk was judged in comparison with the capitalization rate, and the final capitalization rate was assessed as 4.6%.
	Indicated value based on cost approach	549,000	
	Proportion of land	77.2%	
	Proportion of building	22.8%	
	Other matters to which the appraiser paid attention in appraisal	None	

5. Summary of the Property to Be Acquired

(1) B-45 Muse Ryogoku II

(i). Overview of the Asset

Type of specified asset		Trust beneficiary interests in real estate			
Scheduled acquisition date		July 14, 2023			
Trustee		Mitsubishi UFJ Trust and Banking Corporation			
Trust establishment date		January 31, 2020			
Trust expiration date		The end of July 2033 (scheduled)			
Location (indication of residential address)		2-2-6, Ryogoku, Sumida-ku, Tokyo			
Land	Parcel number	2-14-4, Ryogoku, Sumida-ku, Tokyo			
	Building coverage ratio/ Floor area ratio	100% (Note1) /500%			
	Use district	Commercial district			
	Site area	190.41 m ²			
	Type of ownership	Ownership			
Building	Construction completion	November 2002			
	Structure / Floors	Steel-framed reinforced concrete, Reinforced concrete with flat roof, 10F			
	Use	Residential			
	Total floor space	996.62 m ²			
	Type of ownership	Ownership			
Master lease company		NIPPON REIT (scheduled)			
Type of master lease		Pass-through			
Appraisal value (effective date)		690 million yen (May 31, 2023)			
Real estate appraiser		JLL Morii Valuation & Advisory K.K.			
PML		7.3%			
Collateral after acquisition		Not applicable			
Status of leasing					
	Leasable floor space	850.51 m ²			
	Leased floor space	800.59 m ²			
	Occupancy rate	90.9% (As of the end of Jan. 2023)	94.1% (As of the end of Feb. 2023)	97.1% (As of the end of Mar. 2023)	94.1% (As of the end of Apr. 2023)
	Number of leasable units	34 units			
	Number of leased units	32 units			
	Occupancy rate (by unit)	91.2% (As of the end of Jan. 2023)	94.1% (As of the end of Feb. 2023)	97.1% (As of the end of Mar. 2023)	94.1% (As of the end of Apr. 2023)
	Total number of tenants	32			
	Total rent income (annual)	33 million yen			
	Deposits, etc.	1 million yen			
	Special notations	None			

Note: 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.

Property Characteristics	<p>located about a 7-minute walk from Ryogoku Station on the JR Chuo and Sobu Lines, an 11-minute walk from Ryogoku Station on the Toei Oedo Line, and an 11-minute walk from Morishita Station on the Toei Shinjuku Line. The location is convenient for commuting, as it only takes about 11 minutes from Chuo/Sobu Line Ryogoku Station to JR Tokyo Station by changing trains at Akihabara Station; and from Oedo Line Ryogoku Station to Tokyo Metro Otemachi Station, taking about 17 minutes transferring at Monzen-Nakacho Station. It is in an area that is considered to have good living convenience with living facilities within a 10-minute walk.</p> <p>Although the building has time-related deterioration, the quality, condition of maintenance and management of the property are the same level as those of the comparative properties with standard layouts and specifications. Therefore, stable demands can be expected, particularly among single persons within the same supply and demand area.</p>
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(ii). Photo and Map
Photo



Map



(iii). Summary of the Appraisal Report

Property name	Muse Ryogoku II
Appraisal value	690 million yen
Appraiser	JLL Morii Valuation & Advisory K.K.
Date of value	May 31, 2023

(Thousand yen)

	Details	Outline
Indicated value by income approach	690,000	Calculated the value by associating values based on the direct capitalization method and the DCF method.
Direct capitalization method	704,000	
Gross operating revenue	36,883	Assessed medium- to long-term stable rent, etc.
Potential gross income	38,328	
Total of vacancy losses, etc.	1,445	Assessed by considering the standard vacancy rate and the individuality of the property.
Operating expenses	8,183	
Building management fees	2,082	Assessed based on the actual performance with reference to the level of similar properties.
Utilities	1,235	Assessed based on the actual performance with reference to the level of similar properties.
Repairs and maintenance costs	546	Recorded 30% of the levelled amount based on our judgment that the estimated ER is reasonable.

	Restoration cost	695	
	Property management fees	693	Assessed based on the actual performance with reference to the level of similar properties.
	Leasing cost	1,039	1.5 months' worth of new monthly rent
	Contract renewal fee	364	0.5months' worth of new monthly rent
	Taxes	1,490	Land: Considered the change rate with the actual performance as the standard. Building: Assessed by taking into account age depreciation. Depreciable Assets: None
	Insurance	39	Determined that the presented estimates to be valid (equivalent to 0.02% of the replacement price).
	Others		
	Net operating income	28,700	
	Non-operating income	19	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	1,273	70% of the amount determined to be reasonable and standardized by ER estimate.
	Net income	27,446	
	Capitalization rate	3.9%	Assessed by adding the volatility risk of revenue and the principal to the discount rate.
	Discount cash flow method	676,000	
	Discount rate	3.7%	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 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	4.1%	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
	Indicated value based on cost approach	532,000	
	Proportion of land	89.8%	
	Proportion of building	10.2%	
Other matters to which the appraiser paid attention in appraisal		Considering the analysis of regional and other individual factors, the characteristics of the value by cost approach and its compatibility with the value by income approach and based on the relative liability of the materials used in each method, the value that best describes the actual market situation is determined to be the indicated value by income approach.	

