

September 11, 2023

To All Concerned Parties

REIT Issuer: Daiwa Securities Living Investment Corporation
6-2-1 Ginza, Chuo-ku, Tokyo 104-0061
Yoshio Urata, Executive Director
(Securities Code: 8986)
Asset Manager: Daiwa Real Estate Asset Management Co. Ltd.
Yoshiki Nishigaki, President and Chief Executive Officer
Inquiries: Kentaro Azumi, General Manager, Corporate Division
Tel: +81-3-6757-9680

Notice Concerning Acquisition of Domestic Real Estate (Alpha Square Minami6jo) and Disposition of Domestic Trust Beneficiary Interests and Domestic Real Estate (Rental Housing 9 Properties and Healthcare Facility 8 Properties)

Daiwa Securities Living Investment Corporation. (hereinafter referred to as the “Investment Corporation”) hereby announces that Daiwa Real Estate Asset Management Co. Ltd. (hereinafter referred to as the “Asset Manager”), the asset manager of the Investment Corporation, has resolved to acquire and dispose of the following assets (hereinafter referred to as the “Acquisition” and the “Disposition” respectively, referred to as the “Transaction” collectively). Details are provided below.

I. General Outline of the Transaction

(i) Acquisition

A general outline of the asset to be acquired is detailed in the table below. As of September 11, 2023, the Investment Corporation has concluded purchase and sale agreements with the seller for the asset to be acquired, which is scheduled for acquisition on September 29, 2023.

Name of property	Location	Property type (Note 1)	Anticipated acquisition price (A) (JPY thousand) (Note 2) (Note 3)	Appraisal value (as of August 2023) (B) (JPY thousand) (Note 3)	Difference between anticipated acquisition price and appraisal value (B) - (A) (JPY thousand) ((A)/(B)) (Note 3)	Seller
Alpha Square Minami6jo (Note 4)	Sapporo, Hokkaido	Residence (Studio)	1,610,000	1,650,000	40,000 (97.6%)	Alpha Court co.,Ltd.

(Note 1) “Studio type” refers to residences in the 1R, 1K, 1DK, and 1LDK layouts. “Family type” refers to residences in the 2K, 2DK, 2LDK, and above layouts. If there are multiple types of residences are mixed in one building, they are classified as belonging to the type with the largest number of units.

(Note 2) Anticipated acquisition price does not include acquisition expenses, adjustments to property tax and city planning tax, and consumption tax and local consumption tax. The same applies hereinafter.

(Note 3) Amounts are rounded to the nearest unit and percentages are rounded to the first decimal place. Unless stated otherwise, the same applies hereinafter.

(Note 4) The name of the property will be changed from “Alpha Square Minami6jo” to “Gran Casa Minami6jo” on November 1, 2023.

(Note 5) The intermediary of the Acquisition does not correspond to the interested party.

(ii) Disposition

A general outline of the assets to be disposed is detailed in the table below. As of September 11, 2023, the Investment Corporation has concluded purchase and sale agreement with each transferees for the disposition of each asset to be disposed, and the disposition is scheduled to take place on each disposal date.

No.	Name of property (Location)	Book value (as of the end of March 2023) (A) (JPY thousand)	Appraisal value (as of the end of March 2023) (B) (JPY thousand)	Difference between book value and appraisal value (B) - (A) (JPY thousand)	Anticipated disposition Price (JPY thousand) (Note1) (Note2)	Profit or Loss on Transfer (JPY thousand) (Note3)	Scheduled disposal date
1	Palais d'or Maruyama (Sapporo, Hokkaido)	568,658	1,150,000	581,341	1,150,000	542,406	Sep 29, 2023
2	Sky Hills Sakaecho4 (Chitose, Hokkaido)	838,555	990,000	151,444	15,218,000	1,395,349	Sep 27, 2023
3	Dormy Chitose (Chitose, Hokkaido)	480,295	509,000	28,704			

4	Turkey's Denen-Chofu No.2 (Ota-ku, Tokyo)	261,993	330,000	68,006			
5	MGA Kanamachi (Katsushika-ku, Tokyo)	476,412	522,000	45,587			
6	Gran Casa Gokiso (Nagoya, Aichi)	1,027,898	1,600,000	572,101			
7	Verger Hirakata (Hirakata, Osaka)	1,483,140	1,590,000	106,859			
8	Minna-no-ie Chuo-ku En'nami (Saitama, Saitama)	806,559	884,000	77,440			
9	Mumin Omiya-kita (Saitama, Saitama)	740,739	746,000	5,260			
10	Sompo no ie Toyonaka-Minamisone (Toyonaka, Osaka)	855,781	837,000	(18,781)			
11	Nichii Care Center Fukushima Omori (Fukushima, Fukushima)	309,208	357,000	47,791			
12	Sawayaka Obatake Sanbankan (Kitakyushu, Fukuoka)	322,846	348,000	25,153			
13	Sawayaka Riverside Kurinoki (Niigata, Niigata)	285,963	311,000	25,036			
14	Sky Hills Takadai I (Chitose, Hokkaido)	437,360	513,000	75,639			
15	Colonnade Kasuga (Bunkyo-ku, Tokyo)	3,194,759	2,860,000	(334,759)			Oct 2, 2023
16	Alpha Living Okayama Korakuen (Okayama, Okayama)	602,434	655,000	52,565			
17	Gran Casa Daikan-Cho (Nagoya, Aichi)	1,159,274	1,710,000	550,725			Oct 31, 2023
	Total	13,851,884	15,912,000	2,060,115	16,368,000	1,937,756	

(Note 1) The anticipated disposition price excludes disposition-related costs, fixed asset tax and city planning tax adjustments and national and local consumption taxes; the same shall apply hereinafter.

(Note 2) Of the assets to be disposed, the disposal associated with items No. 2 through No. 17 (hereinafter referred to as the "Bulk Transaction") is based on a single sale agreement to the same transferee. Since the anticipated disposition price is also agreed upon based on a single sale agreement, and the anticipated disposition price for each property is required by the transferee to be undisclosed as an essential condition of this disposal, only the anticipated disposition price for the total of 16 properties is shown. Some of the anticipated disposition prices for each property are below the book value and/or appraisal value as of March 31, 2023. However, as described in II. Reason of the Transaction below, the aggregate anticipated disposition price of the 16 properties subject to the Bulk Transaction, which is a single transaction, is considerably higher than both the total book value and the total appraisal value. Therefore, we have determined that the disposal of the assets to be disposed of under these conditions is in the best interests of the Investment Corporation's unitholders.

(Note 3) The profit or loss on transfer is a reference figure calculated as the difference between the anticipated disposition price, book value and disposition-related expenses at the time, and may differ from the actual profit or loss on transfer.

(Note 4) Figures are rounded down to the nearest whole unit and ratios are rounded off to the first decimal place.

(Note 5) The intermediary of the Disposition does not correspond to the interested party.

(Note 6) The transferees in the Disposition are two domestic business corporations, and neither fall under the category of "interested party, etc." under the Enforcement Order of the Law Concerning Investment Trusts and Investment Corporations, nor do they fall under the category of "interested party, etc." as stipulated in the Rules for Transactions with Interested Persons, which are the internal rules of the Asset Manager. For details, please refer to "IV. Profile of the Counterparty" below.

II. Reason of the Transaction

Based on the asset management objectives and policies set forth in the Investment Corporations Agreement, the Transaction was decided in order to ensure steady growth of assets under management and stable earnings over the medium to long term.

Regarding the Acquisition, we have decided to acquire the asset to be acquired in order to diversify and enhance our portfolio to secure stable earnings. In addition, the tenant of the asset to be acquired meet the tenant selection criteria outlined in the Investment Corporation's Management System Report dated June 29, 2023.

Regarding the Disposition, we made the decision of properties subject to disposition after comprehensively considering the prospects for future profitability, the size and location of the properties, and current trends in the real estate sales market, among other factors. As a result of discussions with prospective transferees, including multiple intermediaries, about the conditions of sale, etc., we received offers with conditions for disposal that were expected to exceed the most recent book value and real estate appraisal value by a considerable amount in total. Therefore, after negotiations with the prospective transferees who offered the highest price, and as a result of reaching agreement on such terms, we decided to dispose of the properties. Although the anticipated disposition prices of some properties in the Bulk Transaction are below the most recent book value and/or appraisal value of the properties to be disposed of, the total value of the properties exceeds the most recent book value and appraisal value of the properties by a considerable amount. Also, with regard to the terms of sale of the Bulk

Transaction, as mentioned above, we reached an agreement as a result of negotiations with the transferees that offered the highest price after discussing with prospective transferees, including multiple intermediaries, and therefore we have determined that the terms of the Bulk Transaction are appropriate and in the interests of the Investment Corporation's unitholders. The Investment Corporation believes that by disposing of the properties to be disposed of at the appropriate timing and price, the profit from the sale of the disposed assets will be returned to unitholders as distributions, and will also be used flexibly, for example, to fund the future acquisition of properties, which will lead to an increase in unitholder value.

【Individual Reasons for the Disposition】

No.	Name of property	Location	Building age (Note1)	Percentage of portfolio (appraisal value base) (Note1)	Reasons for disposition
1	Palais d'or Maruyama	Sapporo, Hokkaido	33 years	0.25%	<ul style="list-style-type: none"> Comparing the property's age with the average age of the portfolio as a whole (14.1 years as of March 31, 2023; hereinafter the same), the disposal will contribute to portfolio renewal.
2	Sky Hills Sakaecho4	Chitose, Hokkaido	21 years	0.22%	<ul style="list-style-type: none"> Comparing the property's age with the average age of the portfolio as a whole, given that the property's asset scale makes up only a low percentage of the overall portfolio, and comparing its location to the location composition of the overall portfolio, the disposal will contribute to the renewal of the portfolio and the efficiency of SG&A expenses related to operations.
3	Dormy Chitose	Chitose, Hokkaido	24 years	0.11%	<ul style="list-style-type: none"> Comparing the property's age with the average age of the portfolio as a whole, given that the property's asset scale makes up only a low percentage of the overall portfolio, and comparing its location to the location composition of the overall portfolio, the disposal will contribute to the renewal of the portfolio and the efficiency of SG&A expenses related to operations.
4	Turkey's Denen-Chofu No.2	Ota-ku, Tokyo	34 years	0.07%	<ul style="list-style-type: none"> Comparing the property's age with the average age of the portfolio as a whole and considering that the property's asset scale makes up only a low percentage of the overall portfolio, the disposal will contribute to the renewal of the portfolio and the efficiency of SG&A expenses related to operations.
5	MGA Kanamachi	Katsushika-ku, Tokyo	32 years	0.12%	<ul style="list-style-type: none"> Comparing the property's age with the average age of the portfolio as a whole and considering that the property's asset scale makes up only a low percentage of the overall portfolio, the disposal will contribute to the renewal of the portfolio and the efficiency of SG&A expenses related to operations.

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

6	Gran Casa Gokiso	Nagoya, Aichi	32 years	0.35%	<ul style="list-style-type: none"> Comparing the property's age with the average age of the portfolio as a whole, the disposal will contribute to the renewal of the portfolio.
7	Verger Hirakata	Hirakata, Osaka	16 years	0.35%	<ul style="list-style-type: none"> Comparing the property's location to the location composition of the overall portfolio, the disposal will contribute to enhancing portfolio quality.
8	Minna-no-ie Chuo-ku En'nami	Saitama, Saitama	9 years	0.20%	<ul style="list-style-type: none"> Considering that the property's asset scale makes up only a low percentage of the overall portfolio, the disposal will contribute to the efficiency of SG&A expenses related to operations.
9	Mumin Omiya-kita	Saitama, Saitama	10 years	0.17%	<ul style="list-style-type: none"> Considering that the property's asset scale makes up only a low percentage of the overall portfolio, the disposal will contribute to the efficiency of SG&A expenses related to operations.
10	Sompo no ie Toyonaka-Minamisone	Toyonaka, Osaka	22 years	0.19%	<ul style="list-style-type: none"> Comparing the property's age with the average age of the portfolio as a whole, given that the property's asset scale makes up only a low percentage of the overall portfolio, and comparing its location to the location composition of the overall portfolio, the disposal will contribute to the renewal of the portfolio and the efficiency of SG&A expenses related to operations.
11	Nichii Care Center Fukushima Omori	Fukushima, Fukushima	16 years	0.08%	<ul style="list-style-type: none"> Given that the property's asset scale makes up only a low percentage of the overall portfolio and comparing its location to the location composition of the overall portfolio, the disposal will contribute to the efficiency of SG&A expenses related to operations.
12	Sawayaka Obatake Sanbankan	Kitakyushu, Fukuoka	11 years	0.08%	<ul style="list-style-type: none"> Given that the property's asset scale makes up only a low percentage of the overall portfolio and comparing its location to the location composition of the overall portfolio, the disposal will contribute to the efficiency of SG&A expenses related to operations.
13	Sawayaka Riverside Kurinoki	Niigata, Niigata	13 years	0.07%	<ul style="list-style-type: none"> Given that the property's asset scale makes up only a low percentage of the overall portfolio and comparing its location to the location composition of the overall portfolio, the disposal will contribute to the efficiency of SG&A expenses related to operations.
14	Sky Hills Takadai I	Chitose, Hokkaido	31 years	0.11%	<ul style="list-style-type: none"> Comparing the property's age with the average age of the portfolio as a whole, given that the property's asset scale makes up only a low percentage of the overall portfolio, and comparing its

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

					location to the location composition of the overall portfolio, the disposal will contribute to the renewal of the portfolio and the efficiency of SG&A expenses related to operations.
15	Colonnade Kasuga	Bunkyo-ku, Tokyo	31 years	0.63%	• Comparing the property's age with the average age of the portfolio as a whole, the disposal will contribute to the renewal of the portfolio.
16	Alpha Living Okayama Korakuen	Okayama, Okayama	34 years	0.15%	• Comparing the property's age with the average age of the portfolio as a whole, and comparing its location to the location composition of the overall portfolio, the disposal will contribute to the renewal of the portfolio.
17	Gran Casa Daikan-Cho	Nagoya, Aichi	37 years	0.38%	• Comparing the property's age with the average age of the portfolio as a whole, the disposal will contribute to the renewal of the portfolio.

(Note 1) Based on March 31, 2023.

(Note 2) Of the assets to be disposed, the anticipated disposition prices of Nos. 5, 9, 10, 12 and 16 are less than the book value as of March 31, 2023, and the anticipated disposition prices of Nos. 4, 5, 6, 7, 8, 9, 10, 12, 13 and 16 are less than the appraisal value as of March 31, 2023. However, as stated in II. Reason of the Transaction, the sum total significantly exceeds the most recent book value and real estate appraisal value, and we have therefore determined that the terms of the Bulk Transaction are appropriate and will contribute to the interests of the Investment Corporation's unitholders. Anticipated acquisition price does not include acquisition expenses, adjustments to property tax and city planning tax, and consumption tax and local consumption tax. The same applies hereinafter.

III. Details of the Transaction

(i) Details of Asset to Be Acquired

The details of the asset to be acquired are summarized in the following individual property tables. The description of the items mentioned in the individual property tables is as follows.

<Description of Items>

a. Explanation of Overview of Properties

1. "Location (residential indication)" is stated based on the residential indication in principle. Where residential indication is not shown, building location (if there is more than one, the location of one of the buildings) is shown in accordance with either the housing number indication or the registry (including the Registration Record; the same applies hereinafter).
2. "Form of ownership" for both Land and Building refers the type of rights held by the Investment Corporation for real estate and by the Trustee for real estate trust beneficiary interests.
3. "Zoning" for Land refers to the types of use districts stipulated by Item 1, Paragraph 1, Article 8 of the City Planning Act (Law No. 100 of 1968, including later amendments) (hereinafter referred to as the "City Planning Act").
4. "Area" for Land is shown in accordance with the registry and may not correspond to the current reality.
5. "FAR" for Land refers to the ratio of the sum of the floor space of the building to the land area as stipulated in Article 52 of the Building Standards Act (Law No. 201 of 1950, including later amendments) (hereinafter referred to as the "Building Standards Act"), and the upper limit of floor-to-area ratio (designated floor-to-area ratio) as determined by city planning according to the use area. The designated floor-to-area ratio can be mitigated, increased, or reduced due to the width of roads connected to the site and other reasons, and may differ from the floor-to-area ratio that is actually in use.
6. "Building-to-land ratio" for Land shows the ratio of the building area to the land area as stipulated in Article 53 of the Building Standards Act, and the upper limit of building-to-land ratio (designated building-to-land ratio) as determined by city planning according to the use area. The designated building-to-land ratio can be mitigated, increased, or reduced due to fireproofed structures in a fire prevention districts and other factors, and may differ from the building-to-land ratio that is actually in use.
7. "Use" for Building refers to the building type recorded in the registry.

8. "Structure/Floors" for Building is based on records in the registry.
9. "Number of leasable units" (in the case of residence) indicates the number of units that can be leased as of July 31, 2023 for the Asset to Be Acquired.
10. "Number of leasable compartments" (in case of healthcare facilities) indicates the number of compartments of a building where a lease contract has been concluded, and includes retail stores, offices, etc., if any.
11. "Total floor area" for Building is based on records in the registry and does not include the floor area of annexed buildings.
12. "Construction completion" for Building refers to the date of completion recorded in the registry.
13. "Estimated emergency repair expenses," "Estimated short-term repair expenses," and "Estimated long-term repair expenses" are rounded down to the thousands, while ratios are rounded to the first decimal place.
14. "PML" data was acquired from Tokyo Marine dR Co., Ltd. in August 2023.
15. "Property manager" is the property management company entrusted with, or scheduled to be entrusted with the property management operations.
16. "Master lessee" is the party that has, or is scheduled to enter into a master lease agreement concerning the asset in question.
17. "Type of master lease" is either "Pass through" or "Guaranteed rent" "Pass through" is a master lease agreement where the master lessee passes on the rent equivalent to rent paid by the end tenant, and "Guaranteed rent" is a master lease agreement in which the master lessee pays a fixed rent.
18. "Real estate rent revenue" is the monthly rental income (rent, common service fee, parking lot income, etc.) rounded down to less than 1,000 yen based on the figures and information available as of July 31, 2023, of the Asset to Be Acquired.
19. "Lease and guarantee deposits, etc." are the lease or guarantee deposits (residences, retail stores, offices, parking lots, etc.) rounded down to less than 1,000 yen based on the figures and information available as of July 31, 2023, of the Asset to Be Acquired.
20. "Leasable area" shows the leasable area of each of the Asset to Be Acquired as of July 31, 2023, excluding area used by storage spaces, parking spaces, custodian areas, signboards, vending machines, antennas and other spaces leased to the lessee in addition to their main use, or other areas leased for the maintenance and supervision of the relevant property (including loan for use). Furthermore, leasable area is calculated using the center line of the wall, and includes the meter boxes and pipe spaces allotted to each unit.
21. "Number of tenants" shows the leasable area of each of the Asset to Be Acquired as of July 31, 2023, and shall be one if a master lease agreement has been concluded with a master lessee.
22. "Total leased area" is the sum of the area leased through lease agreements with end tenants (however, in cases where properties are wholly leased to realtors through guaranteed rent agreements or where a master lessee wholly leases it to another company, lease agreements where properties are wholly leased to a lessee) at the Asset to Be Acquired that are in effect as of July 31, 2023.
23. "Occupancy rate" is the figure obtained by dividing the total leased area by the leasable area for the Asset to Be Acquired as of July 31, 2023, rounded down to the first decimal place.
24. The "Collateral" section denote if there is collateral to be borne by the Investment Corporation for the asset to be acquired, or if there is collateral to be borne after the acquisition.
25. The "Features" sections have been prepared based on the analyses of the Asset Manager and the appraisal reports of the real estate appraiser concerning the Asset to Be Acquired.
26. The "Special Notes" section denotes important factors upon considering the rights, appraisal values, the impact on profitability and disposability, etc., concerning the Asset to Be Acquired.