(2) B-46 Minami-Horie apartment Cielo

(i). Overview of the Asset

Type of specified asset	Trust beneficiary interests in real estate	
Scheduled acquisition date	July 14, 2023	
Trustee	Mitsubishi UFJ Trust and Banking Corporation	
Trust establishment date	November 27, 2019	
Trust expiration date	The end of July 2033 (scheduled)	
Location (indication of residential address)	3-7-6, Minami-horie, Nishi-ku, Osaka, Osaka	
Land	Parcel number	3-15-6, Minami-horie, Nishi-ku, Osaka, Osaka and other 2 parcels
	Building coverage ratio/ Floor area ratio	90% (Note 1) / 480% (Note 2)

	Use district	Commercial district			
	Site area	327.47 m ²			
	Type of ownership	Ownership			
Building	Construction completion	February 2008			
	Structure / Floors	Reinforced concrete with flat roof,14F			
	Use	Residence			
	Total floor space	1,623.62 m ²			
	Type of ownership	Ownership			
Master lease company		NIPPON REIT (scheduled)			
Type of master lease		Pass-through			
Appraisal value (effective date)		882 million yen (May 31, 2023)			
Real estate appraiser		JLL Morii Valuation & Advisory K.K.			
PML		8.0%			
Collateral after acquisition		Not applicable			
Status of leasing					
	Leasable floor space	1,420.12 m ²			
	Leased floor space	1,385.16 m ²			
	Occupancy rate	94.7% (As of the end of Jan. 2023)	92.3% (As of the end of Feb. 2023)	97.5% (As of the end of Mar. 2023)	97.5% (As of the end of Apr. 2023)
	Number of leasable units	39 units			
	Number of leased units	38 units			
	Occupancy rate (by unit)	94.9% (As of the end of Jan. 2023)	92.3% (As of the end of Feb. 2023)	97.4% (As of the end of Mar. 2023)	97.4% (As of the end of Apr. 2023)
	Total number of tenants	38			
	Total rent income (annual)	42 million yen			
	Deposits, etc.	1 million yen			
Special notations		None			

Note 1: The building coverage ratio is essentially 80%, but it is increased up to 90% due to relaxation for a building on corner lot.

Note 2: The floor area ratio is essentially 600%, but it is decreased to 480% due to restriction of regulation regarding frontal road width.

Property Characteristics	<p>The property is 4-minute walk from the Sakuragawa station on the Osaka Metro Sennichimae Line and the Hanshin Nanba Line, and 7-minute walk from the Nishi-Nagahori station on the Osaka Metro Sennichimae Line and Nagahori Tsurumi Ryokuchi Line. This area has a high competitiveness as an urban residential area due to its high accessibility to major office districts and shopping districts in Osaka Prefecture such as Umeda, Namba and Shinsaibashi.</p> <p>The quality, condition of maintenance and management, layouts and specifications are at the same level as the comparative properties. In addition, the property allows tenants to have pets, and is considered to have firm demand in comparison with the comparative properties. There are park, veterinary hospital and café that allow pets in the surrounding area, satisfying the needs of pet owners. It is considered that the property has above average competitiveness within the same supply and demand area.</p>
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(ii). Photo and Map
Photo



Map



(iii). Summary of the Appraisal Report

Property name	Minami-Horie apartment Cielo
Appraisal value	882 million yen
Appraiser	JLL Morii Valuation & Advisory K.K.
Date of value	May 31, 2023

(Thousand yen)

	Details	Outline
Indicated value by income approach	882,000	Calculated the value by associating values based on the direct capitalization method and the DCF method.
Direct capitalization method	901,000	
Gross operating revenue	47,388	Assessed stable rent and other areas over the medium- and long-term based on the current terms and conditions.
Potential gross income	49,556	
Total of vacancy losses, etc.	2,168	Assessed by considering the standard vacancy rate and the individuality of the property.
Operating expenses	9,939	
Building management fees	1,797	Assessed based on the actual performance with reference to the level of similar properties.
Utilities	825	Assessed based on the actual performance with reference to the level of similar properties.
Repairs and maintenance costs	610	Recorded 30% of the levelled amount based on our judgment that the estimated ER is reasonable.
Property management fees	931	Assessed based on the actual performance with reference to the level of similar properties.
Leasing cost	1,674	2 months' worth of new monthly rent
Restoration cost	1,010	Assessed by taking into consideration the actual and move-out rate with reference to the level of similar properties.
Taxes	2,925	Land: Considered the change rate with the actual performance as the standard.

			Building: Assessed by considering age depreciation. Depreciable assets: None
	Insurance	68	Determined that the presented estimates to be valid (equivalent to 0.02% of the replacement price).
	Others	99	Posted actual fees.
	Net operating income	37,449	
	Non-operating income	17	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	1,424	70% of the amount determined to be reasonable and standardized by ER estimate.
	Net income	36,042	
	Capitalization rate	4.0%	Assessed by adding the volatility risk of revenue and the principal to the discount rate.
	Discount cash flow method	862,000	
	Discount rate	3.8%	Assessed by comprehensively considering 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 property, in addition to the standard basic yield in a region where the risk is deemed to be the lowest, considering interest rate trends for long-term JGBs and other instruments.
	Terminal rate	4.2%	Assessed by considering 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
	Indicated value based on cost approach	941,000	
	Proportion of land	84.4%	
	Proportion of building	15.6%	

Other matters to which the appraiser paid attention in appraisal

Considering the analysis of regional and other individual factors, the characteristics of the value by cost approach and its compatibility with the value by income approach and based on the relative liability of the materials used in each method, the value that best describes the actual market situation is determined to be the indicated value by income approach.