Alpha Square Minami6jo

Overview of the Property				
Category of anticipated property for acquisition		Real Estate		
Scheduled acquisition price		JPY 1,610 million	Scheduled acquisition date	September 29, 2023
Appraisal value (appraisal date)		JPY 1,650 million (as of August 1, 2023)	Appraisal firm	DAIWA REAL ESTATE APPRAISAL CO.,LTD.
Location (Residential indication)		7-1-15, Minami6jo-Nishi, Chuo-ku, Sapporo, Hokkaido (Residential display non-enforcement district)		
Access		Approximately 180 meters from "Higashi-Honganjima" Station on the Sapporo streetcar Approximately 650 meters from "Susukino Station" on the Sapporo City Subway Line		
Land	Form of ownership	Ownership	Zoning	Commercial districts
	Area	790.82 m ²	FAR/Building-to-land ratio	400%/80%

Building	Form of ownership	Ownership	Use	Condominium, Retail
	Structure/Floors	RC, 10-story building with flat roof	Number of leasable units	91 units
	Total floor area	3,611.95 m ²	Construction completion	March 15, 2019
Building engineer		PRO1.co.ltd		
Constructor		ICHIKEN Co., Ltd.		
Building inspection agency		Sapporo Industrial Inspection Co., Ltd.		
Estimated emergency repair expenses		JPY 0 thousand	Estimated short-term repair expenses	JPY 0 thousand
Estimated long-term repair expenses		JPY 65,326 thousand	PML	4.3%
Property manager		Takara Pac LTD.		
Master lessee		G.K. Japan Rental Housing	Type of master lease	Pass through
Overview of Leasing				
Real estate rent revenue		JPY 7,200 thousand		
Lease and guarantee deposits		JPY 8,411 thousand		
Total leasable area		3,102.95 m ²	Number of tenants	1
Total leased area		3,014.24 m ²	Occupancy rate	97.1%
Collateral		None		
Features				
Site features: The property is a 2-minute walk from the Sapporo Streetcar "Higashi Honganji-mae" stop and an 8-minute walk from the Sapporo Municipal Subway Namboku Line "Susukino" Station and the Sapporo Municipal Subway Toho Line "Hosui Susukino" Station. Completed 1K/1DK/1LDK/2LDK condominium for singles and DINKS. In addition to having a grocery store on the 1st floor of the property, access to the commercial center Susukino area and major business areas in Sapporo city is also excellent, making it highly convenient for living and a wide range of rental demand is expected.				
Property features: The 10-story reinforced concrete building consists of 18 1K units, 63 1LDK units, 9 2LDK units, and 1 store unit. Due to be equipped with common facilities such as auto-locking door, intercom with monitor, security camera, delivery box, free internet connection, warm water washing toilet seat, etc., It is a property that provides residents with a high quality and comfortable life.				
Special Notes				
None				

(ii) Details of Assets to be Disposed

Unless otherwise noted, information on the date of appraisal regarding the appraisal value, lease and guarantee deposits and total leased area is as of March 31, 2023, and information on total rental revenue indicates that for the fiscal period ended March 31, 2023.

Name of Property (Property No.)		Palais d'or Maruyama (F-1-041)				
Type of Asset		Real estate				
Type of Ownership		Proprietary ownership				
Location		25-2-1, Kita-nijo, Chuo-ku, Sapporo, Hokkaido				
Use		Condominium, Office				
Constructed		November 1, 1989				
Appraisal Value		1,150,000 thousand yen				
Appraiser		Tanizawa Sogo Appraisal Co., Ltd.				
Details of Lease						
		Number of Tenants	1			
		Total Rental Revenue	46,187 thousand yen			
		Lease Deposits and Guarantee Deposits	8,837 thousand yen			
		Total Leasable Area	4,637.08 square meters			
		Total Leased Area	4,637.08 square meters			
Changes in Occupancy Rate		Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
		100%	94.9%	100%	98.4%	100%

Name of Property (Property No.)		Sky Hills Sakaecho4 (O-1-091)				
Type of Asset		Real estate				
Type of Ownership		Proprietary ownership				

Location	4-19-1, Sakaecho, Chitose, Hokkaido				
Use	Condominium				
Constructed	February 21, 2002				
Appraisal Value	990,000 thousand yen				
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	37,050 thousand yen				
Lease Deposits and Guarantee Deposits	13,552 thousand yen				
Total Leasable Area	5,335.70 square meters				
Total Leased Area	5,335.70 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	100%	100%	100%	100%	100%

Name of Property (Property No.)	Dormy Chitose (O-1-092)				
Type of Asset	Real estate				
Type of Ownership	Proprietary ownership				
Location	2-5-10, Takadai, Chitose, Hokkaido				
Use	Dormitory				
Constructed	March 8, 1999				
Appraisal Value	509,000 thousand yen				
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	25,572 thousand yen				
Lease Deposits and Guarantee Deposits	21,070 thousand yen				
Total Leasable Area	2,239.00 square meters				
Total Leased Area	2,239.00 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	100%	100%	100%	100%	100%

Name of Property (Property No.)	Turkey's Denen-Chofu No.2 (O-4-009)				
Type of Asset	Real estate				
Type of Ownership	Proprietary ownership				
Location	57-8, Denenchofuhoncho, Ota-ku, Tokyo				
Use	Condominium				
Constructed	February 6, 1989				
Appraisal Value	330,000 thousand yen				
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	9,517 thousand yen				
Lease Deposits and Guarantee Deposits	1,633 thousand yen				
Total Leasable Area	462.12 square meters				
Total Leased Area	462.12 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	100%	96.2%	96.2%	100%	100%

Name of Property (Property No.)	MGA Kanamachi (F-4-031)				
Type of Asset	Real estate				
Type of Ownership	Proprietary ownership				
Location	2-23-10, Higashi-kanamachi, Katsushika, Tokyo				
Use	Condominium				
Constructed	September 12, 1990				
Appraisal Value	522,000 thousand yen				
Appraiser	Japan Real Estate Institute				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	18,613 thousand yen				
Lease Deposits and Guarantee Deposits	3,496 thousand yen				
Total Leasable Area	1,522.89 square meters				

Total Leased Area	1,522.89 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	96.6%	100%	100%	100%	100%

Name of Property (Property No.)	Gran Casa Gokiso (F-5-061)				
Type of Asset	Real estate				
Type of Ownership	Proprietary ownership				
Location	2-1-40, Ishibotokecho, Showa-ku, Nagoya, Aichi				
Use	Condominium, Parking, Office				
Constructed	February 7, 1991				
Appraisal Value	1,600,000 thousand yen				
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	59,057 thousand yen				
Lease Deposits and Guarantee Deposits	13,827 thousand yen				
Total Leasable Area	5,195.21 square meters				
Total Leased Area	5,195.21 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	98.7%	99.3%	96.4%	98.5%	100%

Name of Property (Property No.)	Verger Hirakata (H-1-003)				
Type of Asset	Trust beneficial right				
Type of Ownership	Proprietary ownership				
Location	2-20-4, Koyamichi, Hirakata, Osaka				
Use	Residential-type fee-based homes for the elderly				
Constructed	February 26, 2007				
Appraisal Value	1,590,000 thousand yen				
Appraiser	DAIWA REAL ESTATE APPRAISAL CO.,LTD.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	Undisclosed (Note)				
Lease Deposits and Guarantee Deposits	Undisclosed (Note)				
Total Leasable Area	2,925.25 square meters				
Total Leased Area	2,925.25 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	100%	100%	100%	100%	100%

Name of Property (Property No.)	Minna-no-ie Chuo-ku En'nami (H-1-008)				
Type of Asset	Trust beneficial right				
Type of Ownership	Proprietary ownership				
Location	5-5-17, En'name, Chuo-ku, Saitama, Saitama				
Use	Fee-based homes for the elderly with nursing care (Specified)				
Constructed	February 27, 2014				
Appraisal Value	884,000 thousand yen				
Appraiser	Japan Real Estate Institute				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	Undisclosed (Note)				
Lease Deposits and Guarantee Deposits	Undisclosed (Note)				
Total Leasable Area	1,963.03 square meters				
Total Leased Area	1,963.03 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	100%	100%	100%	100%	100%

Name of Property (Property No.)	Mumin Omiya-kita (H-1-009)				
Type of Asset	Trust beneficial right				
Type of Ownership	Proprietary ownership				
Location	2-214-3, Yoshinocho, Kita-ku, Saitama, Saitama				
Use	Fee-based homes for the elderly with nursing care (Specified), Residential-type fee-based homes for the elderly				

Constructed	April 3, 2012				
Appraisal Value	746,000 thousand yen				
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	Undisclosed (Note)				
Lease Deposits and Guarantee Deposits	Undisclosed (Note)				
Total Leasable Area	1,800.03 square meters				
Total Leased Area	1,800.03 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	100%	100%	100%	100%	100%