(3) B-47 Minami-Horie apartment Grande

(i). Overview of the Asset

Type of specified asset		Trust beneficiary interests in real estate
Scheduled acquisition date		July 14, 2023
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		November 27, 2019
Trust expiration date		The end of July 2033 (scheduled)
Location (indication of residential address)		3-7-4, Minami-horie, Nishi-ku, Osaka, Osaka
Land	Parcel number	3-39-2, Minami-horie, Nishi-ku, Osaka, Osaka and another parcel
	Building coverage ratio/ Floor area ratio	100% (Note 1) / 480% (Note 2)
	Use district	Commercial district
	Site area	295.69 m ²
	Type of ownership	Ownership
Building	Construction completion	February 2008
	Structure / Floors	Reinforced concrete with flat roof, 11F
	Use	Residential
	Total floor space	1,495.11 m ²

	Type of ownership	Ownership			
Master lease company		NIPPON REIT (scheduled)			
Type of master lease		Pass-through			
Appraisal value (effective date)		790 million yen (May 31, 2023)			
Real estate appraiser		JLL Morii Valuation & Advisory K.K.			
PML		10.7%			
Collateral after acquisition		Not applicable			
Status of leasing					
	Leasable floor space	1,248.70 m ²			
	Leased floor space	1,161.14 m ²			
	Occupancy rate	93.0% (As of the end of Jan. 2023)	89.0% (As of the end of Feb. 2023)	93.0% (As of the end of Mar. 2023)	93.0% (As of the end of Apr. 2023)
	Number of leasable units	30 units			
	Number of leased units	28 units			
	Occupancy rate (by unit)	93.3% (As of the end of Jan. 2023)	90.0% (As of the end of Feb. 2023)	93.3% (As of the end of Mar. 2023)	93.3% (As of the end of Apr. 2023)
	Total number of tenants	28			
	Total rent income (annual)	39 million yen			
	Deposits, etc.	1 million yen			
Special notations		None			

Note 1: 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.

Note 2: The floor area ratio is essentially 600%, but it is decreased to 480% due to restriction of regulation regarding frontal road width.

Property Characteristics	<p>The property is 4-minute walk from the Sakuragawa station on the Osaka Metro Sennichimae Line and the Hanshin Nanba Line, and 7-minute walk from the Nishi-Nagahori station on the Osaka Metro Sennichimae Line and Nagahori Tsurumi Ryokuchi Line. This area has a high competitiveness as an urban residential area due to its high accessibility to major office districts and shopping districts in Osaka Prefecture such as Umeda, Namba and Shinsaibashi.</p> <p>The quality, condition of maintenance and management, layouts and specifications are at the same level as the comparative properties. In addition, the property allows tenants to have pets, and is considered to have firm demand in comparison with the comparative properties. There are park, veterinary hospital and café that allow pets in the surrounding area, satisfying the needs of pet owners. It is considered that the property has above average competitiveness within the same supply and demand area.</p>
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(ii). Photo and Map
Photo



Map



(iii). Summary of the Appraisal Report

Property name	Minami-Horie apartment Grande
Appraisal value	790 million yen
Appraiser	JLL Morii Valuation & Advisory K.K.
Date of value	May 31, 2023

(Thousand yen)

	Details	Outline
Indicated value by income approach	790,000	Calculated the value by associating values based on the direct capitalization method and the DCF method.
Direct capitalization method	802,000	
Gross operating revenue	42,032	Assessed stable rent and other areas over the medium- and long-term based on the current terms and conditions.
Potential gross income	43,709	
Total of vacancy losses, etc.	1,677	Assessed by taking into account the standard vacancy rate and the individuality of the property.
Operating expenses	8,719	
Building management fees	1,738	Assessed based on the actual performance with reference to the level of similar properties that are considered appropriate.
Utilities	771	Assessed based on the actual performance with reference to the level of similar properties.
Repairs and maintenance costs	533	Recorded 30% of the levelled amount based on our judgment that the estimated ER is reasonable.
Property management fees	812	Assessed based on the actual performance with reference to the level of similar properties.
Leasing cost	1,416	2 months' worth of new monthly rent
Restoration cost	869	Assessed by taking into consideration the actual and move-out rate with reference to the level of similar properties.
Taxes	2,443	Land: considering the change rate with the actual performance as the standard. Building: Assessed by considering age depreciation. Depreciable Assets: None.
Insurance	61	Determined that the presented estimates to be valid (equivalent to 0.02% of the replacement price).

	Others	76	Posted actual fees.
	Net operating income	33,313	
	Non-operating income	15	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	1,244	70% of the amount determined to be reasonable and standardized by ER estimate.
	Net income	32,084	
	Capitalization rate	4.0%	Assessed by adding the volatility risk of revenue and the principal to the discount rate.
	Discount cash flow method	778,000	
	Discount rate	3.8%	Assessed by comprehensively considering 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 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 considering 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
	Indicated value based on cost approach	791,000	
	Proportion of land	83.6%	
	Proportion of building	16.4%	
Other matters to which the appraiser paid attention in appraisal		Considering the analysis of regional and other individual factors, the characteristics of the value by cost approach and its compatibility with the value by income approach and based on the relative liability of the materials used in each method, the value that best describes the actual market situation is determined to be the indicated value by income approach.	