Name of Property (Property No.)	Sompo no ie Toyonaka-Minamisone (H-1-018)				
Type of Asset	Trust beneficial right				
Type of Ownership	Proprietary ownership				
Location	2-12-25, Sone-minami-machi, Toyonaka, Osaka				
Use	Fee-based homes for the elderly with nursing care (Specified), (Care prevention) Cohabitation care facility for dementia				
Constructed	January 10, 2001				
Appraisal Value	837,000 thousand yen				
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	Undisclosed (Note)				
Lease Deposits and Guarantee Deposits	Undisclosed (Note)				
Total Leasable Area	2,496.96 square meters				
Total Leased Area	2,496.96 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	100%	100%	100%	100%	100%

Name of Property (Property No.)	Nichii Care Center Fukushima Omori (H-2-004)				
Type of Asset	Trust beneficial right				
Type of Ownership	Leasehold, Proprietary ownership				
Location	21-3, Omoriaza-ojibouchi, Fukushima, Fukushima				
Use	Fee-based homes for the elderly with nursing care (Specified)				
Constructed	March 30, 2007				
Appraisal Value	357,000 thousand yen				
Appraiser	Japan Real Estate Institute				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	Undisclosed (Note)				
Lease Deposits and Guarantee Deposits	Undisclosed (Note)				
Total Leasable Area	1,964.68 square meters				
Total Leased Area	1,964.68 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	100%	100%	100%	100%	100%

Name of Property (Property No.)	Sawayaka Obatake Sanbankan (H-2-006)				
Type of Asset	Trust beneficial right				
Type of Ownership	Proprietary ownership				
Location	1-6-37, Obatake, Kokura-kita-ku, Kita-kyushu, Fukuoka				
Use	Residential-type fee-based homes for the elderly				
Constructed	September 13, 2011				
Appraisal Value	348,000 thousand yen				
Appraiser	DAIWA REAL ESTATE APPRAISAL CO.,LTD.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	Undisclosed (Note)				
Lease Deposits and Guarantee Deposits	Undisclosed (Note)				
Total Leasable Area	1,411.78 square meters				
Total Leased Area	1,411.78 square meters				

Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	100%	100%	100%	100%	100%

Name of Property (Property No.)	Sawayaka Riverside Kurinoki (H-2-007)				
Type of Asset	Trust beneficial right				
Type of Ownership	Proprietary ownership				
Location	2-2-43, Hinode, Chuo-ku, Niigata, Niigata				
Use	Residential-type fee-based homes for the elderly				
Constructed	October 20, 2009				
Appraisal Value	311,000 thousand yen				
Appraiser	DAIWA REAL ESTATE APPRAISAL CO.,LTD.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	Undisclosed (Note)				
Lease Deposits and Guarantee Deposits	Undisclosed (Note)				
Total Leasable Area	1,349.39 square meters				
Total Leased Area	1,349.39 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	100%	100%	100%	100%	100%

Name of Property (Property No.)	Sky Hills Takadai I (O-1-093)				
Type of Asset	Real estate				
Type of Ownership	Proprietary ownership				
Location	4-1-6, Takadai, Chitose, Hokkaido				
Use	Condominium				
Constructed	January 28, 1992				
Appraisal Value	513,000 thousand yen				
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	27,570 thousand yen				
Lease Deposits and Guarantee Deposits	5,060 thousand yen				
Total Leasable Area	3,748.80 square meters				
Total Leased Area	3,748.80 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	100%	100%	100%	100%	100%

Name of Property (Property No.)	Colonnade Kasuga (F-4-038)				
Type of Asset	Real estate				
Type of Ownership	Proprietary ownership				
Location	2-12-12, Kasuga, Bunkyo-ku, Tokyo				
Use	Condominium, Office, Residence, Parking				
Constructed	July 5, 1991				
Appraisal Value	2,860,000 thousand yen				
Appraiser	DAIWA REAL ESTATE APPRAISAL CO.,LTD.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	81,545 thousand yen				
Lease Deposits and Guarantee Deposits	30,061 thousand yen				
Total Leasable Area	4,344.72 square meters				
Total Leased Area	4,344.72 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	100%	100%	100%	100%	100%

Name of Property (Property No.)	Alpha Living Okayama Korakuen (H-2-010)				
Type of Asset	Trust beneficial right				
Type of Ownership	Proprietary ownership				
Location	1-11-4, Hama, Naka-ku, Okayama, Okayama				
Use	Residential-type fee-based homes for the elderly				
Constructed	May 25, 1988				
Appraisal Value	655,000 thousand yen				

Appraiser	DAIWA REAL ESTATE APPRAISAL CO.,LTD.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	Undisclosed (Note)				
Lease Deposits and Guarantee Deposits	Undisclosed (Note)				
Total Leasable Area	2,128.44 square meters				
Total Leased Area	2,128.44 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	100%	100%	100%	100%	100%

Name of Property (Property No.)	Gran Casa Daikan-Cho (F-5-060)				
Type of Asset	Real estate				
Type of Ownership	Proprietary ownership				
Location	15-3, Daikancho, Higashi-ku, Nagoya, Saitama				
Use	Condominium, Retail store				
Constructed	March 22, 1986				
Appraisal Value	1,710,000 thousand yen				
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.				
Details of Lease					
Number of Tenants	1				
Total Rental Revenue	58,844 thousand yen				
Lease Deposits and Guarantee Deposits	14,194 thousand yen				
Total Leasable Area	5,963.88 square meters				
Total Leased Area	5,963.88 square meters				
Changes in Occupancy Rate	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023
	97.7%	97.7%	97.9%	99.0%	100%

(Note) Undisclosed as the tenant has not provided consent for disclosure.

IV. Profile of the Counterparty

The seller and transferee for the Transaction are two domestic corporations, but regarded the one of them, the information is not disclosed because the consent has not been obtained. There are no capital, personnel, or business relationships between the Investment Corporation/the Asset Manager and the corporation, and the corporations are not a related party of either the Investment Corporation or the Asset Manager.

In addition, the corporations don't fall under the category of "interested party, etc." under the Enforcement Order of the Law Concerning Investment Trusts and Investment Corporations, nor do it fall under the category of "interested party, etc." as stipulated in the Rules for Transactions with Interested Persons, which are the internal rules of the Asset manager.

Seller (Alpha Square Minami6jo), Transferee (Palais d'or Maruyama)

(1) Company name	Alpha Court co.,ltd.
(2) Head office location	Alpha Minami1jo Building 5F, 7-1-3, Minami1jo-Nishi, Chuo-Ku, Sapporo, Hokkaido
(3) Representative	Yuji Kawamura, Representative Director
(4) Main business	Comprehensive real estate and developer business
(5) Paid-in capital	JPY 100 million
(6) Amount of sales	Not disclosed because the transferee's consent has not been obtained.
(7) Date of establishment	March 2004
(8) Net assets	JPY 7,924 million
(9) Total assets	JPY 33,610 million
(10) Major shareholders	Alpha Holdings (96%), Treasury stock (4%)
(11) Relationship between the Investment Corporation or Asset Manager and this company	

Capital relationship	There is no capital relationship required to be disclosed between the Investment Corporation/Asset Manager and the seller. In addition, there is no capital relationship required to be disclosed between the affiliated parties and the affiliated companies of the Investment Corporation/Asset Manager and the affiliated parties and the affiliated companies of the seller.
Personnel relationship	There is no personnel relationship required to be disclosed between the Investment Corporation/Asset Manager and the seller. In addition, there is no personnel relationship required to be disclosed between the affiliated parties and the affiliated companies of the Investment Corporation/Asset Manager and the affiliated parties and the affiliated companies of the seller.
Business relationship	There is no business relationship required to be disclosed between the Investment Corporation/Asset Manager and the seller. In addition, there is no business relationship required to be disclosed between the affiliated parties and the affiliated companies of the Investment Corporation/Asset Manager and the affiliated parties and the affiliated companies of the seller.
Status of classification as related parties	The seller is not classified as related party with Investment Corporation/Asset Manager

V. Funds for Acquisition

Use the transfer funds of the Transaction.

VI. Schedule of the Transaction

(i) Acquisition

- Decision of acquisition and conclusion of purchase agreement: September 11, 2023
- Payment and delivery: September 29, 2023

(ii) Disposition

- Decision of disposition and conclusion of purchase agreement: September 11, 2023
- Receipt and delivery: September 27, 2023, September 29, 2023, October 2, 2023, October 31, 2023
(Please refer to “I. (ii) General Outline of the Disposition” for the schedule for each property.)

VII. Settlement Method

A lump-sum settlement shall be made at the time of the Disposition.

VIII. Forecasts

In line with the Transaction, we expect to post a gain on the Disposition of real estate properties of JPY787 million in the fiscal period ending September 2023 (35th fiscal period), and the forecasts of operating results and distribution for the fiscal period ending September 2023 (35th fiscal period) have been revised. For details, please refer to the “Notice Concerning Revision to Forecasts of Operating Results and Distribution for the Fiscal Period Ending September 2023 (35th Fiscal Period),” announced today.

In addition, in the fiscal period ending March 2024 (36th fiscal period), the Investment Corporation expects to post a gain on the Disposition of real estate properties of JPY1,149 million on account of the Transaction, which will in part be internally reserved, with the remaining amount to be distributed.

The forecasts of operating results and distribution for the fiscal period ending March 2024 (36th fiscal period) will be announced once the preconditions are determined, as we are considering acquisition of properties, etc. with the funds from the disposition as the source of funds, and currently conducting a thorough examination.

IX. Summary of Appraisal Report

(i) Asset to be acquired

Property Name	Alpha Square Minami6jo
Appraisal Value	JPY 1,650,000,000
Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.
Date of Appraisal	August 1, 2023

Item		Details	Overview, etc.
Value indicated by income approach		JPY thousand	1,650,000
Value indicated by the Direct Capitalization Method		JPY thousand	1,680,000
(1) Total Operating Income: (a)-(b)		JPY thousand	89,036
(a)	Rental revenues including common service fees	JPY thousand	87,146
	Parking fees	JPY thousand	5,520
	Other revenues	JPY thousand	900
(b)	Losses from vacancies	JPY thousand	4,530
	Bad debt losses	JPY thousand	0
(2) Total Operating Expenses		JPY thousand	21,555
	Operation costs	JPY thousand	1,822
	Utilities	JPY thousand	1,351
	Repairs and maintenance expense	JPY thousand	4,786
	Property management fees	JPY thousand	2,203
	Tenant promotion fees, etc.	JPY thousand	2,930
	Taxes and public dues	JPY thousand	6,934
	Nonlife insurance	JPY thousand	626
	Other expenses	JPY thousand	900
(3) Net Operating Income (NOI): (1)-(2)		JPY thousand	67,481
(4) Lump-sum Investment Return		JPY thousand	89
(5) Capital Expenditure		JPY thousand	2,062
(6) Net Cash Flow (NCF): (3) + (4) - (5)		JPY thousand	65,508
(7) Capitalization Rate		(%)	3.9
Value Indicated by DCF Method		JPY thousand	1,630,000
	Discount Rate	(%)	3.7
	Terminal Capitalization Rate	(%)	4.1

Value indicated by cost approach	JPY thousand	1,970,000	-
Land Ratio	(%)	55.2	-
Property Ratio	(%)	44.8	-

Other items of note by appraiser	None
----------------------------------	------

(ii) Assets to be disposed

Property Name	Palais d'or Maruyama
Appraisal Value	JPY 1,150,000,000
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Date of Appraisal	March 31, 2023

Item	Details	Overview, etc.
Value indicated by income approach	JPY thousand	1,150,000
Value indicated by the Direct Capitalization Method	JPY thousand	1,160,000
(1) Total Operating Income: (a)-(b)	JPY thousand	93,377
(a)		
Rental revenues including common service fees	JPY thousand	82,589
Parking fees	JPY thousand	7,740
Other revenues	JPY thousand	5,802
(b)		
Losses from vacancies	JPY thousand	2,754
Bad debt losses	JPY thousand	0
(2) Total Operating Expenses	JPY thousand	28,739
Operation costs	JPY thousand	5,458
Utilities	JPY thousand	4,173
Repairs and maintenance expense	JPY thousand	6,176
Property management fees	JPY thousand	2,629
Tenant promotion fees, etc.	JPY thousand	1,257
Taxes and public dues	JPY thousand	7,346
Nonlife insurance	JPY thousand	297
Other expenses	JPY thousand	1,400
(3) Net Operating Income (NOI): (1)-(2)	JPY thousand	64,638
(4) Lump-sum Investment Return	JPY thousand	86
(5) Capital Expenditure	JPY thousand	8,857
(6) Net Cash Flow (NCF): (3) + (4) - (5)	JPY thousand	55,867
(7) Capitalization Rate	(%)	4.8
Value Indicated by DCF Method	JPY thousand	1,150,000

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

	Discount Rate	(%)	4.9	The discount rate was estimated by determining the base yield of apartments using the summation method, etc. based on the yields of financial instruments and considering individual risks of the property concerned.
	Terminal Capitalization Rate	(%)	5.0	The terminal cap rate was estimated by adding the uncertainties of future forecasts to the cap rate.
Value indicated by cost approach		JPY thousand	1,260,000	-
	Land Ratio	(%)	79.7	-
	Property Ratio	(%)	20.3	-

Other items of note by appraiser	None
----------------------------------	------

Property Name	Sky Hills Sakaecho4
Appraisal Value	JPY 990,000,000
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Date of Appraisal	March 31, 2023

Item			Details	Overview, etc.	
Value indicated by income approach			JPY thousand	990,000	-
	Value indicated by the Direct Capitalization Method		JPY thousand	1,010,000	-
	(1) Total Operating Income: (a)-(b)		JPY thousand	93,813	-
	(a)	Rental revenues including common service fees	JPY thousand	91,017	Rental revenues: Income earned continuously by renting or outsourcing the management of all or rental units of the property concerned (assuming full occupancy) Common service fees: Among the expenses continuously required in the maintenance and operation of the property concerned, income collected based on a contract with a lessee as charges for common-areas (assuming full occupancy)
		Parking fees	JPY thousand	7,020	Income earned by renting the parking lots included on the property concerned to its tenants, etc. and income earned through hourly rental of parking lots (assuming full occupancy)
		Other revenues	JPY thousand	612	Installation fees for facilities such as signboards, antennas and vending machines, and income such as non-refundable, one-off payments such as key money and renewal fees
	(b)	Losses from vacancies	JPY thousand	4,836	Amounts reduced from each type of income based on the forecasts for vacancies, replacement periods, etc.
		Bad debt losses	JPY thousand	0	Amounts reduced from each type of income based on the forecast for bad debts
	(2) Total Operating Expenses		JPY thousand	28,419	-
		Operation costs	JPY thousand	5,762	Expenses continuously required for the maintenance and management of the property concerned, including management of the building and facilities, security and safety, and cleaning
		Utilities	JPY thousand	1,920	Expenses required for electricity, water supply, gas, local heat source for air-conditioning, etc. in the operation of the property concerned
		Repairs and maintenance expense	JPY thousand	7,127	Of the amount spent for repair, improvement, etc. of the building, facility, etc. of the property concerned, expenses continuously required for normal maintenance of the building, facility, etc. or the recovery of the original condition of a partially damaged building, facility, etc.
		Property management fees	JPY thousand	2,814	Expenses for management operations of the property concerned.
		Tenant promotion fees, etc.	JPY thousand	1,233	Expenses for agency services, advertising, etc. for new tenant solicitation, expenses for renewal of rental agreements with tenants and contract extension, etc.
		Taxes and public dues	JPY thousand	8,446	Property taxes (on land, buildings and depreciable assets) and city planning taxes (on land and buildings)
		Nonlife insurance	JPY thousand	363	Fire insurance premiums for the property concerned and attached facilities, liability insurance premiums for defects on the property concerned and damage caused to a third party, etc. by a management accident, etc.
		Other expenses	JPY thousand	750	Other expenses such as land price paid and fees for the occupation of road space
	(3) Net Operating Income (NOI): (1)-(2)		JPY thousand	65,393	-
	(4) Lump-sum Investment Return		JPY thousand	130	Management gain from guarantee money that has a nature of a deposit received is added.
	(5) Capital Expenditure		JPY thousand	9,075	Of the amount paid for repair, improvement, etc. of a building, facility, etc. of the property concerned, expenditure corresponding to the part deemed to increase the value or durability of the building, facility, etc.
	(6) Net Cash Flow (NCF): (3) + (4) - (5)		JPY thousand	56,448	-
	(7) Capitalization Rate		(%)	5.6	The cap rate was estimated by comparing and examining the yields on multiple transactions in similar districts, etc. in neighboring areas or the same demand-supply area, taking into account the forecast for changes in future net profit and relationships with discount rates

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

	Value Indicated by DCF Method	JPY thousand	981,000	-
	Discount Rate	(%)	5.6/5.7	The discount rate was estimated by determining the base yield of apartments using the summation method, etc. based on the yields of financial instruments and considering individual risks of the property concerned.
	Terminal Capitalization Rate	(%)	5.8	The terminal cap rate was estimated by adding the uncertainties of future forecasts to the cap rate.
	Value indicated by cost approach	JPY thousand	989,000	-
	Land Ratio	(%)	36.0	-
	Property Ratio	(%)	64.0	-

Other items of note by appraiser	None
----------------------------------	------

Property Name	Dormy Chitose
Appraisal Value	JPY 509,000,000
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Date of Appraisal	March 31, 2023

Item	Details	Overview, etc.
Value indicated by income approach	JPY thousand	509,000
Value indicated by the Direct Capitalization Method	JPY thousand	510,000
(1) Total Operating Income: (a)-(b)	JPY thousand	51,144
(a)		
Rental revenues including common service fees	JPY thousand	47,760
Parking fees	JPY thousand	1,728
Other revenues	JPY thousand	1,656
(b)		
Losses from vacancies	JPY thousand	0
Bad debt losses	JPY thousand	0
(2) Total Operating Expenses	JPY thousand	9,495
Operation costs	JPY thousand	0
Utilities	JPY thousand	0
Repairs and maintenance expense	JPY thousand	3,745
Property management fees	JPY thousand	1,000
Tenant promotion fees, etc.	JPY thousand	0
Taxes and public dues	JPY thousand	4,342
Nonlife insurance	JPY thousand	202
Other expenses	JPY thousand	204
(3) Net Operating Income (NOI): (1)-(2)	JPY thousand	41,648
(4) Lump-sum Investment Return	JPY thousand	210
(5) Capital Expenditure	JPY thousand	8,172
(6) Net Cash Flow (NCF): (3) + (4) - (5)	JPY thousand	33,687
(7) Capitalization Rate	(%)	6.6

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

				supply area, taking into account the forecast for changes in future net profit and relationships with discount rates.
	Value Indicated by DCF Method	JPY thousand	508,000	-
	Discount Rate	(%)	6.7	The discount rate was estimated by determining the base yield of apartments using the summation method, etc. based on the yields of financial instruments and considering individual risks of the property concerned.
	Terminal Capitalization Rate	(%)	6.8	The terminal cap rate was estimated by adding the uncertainties of future forecasts to the cap rate.
	Value indicated by cost approach	JPY thousand	491,000	-
	Land Ratio	(%)	31.2	-
	Property Ratio	(%)	68.8	-

Other items of note by appraiser	None
----------------------------------	------

Property Name	Turkey's Denen-Chofu No.2
Appraisal Value	JPY 330,000,000
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Date of Appraisal	March 31, 2023