(4) B-48 Minami-Horie apartment Rio

(i). Overview of the Asset

Type of specified asset		Trust beneficiary interests in real estate
Scheduled acquisition date		July 14, 2023
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		November 27, 2019
Trust expiration date		The end of July 2033 (scheduled)
Location (indication of residential address)		3-6-10, Minami-horie, Nishi-ku, Osaka, Osaka
Land	Parcel number	3-11-2, Minami-horie, Nishi-ku, Osaka, Osaka
	Building coverage ratio/ Floor area ratio	100% (Note 1) / 480% (Note 2)
	Use district	Commercial district
	Site area	157.95 m ²
	Type of ownership	Ownership
Building	Construction completion	February 2008
	Structure / Floors	Steel frame structure with alloy plated steel flat roof, 7F
	Use	Residential
	Total floor space	537.82 m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (scheduled)
Type of master lease		Pass-through

Appraisal value (effective date)	276 million yen (May 31, 2023)			
Real estate appraiser	JLL Morii Valuation & Advisory K.K.			
PML	13.5%			
Collateral after acquisition	Not applicable			
Status of leasing				
Leasable floor space	474.60 m ²			
Leased floor space	474.60 m ²			
Occupancy rate	100% (As of the end of Jan. 2023)	100% (As of the end of Feb. 2023)	100% (As of the end of Mar. 2023)	100% (As of the end of Apr. 2023)
Number of leasable units	10 units			
Number of leased units	10 units			
Occupancy rate (by unit)	100% (As of the end of Jan. 2023)	100% (As of the end of Feb. 2023)	100% (As of the end of Mar. 2023)	100% (As of the end of Apr. 2023)
Total number of tenants	10			
Total rent income (annual)	14 million yen			
Deposits, etc.	0 million yen			
Special notations	None			

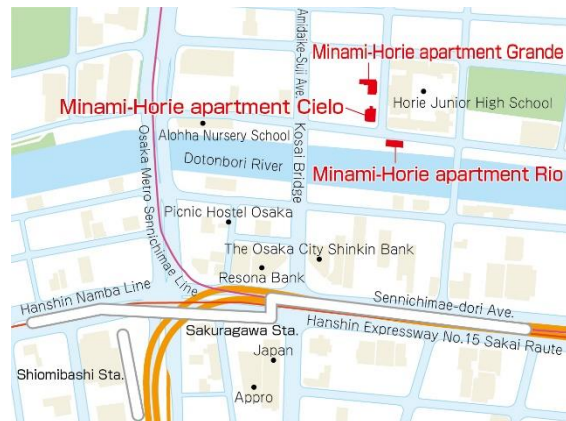
(Note1) The building coverage ratio is essentially 80%, but it is increased up to 100% due to relaxation for a building with fire-proof structures located within fire prevention district and commercial district.

Property Characteristics	<p>The property is 4-minute walk from the Sakuragawa station on the Osaka Metro Sennichimae Line and the Hanshin Nanba Line, and 7-minute walk from the Nishi-Nagahori station on the Osaka Metro Sennichimae Line and Nagahori Tsurumi Ryokuchi Line. This area has a high competitiveness as an urban residential area due to its high accessibility to major office districts and shopping districts in Osaka Prefecture such as Umeda, Namba and Shinsaibashi.</p> <p>The quality, condition of maintenance and management, layouts and specifications of the property are at the same level as the comparative properties. In addition, the property allows tenants to have pets, and is considered to have firm demand in comparison with the comparative properties. There are park, veterinary hospital and café that allow pets in the surrounding area, satisfying the needs of pet owners. It is considered that the property has above average competitiveness within the same supply and demand area.</p>
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(iii). Photo and Map
Photo



Map



(iii). Summary of the Appraisal Report

Property name	Minami-Horie apartment Rio	
Appraisal value	276 million yen	
Appraiser	JLL Morii Valuation & Advisory K.K.	
Date of value	May 31, 2023	
(Thousand yen)		
	Details	Outline
Indicated value by income approach	276,000	Calculated the value by associating values based on the direct capitalization method and the DCF method.
Direct capitalization method	281,000	
Gross operating revenue	15,942	Assessed stable rent and other areas over the medium- and long-term based on the current terms and conditions.
Potential gross income	16,678	
Total of vacancy losses, etc.	736	Assessed by taking into account the standard vacancy rate and the individuality of the property.
Operating expenses	4,223	
Building management fees	1,529	Assessed based on the actual performance that is considered appropriate with reference to the level of similar properties.
Utilities	224	Assessed based on the actual performance with reference to the level of similar properties.
Repairs and maintenance costs	209	Recorded 30% of the levelled amount based on our judgment that the estimated ER is reasonable.
Property management fees	307	Assessed based on the actual performance that is considered appropriate with reference to the level of similar properties.
Leasing cost	577	2 months' worth of new monthly rent
Restoration cost	338	Assessed by taking into consideration the actual and move-out rate with reference to the level of similar properties.
Taxes	989	Land: Considered the change rate with the actual performance as the standard Building: Assessed by considering age depreciation. Depreciable Assets: None
Insurance	25	Determined that the presented estimates to be valid (equivalent to 0.02% of the replacement price).
Others	25	Posted actual fees.
Net operating income	11,719	
Non-operating income	6	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	487	70% of the amount determined to be reasonable and standardized by ER estimate.
Net income	11,238	
Capitalization rate	4.0%	Assessed by adding the volatility risk of revenue and the principal to the discount rate.
Discount cash flow method	270,000	
Discount rate	3.8%	Assessed by comprehensively considering 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 property, in addition to the standard basic yield in a region where the risk is deemed to be the lowest, considering interest rate trends for long-term JGBs and other instruments.
Terminal rate	4.2%	Assessed by considering 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
Indicated value based on cost approach	379,000	
Proportion of land	87.1%	
Proportion of building	12.9%	