Item			Details	Overview, etc.		
Value indicated by income approach			JPY thousand	330,000	-	
Value indicated by the Direct Capitalization Method			JPY thousand	336,000	-	
		(1) Total Operating Income: (a)-(b)		JPY thousand	19,468	-
		(a)	Rental revenues including common service fees	JPY thousand	19,120	Rental revenues: Income earned continuously by renting or outsourcing the management of all or rental units of the property concerned (assuming full occupancy) Common service fees: Among the expenses continuously required in the maintenance and operation of the property concerned, income collected based on a contract with a lessee as charges for common-areas (assuming full occupancy)
	Parking fees		JPY thousand	0	Income earned by renting the parking lots included on the property concerned to its tenants, etc. and income earned through hourly rental of parking lots (assuming full occupancy)	
	Other revenues		JPY thousand	921	Installation fees for facilities such as signboards, antennas and vending machines, and income such as non-refundable, one-off payments such as key money and renewal fees	
	(b)	Losses from vacancies	JPY thousand	573	Amounts reduced from each type of income based on the forecasts for vacancies, replacement periods, etc.	
		Bad debt losses	JPY thousand	0	Amounts reduced from each type of income based on the forecast for bad debts	
	(2) Total Operating Expenses		JPY thousand	4,469	-	
		Operation costs		JPY thousand	1,098	Expenses continuously required for the maintenance and management of the property concerned, including management of the building and facilities, security and safety, and cleaning
		Utilities		JPY thousand	232	Expenses required for electricity, water supply, gas, local heat source for air-conditioning, etc. in the operation of the property concerned
		Repairs and maintenance expense		JPY thousand	759	Of the amount spent for repair, improvement, etc. of the building, facility, etc. of the property concerned, expenses continuously required for normal maintenance of the building, facility, etc. or the recovery of the original condition of a partially damaged building, facility, etc.
		Property management fees		JPY thousand	463	Expenses for management operations of the property concerned.
		Tenant promotion fees, etc.		JPY thousand	534	Expenses for agency services, advertising, etc. for new tenant solicitation, expenses for renewal of rental agreements with tenants and contract extension, etc.
		Taxes and public dues		JPY thousand	845	Property taxes (on land, buildings and depreciable assets) and city planning taxes (on land and buildings)
		Nonlife insurance		JPY thousand	47	Fire insurance premiums for the property concerned and attached facilities, liability insurance premiums for defects on the property concerned and damage caused to a third party, etc. by a management accident, etc.
		Other expenses		JPY thousand	486	Other expenses such as land price paid and fees for the occupation of road space
		(3) Net Operating Income (NOI): (1)-(2)		JPY thousand	14,999	-
	(4) Lump-sum Investment Return		JPY thousand	14	Management gain from guarantee money that has a nature of a deposit received is added.	
	(5) Capital Expenditure		JPY thousand	902	Of the amount paid for repair, improvement, etc. of a building, facility, etc. of the property concerned, expenditure corresponding to the part deemed to increase the value or durability of the building, facility, etc.	
	(6) Net Cash Flow (NCF): (3) + (4) - (5)		JPY thousand	14,111	-	

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

	(7) Capitalization Rate	(%)	4.2	The cap rate was estimated by comparing and examining the yields on multiple transactions in similar districts, etc. in neighboring areas or the same demand-supply area, taking into account the forecast for changes in future net profit and relationships with discount rates.
	Value Indicated by DCF Method	JPY thousand	327,000	-
	Discount Rate	(%)	4.3	The discount rate was estimated by determining the base yield of apartments using the summation method, etc. based on the yields of financial instruments and considering individual risks of the property concerned.
	Terminal Capitalization Rate	(%)	4.4	The terminal cap rate was estimated by adding the uncertainties of future forecasts to the cap rate.
	Value indicated by cost approach	JPY thousand	323,000	-
	Land Ratio	(%)	78.1	-
	Property Ratio	(%)	21.9	-

Other items of note by appraiser	None
----------------------------------	------

Property Name	MGA Kanamachi
Appraisal Value	JPY 522,000,000
Appraiser	Japan Real Estate Institute
Date of Appraisal	March 31, 2023

Item	Details	Overview, etc.
Value indicated by income approach	JPY thousand	522,000
Value indicated by the Direct Capitalization Method	JPY thousand	524,000
(1) Total Operating Income: (a)-(b)	JPY thousand	30,659
(a)		
Rental revenues including common service fees	JPY thousand	29,848
Parking fees	JPY thousand	924
Other revenues	JPY thousand	1,213
(b)		
Losses from vacancies	JPY thousand	1,326
Bad debt losses	JPY thousand	0
(2) Total Operating Expenses	JPY thousand	9,238
Operation costs	JPY thousand	1,400
Utilities	JPY thousand	800
Repairs and maintenance expense	JPY thousand	2,604
Property management fees	JPY thousand	826

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

				remuneration rates for similar properties, the individuality of the property concerned, and other factors.
	Tenant promotion fees, etc.	JPY thousand	1,130	Administrative fees related to soliciting new tenants, concluding contracts, and renewing tenants are calculated based on contract conditions and rental conditions of similar real estate in the surrounding area. Advertising expenses, etc., assessed based on actual amounts in past years, renewal fees, etc. are calculated by taking into account the average annual replacement rate of tenants, occupancy rate, etc.
	Taxes and public dues	JPY thousand	2,169	(Land) The tax amount was posted, taking into account information on taxes and other public charges, tax burden adjustment measures, and other materials. (Buildings) The tax amount was posted based on information on taxes and other public charges. (Depreciations) The tax amount was posted based on information on taxes and other public charges.
	Nonlife insurance	JPY thousand	100	The amount of insurance premiums was posted, taking into account the premiums based on insurance policies, premium rates of buildings similar to the property concerned, and other factors.
	Other expenses	JPY thousand	209	Internet usage fees, etc. were recorded as other expenses.
	(3) Net Operating Income (NOI): (1)-(2)	JPY thousand	21,421	-
	(4) Lump-sum Investment Return	JPY thousand	23	The management gain from one-off payments was estimated by assessing the number of months for security deposits that would be stable in the medium to long term based on the number of months for security deposits under the current rental conditions and when signing new contracts, multiplying the resulting number of months by the occupancy rate, and multiplying the resulting product by the management yield. The management yield deemed appropriate in the fund management during the deposit period was estimated to be 1.0%, taking into account factors such as interest rate levels in both the management and procurement.
	(5) Capital Expenditure	JPY thousand	2,043	While renewal expenses required for the maintenance of building functions are incurred irregularly in reality, in this case the amount was estimated by assuming that an average amount of expected expenditure would be accumulated every year, taking into account the capital expenditure levels of similar properties, the building age, the yearly average amount of repair and renewal expenses in engineering reports, etc.
	(6) Net Cash Flow (NCF): (3) + (4) - (5)	JPY thousand	19,401	-
	(7) Capitalization Rate	(%)	3.7	The cap rate was estimated by adjusting the spread caused by the location, building, and other conditions of the property concerned for the yields that would be the standard for each district set by the institute and taking into account future uncertainty, yields on similar properties' transactions, etc.
	Value Indicated by DCF Method	JPY thousand	519,000	-
	Discount Rate	(%)	3.5	The discount rate was estimated using the investment yields of similar properties as a reference and taking into account the individuality of the property concerned and other factors.
	Terminal Capitalization Rate	(%)	3.8	The terminal cap rate was estimated using transaction yields, etc. of similar properties as a reference and comprehensively taking into account the future trends of investment yields, the risk of the property concerned as an investment target, general forecast for future economic growth rate, real estate prices, trends in rents, and other factors.
	Value indicated by cost approach	JPY thousand	423,000	-
	Land Ratio	(%)	84.0	-
	Property Ratio	(%)	16.0	-

Other items of note by appraiser	None
----------------------------------	------

Property Name	Gran Casa Gokiso
Appraisal Value	JPY 1,600,000,000
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Date of Appraisal	March 31, 2023

Item	Details	Overview, etc.
Value indicated by income approach	JPY thousand	1,600,000
Value indicated by the Direct Capitalization Method	JPY thousand	1,610,000
(1) Total Operating Income: (a)-(b)	JPY thousand	115,399
(a) Rental revenues including common service fees	JPY thousand	103,955
		Rental revenues: Income earned continuously by renting or outsourcing the management of all or rental units of the property concerned (assuming full occupancy)

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

					Common service fees: Among the expenses continuously required in the maintenance and operation of the property concerned, income collected based on a contract with a lessee as charges for common-areas (assuming full occupancy)	
		Parking fees	JPY thousand	10,926	Income earned by renting the parking lots included on the property concerned to its tenants, etc. and income earned through hourly rental of parking lots (assuming full occupancy)	
		Other revenues	JPY thousand	3,199	Installation fees for facilities such as signboards, antennas and vending machines, and income such as non-refundable, one-off payments such as key money and renewal fees	
		(b)	Losses from vacancies	JPY thousand	2,681	Amounts reduced from each type of income based on the forecasts for vacancies, replacement periods, etc.
			Bad debt losses	JPY thousand	0	Amounts reduced from each type of income based on the forecast for bad debts
	(2) Total Operating Expenses		JPY thousand	27,195	-	
		Operation costs	JPY thousand	1,980	Expenses continuously required for the maintenance and management of the property concerned, including management of the building and facilities, security and safety, and cleaning	
		Utilities	JPY thousand	1,870	Expenses required for electricity, water supply, gas, local heat source for air-conditioning, etc. in the operation of the property concerned	
		Repairs and maintenance expense	JPY thousand	7,759	Of the amount spent for repair, improvement, etc. of the building, facility, etc. of the property concerned, expenses continuously required for normal maintenance of the building, facility, etc. or the recovery of the original condition of a partially damaged building, facility, etc.	
		Property management fees	JPY thousand	2,808	Expenses for management operations of the property concerned.	
		Tenant promotion fees, etc.	JPY thousand	1,747	Expenses for agency services, advertising, etc. for new tenant solicitation, expenses for renewal of rental agreements with tenants and contract extension, etc.	
		Taxes and public dues	JPY thousand	8,612	Property taxes (on land, buildings and depreciable assets) and city planning taxes (on land and buildings)	
		Nonlife insurance	JPY thousand	340	Fire insurance premiums for the property concerned and attached facilities, liability insurance premiums for defects on the property concerned and damage caused to a third party, etc. by a management accident, etc.	
		Other expenses	JPY thousand	2,077	Other expenses such as land price paid and fees for the occupation of road space	
	(3) Net Operating Income (NOI): (1)-(2)		JPY thousand	88,203	-	
	(4) Lump-sum Investment Return		JPY thousand	107	Management gain from guarantee money that has a nature of a deposit received is added.	
	(5) Capital Expenditure		JPY thousand	11,106	Of the amount paid for repair, improvement, etc. of a building, facility, etc. of the property concerned, expenditure corresponding to the part deemed to increase the value or durability of the building, facility, etc.	
	(6) Net Cash Flow (NCF): (3) + (4) - (5)		JPY thousand	77,205	-	
	(7) Capitalization Rate		(%)	4.8	The cap rate was estimated by comparing and examining the yields on multiple transactions in similar districts, etc. in neighboring areas or the same demand-supply area, taking into account the forecast for changes in future net profit and relationships with discount rates.	
	Value Indicated by DCF Method		JPY thousand	1,600,000	-	
		Discount Rate	(%)	4.9	The discount rate was estimated by determining the base yield of apartments using the summation method, etc. based on the yields of financial instruments and considering individual risks of the property concerned.	
		Terminal Capitalization Rate	(%)	5.0	The terminal cap rate was estimated by adding the uncertainties of future forecasts to the cap rate.	
	Value indicated by cost approach		JPY thousand	1,470,000	-	
	Land Ratio	(%)	70.9	-		
	Property Ratio	(%)	29.1	-		

Other items of note by appraiser	None
----------------------------------	------

Property Name	Verger Hirakata
Appraisal Value	JPY 1,590,000,000
Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.
Date of Appraisal	March 31, 2023

Item	Details	Overview, etc.
Value indicated by income approach	JPY thousand	1,590,000
Value indicated by the Direct Capitalization Method	JPY thousand	1,600,000
(1) Total Operating Income: (a)-(b)	JPY thousand	Undisclosed

	(a)	Rental revenues including common service fees	JPY thousand	Undisclosed	(Note) In this evaluation, since figures based on actual figures are used as a reference, disclosure of these figures may adversely affect the competitiveness of the Investment Corporation, resulting in harm to the interests of unitholders. Therefore undisclosed as determined by the management company.
		Parking fees	JPY thousand	Undisclosed	
		Other revenues	JPY thousand	Undisclosed	
	(b)	Losses from vacancies	JPY thousand	Undisclosed	
		Bad debt losses	JPY thousand	Undisclosed	
	(2) Total Operating Expenses		JPY thousand	Undisclosed	
	Operation costs		JPY thousand	Undisclosed	
	Utilities		JPY thousand	Undisclosed	
	Repairs and maintenance expense		JPY thousand	Undisclosed	
	Property management fees		JPY thousand	Undisclosed	
	Tenant promotion fees, etc.		JPY thousand	Undisclosed	
	Taxes and public dues		JPY thousand	Undisclosed	
	Nonlife insurance		JPY thousand	Undisclosed	
	Other expenses		JPY thousand	Undisclosed	
	(3) Net Operating Income (NOI): (1)-(2)		JPY thousand	84,850	-
	(4) Lump-sum Investment Return		JPY thousand	228	The amount posted was derived by multiplying the amount of estimated security deposits, etc. received by the management yield estimated by comprehensively examining the management status, etc. of one-off payments from both perspectives of management and procurement.
	(5) Capital Expenditure		JPY thousand	3,404	Verified the level of renewal costs for similar real estate, the annual average amount of mid- to long-term renewal costs described in the ER was determined to be appropriate and recorded.
	(6) Net Cash Flow (NCF): (3) + (4) - (5)		JPY thousand	81,673	-
	(7) Capitalization Rate		(%)	5.1	Based on the method of comparing with transaction cases of similar real estate as a standard, we considered various factors related to location conditions, building conditions, contract conditions, and other conditions, and also used interviews with investors as a reference.
	Value Indicated by DCF Method		JPY thousand	1,580,000	-
	Discount Rate		(%)	4.9	In addition to using both the method of comparing with similar real estate transaction cases and the method of adding the individuality of the real estate to the yield of financial assets, we made an assessment based on interviews with investors.
	Terminal Capitalization Rate		(%)	5.3	Comprehensively consider the future trend of investment yield, the risk of the target real estate as an investment target, the general forecast of the future economic growth rate, the trend of real estate prices, etc., referring to the transaction yield of similar transactions Assessed.
Value indicated by cost approach		JPY thousand	514,000	-	
	Land Ratio		(%)	36.6	-
	Property Ratio		(%)	63.4	-

Other items of note by appraiser	None
----------------------------------	------

Property Name	Minna-no-ie Chuo-ku En'nami
Appraisal Value	JPY 884,000,000
Appraiser	Japan Real Estate Institute
Date of Appraisal	March 31, 2023

Item	Details	Overview, etc.
Value indicated by income approach	JPY thousand	884,000
Value indicated by the Direct Capitalization Method	JPY thousand	888,000
(1) Total Operating Income: (a)-(b)	JPY thousand	Undisclosed
(a)	Rental revenues including common service fees	JPY thousand
	Parking fees	JPY thousand
	Other revenues	JPY thousand
(b)	Losses from vacancies	JPY thousand

(Note) In this evaluation, since figures based on actual figures are used as a reference, disclosure of these figures may adversely affect the competitiveness of the Investment Corporation, resulting in harm to the interests of unitholders. Therefore undisclosed as determined by the management company.

		Bad debt losses	JPY thousand	Undisclosed	
	(2)	Total Operating Expenses	JPY thousand	Undisclosed	
		Operation costs	JPY thousand	Undisclosed	
		Utilities	JPY thousand	Undisclosed	
		Repairs and maintenance expense	JPY thousand	Undisclosed	
		Property management fees	JPY thousand	Undisclosed	
		Tenant promotion fees, etc.	JPY thousand	Undisclosed	
		Taxes and public dues	JPY thousand	Undisclosed	
		Nonlife insurance	JPY thousand	Undisclosed	
		Other expenses	JPY thousand	Undisclosed	
	(3)	Net Operating Income (NOI): (1)-(2)	JPY thousand	43,700	-
	(4)	Lump-sum Investment Return	JPY thousand	125	Regarding the security deposit, which is a lump-sum payment that has the characteristics of a deposit, we assessed the investment profit of the lump-sum payment by multiplying the amount based on the current lease agreement by the investment yield. The appropriate investment yield for fund management during the deposit period was assessed at 1.0%, taking into consideration the interest rate levels for both investment and funding.
	(5)	Capital Expenditure	JPY thousand	1,870	While renewal expenses required for the maintenance of building functions are incurred irregularly in reality, in this case the amount was estimated by assuming that an average amount of expected expenditure would be accumulated every year, taking into account the capital expenditure levels of similar properties, the building age, the yearly average amount of repair and renewal expenses in engineering reports, etc.
	(6)	FF&E Reserve	JPY thousand	1,100	The renewal costs required to maintain the functionality of FF&E actually occur on an irregular basis, but here we assumed that the expected costs will be accumulated on an average basis each term, and appraised with reference to the level of FF&E reserves and repair and update plans of similar properties.
	(7)	Net Cash Flow (NCF): (3) + (4) - (5) - (6)	JPY thousand	40,855	-
	(8)	Capitalization Rate	(%)	4.6	The cap rate was estimated by adjusting the spread caused by the location, building, and other conditions of the property concerned for the yields that would be the standard for each district set by the institute and taking into account future uncertainty, yields on similar properties' transactions, etc.
		Value Indicated by DCF Method	JPY thousand	880,000	-
		Discount Rate	(%)	4.4	The discount rate was estimated using the investment yields of similar properties as a reference and taking into account the individuality of the property concerned and other factors.
		Terminal Capitalization Rate	(%)	4.7	The terminal cap rate was estimated using transaction yields, etc. of similar properties as a reference and comprehensively taking into account the future trends of investment yields, the risk of the property concerned as an investment target, general forecast for future economic growth rate, real estate prices, trends in rents, and other factors.
		Value indicated by cost approach	JPY thousand	625,000	-
		Land Ratio	(%)	40.8	-
		Property Ratio	(%)	58.2	-
		FF&E Ratio	(%)	1.0	-

Other items of note by appraiser	None
----------------------------------	------

Property Name	Mumin Omiya-kita
Appraisal Value	JPY 746,000,000
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Date of Appraisal	March 31, 2023

Item	Details	Overview, etc.
Value indicated by income approach	JPY thousand	746,000
Value indicated by the Direct Capitalization Method	JPY thousand	754,000
(1) Total Operating Income: (a)-(b)	JPY thousand	Undisclosed
(a) Rental revenues including common service fees	JPY thousand	Undisclosed
Parking fees	JPY thousand	Undisclosed

(Note) In this evaluation, since figures based on actual figures are used as a reference, disclosure of these figures may adversely affect the competitiveness of the Investment Corporation, resulting in harm to the interests of unitholders. Therefore undisclosed as determined by the management company.