Other matters to which the appraiser paid attention in appraisal	Considering the analysis of regional and other individual factors, the characteristics of the value by cost approach and its compatibility with the value by income approach and based on the relative liability of the materials used in each method, the value that best describes the actual market situation is determined to be the indicated value by income approach.
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(5) B-49 Plowland Horita

(i). Overview of the Asset

Type of specified asset		Trust beneficiary interests in real estate			
Scheduled acquisition date		July 14, 2023			
Trustee		Mitsubishi UFJ Trust and Banking Corporation			
Trust establishment date		June 30, 2021			
Trust expiration date		The end of July 2033 (scheduled)			
Location (indication of residential address)		7-19, Horitadori Mizuhoku, Nagoya, Aichi			
Land	Parcel number	7-19, Horitadori Mizuhoku, Nagoya, Aichi			
	Building coverage ratio/ Floor area ratio	80% / 400%			
	Use district	Commercial district			
	Site area	955.23 m ²			
	Type of ownership	Ownership			
Building (Note3)	Construction completion	August 2008			
	Structure / Floors	Reinforced concrete with flat roof,10F			
	Use	Residential			
	Total floor space	4,191.36 m ²			
	Type of ownership	Ownership			
Master lease company		NIPPON REIT (scheduled)			
Type of master lease		Pass-through			
Appraisal value (effective date)		1,420 million yen (May 31, 2023)			
Real estate appraiser		JLL Morii Valuation & Advisory K.K.			
PML		5.5%			
Collateral after acquisition		Not applicable			
Status of leasing					
	Leasable floor space	3,564.00 m ²			
	Leased floor space	3,333.00 m ²			
	Occupancy rate	97.2% (As of the end of Jan. 2023)	96.3% (As of the end of Feb. 2023)	93.5% (As of the end of Mar. 2023)	93.5% (As of the end of Apr. 2023)
	Number of leasable units	108 units			
	Number of leased units	101 units			
	Occupancy rate (by unit)	97.2% (As of the end of Jan. 2023)	96.3% (As of the end of Feb. 2023)	93.5% (As of the end of Mar. 2023)	93.5% (As of the end of Apr. 2023)
	Total number of tenants	101			
	Total rent income (annual)	85 million yen			
	Deposits, etc.	6 million yen			

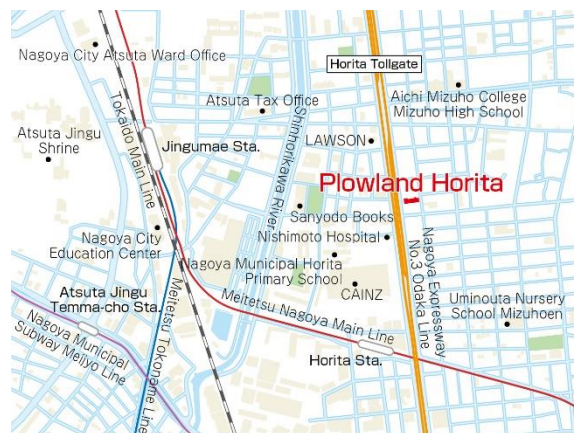
Special notations	None
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Property Characteristics	<p>The Property is located 5-minute walk from Horita Station on the Meitetsu Main Line and 8-minute walk from Horita Station on the Nagoya municipal Subway Meijo Line. It is excellent in metropolitan proximity from Horita Station to Kanayama Station for 2 stations 4 minutes and to Meitetsu Nagoya Station for 4 stations 10 minutes. Since multiple stations and multiple routes are available, it is considered that accessibility is excellent. Living facilities are located within a 10-minute walking distance, it is considered excellent environment as residential area with high living convenience.</p> <p>Although the building has time-related deterioration, the quality, condition of maintenance and management, layouts and specifications are at the same level as those of the comparative properties. Therefore, stable demands can be expected, particularly among single persons within the same supply and demand area.</p>
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(ii). Photo and Map
Photo



Map



(iii). Summary of the Appraisal Report

Property name	Plowland Horita
Appraisal value	1,420 million yen
Appraiser	JLL Morii Valuation & Advisory K.K.
Date of value	May 31, 2023

(Thousand yen)

	Details	Outline
Indicated value by income approach	1,420,000	Calculated the value by associating values based on the direct capitalization method and the DCF method.
Direct capitalization method	1,440,000	
Gross operating revenue	90,670	Assessed stable rent and other areas over the medium- and long-term.
Potential gross income	96,033	
Total of vacancy losses, etc.	5,363	Assessed by considering the standard vacancy rate and the individuality of the property.
Operating expenses	21,893	
Building management fees	2,982	Assessed based on the actual performance that is considered appropriate with reference to the level of similar properties.
Utilities	1,682	Assessed based on the actual performance with reference to the level of similar properties.
Repairs and maintenance costs	2,379	Recorded 30% of the levelled amount based on our judgment that the estimated ER is reasonable.

	Property management fees	1,762	Assessed based on the actual performance with reference to the level of similar properties.
	Leasing cost	3,399	2 months' worth of new monthly rent
	Contract renewal fee	877	0.5months' worth of new monthly rent
	Restoration cost	2,534	Assessed by taking into consideration the actual and move-out rate with reference to the level of similar properties.
	Taxes	5,402	Land: Considered the change rate with the actual performance as the standard Building: Assessed by considering age depreciation. Depreciable Assets: Assessed by considering age depreciation.
	Insurance	176	Determined that the presented estimates to be valid (equivalent to 0.01% of the replacement price).
	Others	700	Posted actual fees.
	Net operating income	68,777	
	Non-operating income	67	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	5,550	70% of the amount determined to be reasonable and standardized by ER estimate.
	Net income	63,294	
	Capitalization rate	4.4%	Assessed by adding the volatility risk of revenue and the principal to the discount rate.
	Discount cash flow method	1,390,000	
	Discount rate	4.2%	Assessed by comprehensively considering 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 property, in addition to the standard basic yield in a region where the risk is deemed to be the lowest, considering interest rate trends for long-term JGBs and other instruments.
	Terminal rate	4.6%	Assessed by considering 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
	Indicated value based on cost approach	1,270,000	
	Proportion of land	67.5%	
	Proportion of building	32.5%	
Other matters to which the appraiser paid attention in appraisal		Considering the analysis of regional and other individual factors, the characteristics of the value by cost approach and its compatibility with the value by income approach and based on the relative liability of the materials used in each method, the value that best describes the actual market situation is determined to be the indicated value by income approach.	

(6) B-50 Nasic Nozomigaoka

(i). Overview of the Asset

Type of specified asset		Trust beneficiary interests in real estate
Scheduled acquisition date		July 14, 2023
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		June 30, 2021
Trust expiration date		The end of July 2033 (scheduled)
Location (indication of residential address)		239 Nozomigaoka Meitoku Nagoya, Aichi
Land	Parcel number	239 Nozomigaoka Meitoku Nagoya, Aichi
	Building coverage ratio/ Floor area ratio	70% (Note 1) / 200%

	Use district	Category 2 residential area			
	Site area	997.32 m ²			
	Type of ownership	Ownership			
Building (Note3)	Construction completion	February 2006			
	Structure / Floors	Reinforced concrete with flat roof, 8F			
	Use	Residential			
	Total floor space	1,896.32 m ²			
	Type of ownership	Ownership			
Master lease company		NIPPON REIT (scheduled)			
Type of master lease		Pass-through			
Appraisal value (effective date)		747million yen (May 31, 2023)			
Real estate appraiser		JLL Morii Valuation & Advisory K.K.			
PML		2.9%			
Collateral after acquisition		Not applicable.			
Status of leasing					
	Leasable floor space	1,745.56 m ²			
	Leased floor space	1,578.28 m ²			
	Occupancy rate	94.5% (As of the end of Jan. 2023)	93.2% (As of the end of Feb. 2023)	80.8% (As of the end of Mar. 2023)	90.4% (As of the end of Apr. 2023)
	Number of leasable units	73 units			
	Number of leased units	66 units			
	Occupancy rate (by unit)	94.5% (As of the end of Jan. 2023)	93.2% (As of the end of Feb. 2023)	80.8% (As of the end of Mar. 2023)	90.4% (As of the end of Apr. 2023)
	Total number of tenants	66			
	Total rent income (annual)	44 million yen			
	Deposits, etc.	3 million yen			
Special notations		None			

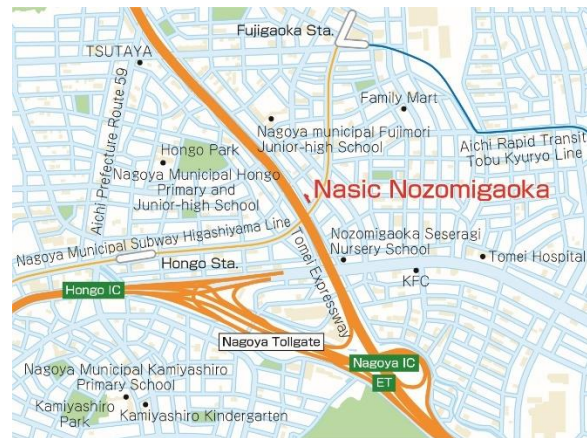
Note 1: The building coverage ratio is essentially 60%, but it is increased up to 70% due to corner lot.

Property Characteristics	<p>The Property is located approximately 9-minute walk from the Fujigaoka station on the Nagoya Municipal Subway Higashiyama Line which directly accessible to the Sakae station on the JR Line for approximately 23 minutes and to the Nagoya Station on JR Line for 30 minutes without change, there are certain demand from single employees and students commuting to the city center is expected based on the convenience in transportation as well as convenient living facilities within a walking distance.</p> <p>In addition, since there are many universities and vocational schools in the vicinity of the property, it is believed that there will be a certain level of demand for student apartments. The building is well maintained and managed, and equipped with security-conscious facilities such as auto-locks and TV monitor intercoms. It has certain competitiveness in the area.</p>
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(iii). Photo and Map
Photo



Map



(iii). Summary of the Appraisal Report

Property name	Nasic Nozomigaoka
Appraisal value	747 million yen
Appraiser	JLL Morii Valuation & Advisory K.K.
Date of value	May 31, 2023

(Thousand yen)

	Details	Outline
Indicated value by income approach	747,000	Calculated the value by associating values based on the direct capitalization method and the DCF method.
Direct capitalization method	760,000	
Gross operating revenue	52,815	Assessed stable rent and other areas over the medium- and long-term.
Potential gross income	55,000	
Total of vacancy losses, etc.	2,185	Assessed by considering the standard vacancy rate and the individuality of the property.
Operating expenses	16,480	
Building management fees	6,588	Assessed based on the actual performance that is considered appropriate with reference to the level of similar properties.
Utilities	1,709	Assessed based on the actual performance with reference to the level of similar properties.
Repairs and maintenance costs	1,251	Recorded 30% of the levelled amount based on our judgment that the estimated ER is reasonable.
Property management fees	1,939	Assessed based on the actual performance with reference to the level of similar properties.
Restoration cost	1,470	Assessed by taking into consideration the actual and move-out rate with reference to the level of similar properties.
Taxes	2,395	Land: Considered the change rate with the actual performance as the standard Building: Assessed by considering age depreciation. Depreciable Assets: Assessed by considering age depreciation.
Insurance	77	Determined that the presented estimates to be valid (equivalent to 0.02% of the replacement price).
Others	1,051	Posted actual fees.
Net operating income	36,335	
Non-operating	39	Assessed by multiplying the amount obtained by deducting

	income		guarantee deposits for vacant rooms from room guarantee deposits for the time of full occupancy by a 1.0% yield.
	Capital expenditure	2,919	70% of the amount determined to be reasonable and standardized by ER estimate.
	Net income	33,455	
	Capitalization rate	4.4%	Assessed by adding the volatility risk of revenue and the principal to the discount rate.
	Discount cash flow method	733,000	
	Discount rate	4.2%	Assessed by comprehensively considering 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 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 considering 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
	Indicated value based on cost approach	574,000	
	Proportion of land	74.5%	
	Proportion of building	25.5%	
Other matters to which the appraiser paid attention in appraisal		Considering the analysis of regional and other individual factors, the characteristics of the value by cost approach and its compatibility with the value by income approach and based on the relative liability of the materials used in each method, the value that best describes the actual market situation is determined to be the indicated value by income approach.	

5. Explanation of matters stated in "4. Summary of the Property to Be Transferred" and "5. Summary of the Properties 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 JLL Morii Valuation & Advisory K.K. and Japan Valuers Co., Ltd. The value is rounded down to the nearest million yen. The appraisal value does not guarantee or promise the possibility of current or future transaction at the appraisal value. 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 dR Co., Ltd., 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 April 2023, 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 April 2023 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 April 2023. 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 April 2023. 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 units to number of leasable units, 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 April 2023.
- “Number of leased units” for residence is the number of units actually leased to end tenants under the lease contract of the to-be-transferred and to-be-acquired asset as of the end of April 2023.
- “Unit occupancy rate” is the ratio of the number of leased units to the number of leasable units for the to-be-transferred and 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 each property as of the end of April 2023. 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 April 2023 (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 April 2023 (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 as of the end of April 2023 (limited to the tenant leasehold and security deposits based on the lease agreement for the leasing space occupied as of the same date), 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 April 2023, if any, are indicated.
- “Property 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, etc. 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 rent-free period is not considered (excludes consumption taxes).

6. Overview of Purchaser

Name	K.K. Nakayama
Location	4-11-20 Nishishinjuku, Shinjuku-ku, Tokyo
Title and name of representative	CEO Eiji Toyokawa
Capital	10 thousandyen
Date of establishment	September 16, 2020
Description of business	1. Buying, selling, leasing, and managing real estate 2. Investment business 3. Holding and management of securities and stocks 4. All business related to the preceding items
Net assets	Not disclosed (Note)
Total assets	Not disclosed (Note)
Major shareholders and shareholding ratio	Not disclosed (Note)
Relationship with NIPPON REIT or SRA	
Capital, Personnel, and Business Relationships	There is no capital, personnel, or business relationships that should be noted between NIPPON REIT or SRA, and the company. In addition, there are no noteworthy capital, personnel, or business relationships between related parties or affiliated companies of NIPPON REIT or SRA, and the company.
Related-party status	The company does not fall under the category of a related party of NIPPON REIT or SRA. In addition, related parties and affiliated companies of the company do not fall under the category of related parties of NIPPON REIT or SRA.

Note: Not disclosed as the consent of Purchaser has not been obtained.

7. Overview of Seller

Name	Godo Kaisha NRT Growth 17
Location	AOJ tax Co. 4-2-10 Nihombashi, Chuo-ku, Tokyo
Title and name of representative	Representative Member: Ippan Shadan Hojin NRT Growth 17 Person to Execute Duties: Takahito Idesawa
Capital	100 thousand yen
Other equity investor in silent partnership	Not disclosed (Note)
Date of establishment	May 24, 2021
Main business	1. Acquisition, holding and disposition of trust beneficiary interests in real estate 2. Acquisition, holding, disposition, leasing, and management of real estate 3. All other work incidental to the above items
Relationship with NIPPON REIT or SRA	
Capital, Personnel, and Relationships	As of today, there is no capital or personnel relationships that should be noted between NIPPON REIT or SRA and the company. In addition, there are no noteworthy capital or personnel relationships between related parties or affiliated companies of NIPPON REIT or SRA and related parties or affiliated companies of the company.
Business Relationship	The company is the operator of a silent partnership in which NIPPON REIT makes a silent partnership equity investment (50 million yen). For details of the silent partnership equity interest, please refer to the "Notice Concerning Acquisition of Asset (Silent Partnership Equity Interest) (Godo Kaisha NRT Growth 17)" announced on June 29, 2021.

Related-party Status	The company does not fall under the category of related party of NIPPON REIT or SRA. In addition, related parties and affiliated companies of the company do not fall under the category of related parties of NIPPON REIT or SRA.
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Note: Not disclosed because consent has not been obtained from other equity investor in silent partnership.

8. Future Outlook

The impact of the Transaction on the management status of the fiscal period ending June 2023 (from January 1, 2023 to June 30, 2023) and fiscal period ending December 2023 (from July 1, 2023 to December 31, 2023) announced in the “Summary of Financial Results for the Fiscal Period Ended December 31, 2023 (REIT)” dated February 16, 2023 will be minimal, and there will be no change to the forecast.

Reference: Forecast of Management Status for Fiscal Period Ending June 2023 (Announced on February 16, 2023) and Results for the Previous Fiscal Period

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Cash Distributions per Unit (excl. cash distributions in excess of earnings per unit)	Cash Distributions in Excess of Earnings per Unit
	Yen in millions	Yen in millions	Yen in millions	Yen in millions	Yen	Yen
Current Forecast (Fiscal Period Ending June 2023)	8,674	4,410	3,721	3,720	8,269	—
Previous Fiscal Period Results (Fiscal Period Ending December 2022)	8,547	4,442	3,774	3,773	8,387	—

< Attachment >

Reference List of properties (after the Transfer)

Ppty no.	Real estate in trust (Property name)	Location	(Scheduled) Acquisition date	(Expected) Acquisition price (Note1)	
				Price (¥mm)	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	2.5
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	5.4
A-8	FORECAST Sakurabashi	Chuo ward, Tokyo	April 24, 2014	5,760	2.2
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	0.6
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-39	Itohpia Kiyosubashidori Building	Taito ward, Tokyo	February 12, 2015	1,550	0.6
A-41	I-S Minamimorimachi Building	Osaka, Osaka	February 12, 2015	2,258	0.9

Ppty no.	Real estate in trust (Property name)	Location	(Scheduled) Acquisition date	(Expected) Acquisition price (Note1)	
				Price (¥mm)	Ratio (%)
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	2.5
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	0.5
A-58	Towa Kandanishikicho Building	Chiyoda ward, Tokyo	July 3, 2018	960	0.4
A-59	Yusen Higashi-Nihombashi Ekimae Building	Chuo ward, Tokyo	July 3, 2018	1,152	0.4
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-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	FORECAST Kameido	Koto ward, Tokyo	February 27, 2019	2,580	1.0
A-68	NRT Kandasudacho 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
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	1,200	0.5
A-74	REID-C Iidabashi Building	Chiyoda ward, Tokyo	August 31, 2021	1,195	0.5
A-75	REID-C Gotenyama Building	Shinagawa ward, Tokyo	August 31, 2021	1,040	0.4

Ppty no.	Real estate in trust (Property name)	Location	(Scheduled) Acquisition date	(Expected) Acquisition price (Note1)	
				Price (¥mm)	Ratio (%)
Office: 61 properties			Sub total	180,330	70.1
B-1	Tower Court Kitashinagawa	Shinagawa ward, Tokyo	March 29, 2011	11,880	4.6
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	0.2
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 Nihombashi Hakozaki	Chuo ward, Tokyo	July 3, 2018	1,300	0.5
B-12	Primegate Iidabashi (Note3)	Shinjuku ward, Tokyo	July 3, 2018	5,200	2.0
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 (Note4)	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	0.9
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-25	L'arte Nakatsu	Osaka, Osaka	October 30, 2020	565	0.2
B-26	City hills Andoji	Osaka, Osaka	October 30, 2020	1,750	0.7
B-27	Hermitage Shin-sakae	Nagoya, Aichi	October 30, 2020	1,150	0.4
B-28	Sun ・ Meiekininami Building	Nagoya, Aichi	October 30, 2020	950	0.4
B-29	Tenjinhigashi residence	Fukuoka, Fukuoka	October 30, 2020	913	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	0.4

Ppty no.	Real estate in trust (Property name)	Location	(Scheduled) Acquisition date	(Expected) Acquisition price (Note1)	
				Price (¥mm)	Ratio (%)
B-32	Mullion Josai	Nagoya, Aichi	November 20, 2020	729	0.3
B-33	MAISON Dino	Sumida ward, Tokyo	February 26, 2021	700	0.3
B-34	Meister house Kawasaki	Kawasaki, Kanagawa	February 26, 2021	709	0.3
B-35	LIESSE Tsurumai	Nagoya, Aichi	February 26, 2021	1,082	0.4
B-36	Komatsubara Yamamoto Mansion	Kagoshima, Kagoshima	February 26, 2021	670	0.3
B-37	Belleza Kanayama	Nagoya, Aichi	March 1, 2021	702	0.3
B-38	Sylphide Higashi-shinagawa	Shinagawa ward, Tokyo	August 31, 2021	961	0.4
B-39	Royal Bloom	Saitama, Saitama	August 31, 2021	1,100	0.4
B-40	Ever Square Doshin	Osaka, Osaka	August 31, 2021	609	0.2
B-41	Zeku Benten	Osaka, Osaka	August 31, 2021	506	0.2
B-42	Canis Court Kamishinjo	Osaka, Osaka	August 31, 2021	1,359	0.5
B-43	Imperial Otori	Sakai, Osaka	August 31, 2021	845	0.3
B-44	MAISON NISHI MAGOME	Ota ward, Tokyo	March 30, 2023	791	0.3
B-45	Muse Ryogoku II	Sumida ward, Tokyo	July 14, 2023	630	0.2
B-46	Minami-Horie apartment Cielo	Osaka, Osaka	July 14, 2023	805	0.3
B-47	Minami-Horie apartment Grande	Osaka, Osaka	July 14, 2023	770	0.3
B-48	Minami-Horie apartment Rio	Osaka, Osaka	July 14, 2023	250	0.1
B-49	Plowland Horita	Nagoya, Aichi	July 14, 2023	1,375	0.5
B-50	Nasic Nozomigaoka	Nagoya, Aichi	July 14, 2023	695	0.3
Residential: 48 properties			Sub total	68,728	26.7
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
111 properties			Total	257,179	100.0

Note 1 (Expected) 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 4F) 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

*NIPPON REIT Investment Corporation website: <https://www.nippon-reit.com/en>

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