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

		Other revenues	JPY thousand	Undisclosed	
	(b)	Losses from vacancies	JPY thousand	Undisclosed	
		Bad debt losses	JPY thousand	Undisclosed	
	(2)	Total Operating Expenses	JPY thousand	Undisclosed	
		Operation costs	JPY thousand	Undisclosed	
		Utilities	JPY thousand	Undisclosed	
		Repairs and maintenance expense	JPY thousand	Undisclosed	
		Property management fees	JPY thousand	Undisclosed	
		Tenant promotion fees, etc.	JPY thousand	Undisclosed	
		Taxes and public dues	JPY thousand	Undisclosed	
		Nonlife insurance	JPY thousand	Undisclosed	
		Other expenses	JPY thousand	Undisclosed	
	(3)	Net Operating Income (NOI): (1)-(2)	JPY thousand	38,634	-
	(4)	Lump-sum Investment Return	JPY thousand	113	Management gain from guarantee money that has a nature of a deposit received is added.
	(5)	Capital Expenditure	JPY thousand	1,820	Of the amount paid for repair, improvement, etc. of a building, facility, etc. of the property concerned, expenditure corresponding to the part deemed to increase the value or durability of the building, facility, etc.
	(6)	Net Cash Flow (NCF): (3) + (4) - (5)	JPY thousand	36,928	-
	(7)	Capitalization Rate	(%)	4.9	The cap rate was estimated by comparing and examining the yields on multiple transactions in similar districts, etc. in neighboring areas or the same demand-supply area, taking into account the forecast for changes in future net profit and relationships with discount rates.
		Value Indicated by DCF Method	JPY thousand	742,000	-
		Discount Rate	(%)	5.0	The discount rate was estimated by determining the base yield of apartments using the summation method, etc. based on the yields of financial instruments and considering individual risks of the property concerned.
		Terminal Capitalization Rate	(%)	5.1	The terminal cap rate was estimated by adding the uncertainties of future forecasts to the cap rate.
		Value indicated by cost approach	JPY thousand	659,000	-
		Land Ratio	(%)	46.8	-
		Property Ratio	(%)	53.2	-

Other items of note by appraiser	None
----------------------------------	------

Property Name	Sompo no ie Toyonaka-Minamisone
Appraisal Value	JPY 837,000,000
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Date of Appraisal	March 31, 2023

Item	Details	Overview, etc.
Value indicated by income approach	JPY thousand	837,000
Value indicated by the Direct Capitalization Method	JPY thousand	847,000
(1) Total Operating Income: (a)-(b)	JPY thousand	Undisclosed
(a)		
Rental revenues including common service fees	JPY thousand	Undisclosed
Parking fees	JPY thousand	Undisclosed
Other revenues	JPY thousand	Undisclosed
(b)		
Losses from vacancies	JPY thousand	Undisclosed
Bad debt losses	JPY thousand	Undisclosed
(2) Total Operating Expenses	JPY thousand	Undisclosed
Operation costs	JPY thousand	Undisclosed
Utilities	JPY thousand	Undisclosed
Repairs and maintenance expense	JPY thousand	Undisclosed
Property management fees	JPY thousand	Undisclosed

(Note) In this evaluation, since figures based on actual figures are used as a reference, disclosure of these figures may adversely affect the competitiveness of the Investment Corporation, resulting in harm to the interests of unitholders. Therefore undisclosed as determined by the management company.

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

	Tenant promotion fees, etc.	JPY thousand	Undisclosed	
	Taxes and public dues	JPY thousand	Undisclosed	
	Nonlife insurance	JPY thousand	Undisclosed	
	Other expenses	JPY thousand	Undisclosed	
	(3) Net Operating Income (NOI): (1)-(2)	JPY thousand	41,737	-
	(4) Lump-sum Investment Return	JPY thousand	117	Management gain from guarantee money that has a nature of a deposit received is added.
	(5) Capital Expenditure	JPY thousand	1,218	Of the amount paid for repair, improvement, etc. of a building, facility, etc. of the property concerned, expenditure corresponding to the part deemed to increase the value or durability of the building, facility, etc.
	(6) Net Cash Flow (NCF): (3) + (4) - (5)	JPY thousand	40,637	-
	(7) Capitalization Rate	(%)	4.8	The cap rate was estimated by comparing and examining the yields on multiple transactions in similar districts, etc. in neighboring areas or the same demand-supply area, taking into account the forecast for changes in future net profit and relationships with discount rates.
	Value Indicated by DCF Method	JPY thousand	833,000	-
	Discount Rate	(%)	4.8/4.9	The discount rate was estimated by determining the base yield of apartments using the summation method, etc. based on the yields of financial instruments and considering individual risks of the property concerned.
	Terminal Capitalization Rate	(%)	5.0	The terminal cap rate was estimated by adding the uncertainties of future forecasts to the cap rate.
	Value indicated by cost approach	JPY thousand	801,000	-
	Land Ratio	(%)	63.4	-
	Property Ratio	(%)	36.6	-

Other items of note by appraiser	None
----------------------------------	------

Property Name	Nichii Care Center Fukushima Omori
Appraisal Value	JPY 357,000,000
Appraiser	Japan Real Estate Institute
Date of Appraisal	March 31, 2023

Item	Details	Overview, etc.
Value indicated by income approach	JPY thousand	357,000
Value indicated by the Direct Capitalization Method	JPY thousand	358,000
(1) Total Operating Income: (a)-(b)	JPY thousand	Undisclosed
(a) Rental revenues including common service fees	JPY thousand	Undisclosed
(a) Parking fees	JPY thousand	Undisclosed
(a) Other revenues	JPY thousand	Undisclosed
(b) Losses from vacancies	JPY thousand	Undisclosed
(b) Bad debt losses	JPY thousand	Undisclosed
(2) Total Operating Expenses	JPY thousand	Undisclosed
Operation costs	JPY thousand	Undisclosed
Utilities	JPY thousand	Undisclosed
Repairs and maintenance expense	JPY thousand	Undisclosed
Property management fees	JPY thousand	Undisclosed
Tenant promotion fees, etc.	JPY thousand	Undisclosed
Taxes and public dues	JPY thousand	Undisclosed
Nonlife insurance	JPY thousand	Undisclosed
Other expenses	JPY thousand	Undisclosed
(3) Net Operating Income (NOI): (1)-(2)	JPY thousand	22,200
(4) Lump-sum Investment Return	JPY thousand	100

(Note) In this evaluation, since figures based on actual figures are used as a reference, disclosure of these figures may adversely affect the competitiveness of the Investment Corporation, resulting in harm to the interests of unitholders. Therefore undisclosed as determined by the management company.

Regarding the security deposit, which is a lump-sum payment that has the characteristics of a deposit, we assessed the investment profit of the lump-sum payment by multiplying the amount based on the current lease agreement by the investment yield. The appropriate investment yield for fund management during

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

				the deposit period was assessed at 1.0%, taking into consideration the interest rate levels for both investment and funding.
	(5) Capital Expenditure	JPY thousand	2,986	While renewal expenses required for the maintenance of building functions are incurred irregularly in reality, in this case the amount was estimated by assuming that an average amount of expected expenditure would be accumulated every year, taking into account the capital expenditure levels of similar properties, the building age, the yearly average amount of repair and renewal expenses in engineering reports, etc.
	(6) Net Cash Flow (NCF): (3) + (4) - (5)	JPY thousand	19,314	-
	(7) Capitalization Rate	(%)	5.4	The cap rate was estimated by adjusting the spread caused by the location, building, and other conditions of the property concerned for the yields that would be the standard for each district set by the institute and taking into account future uncertainty, yields on similar properties' transactions, etc.
	Value Indicated by DCF Method	JPY thousand	355,000	-
	Discount Rate	(%)	5.2	The discount rate was estimated using the investment yields of similar properties as a reference and taking into account the individuality of the property concerned and other factors.
	Terminal Capitalization Rate	(%)	5.5	The terminal cap rate was estimated using transaction yields, etc. of similar properties as a reference and comprehensively taking into account the future trends of investment yields, the risk of the property concerned as an investment target, general forecast for future economic growth rate, real estate prices, trends in rents, and other factors.
	Value indicated by cost approach	JPY thousand	250,000	-
	Land Ratio	(%)	12.1	-
	Property Ratio	(%)	87.9	-

Other items of note by appraiser	None
----------------------------------	------

Property Name	Sawayaka Obatake Sanbankan
Appraisal Value	JPY 348,000,000
Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.
Date of Appraisal	March 31, 2023

Item	Details	Overview, etc.
Value indicated by income approach	JPY thousand	348,000
Value indicated by the Direct Capitalization Method	JPY thousand	354,000
(1) Total Operating Income: (a)-(b)	JPY thousand	Undisclosed
(a) Rental revenues including common service fees	JPY thousand	Undisclosed
(a) Parking fees	JPY thousand	Undisclosed
(a) Other revenues	JPY thousand	Undisclosed
(b) Losses from vacancies	JPY thousand	Undisclosed
(b) Bad debt losses	JPY thousand	Undisclosed
(2) Total Operating Expenses	JPY thousand	Undisclosed
Operation costs	JPY thousand	Undisclosed
Utilities	JPY thousand	Undisclosed
Repairs and maintenance expense	JPY thousand	Undisclosed
Property management fees	JPY thousand	Undisclosed
Tenant promotion fees, etc.	JPY thousand	Undisclosed
Taxes and public dues	JPY thousand	Undisclosed
Nonlife insurance	JPY thousand	Undisclosed
Other expenses	JPY thousand	Undisclosed
(3) Net Operating Income (NOI): (1)-(2)	JPY thousand	18,777
(4) Lump-sum Investment Return	JPY thousand	89

(Note) In this evaluation, since figures based on actual figures are used as a reference, disclosure of these figures may adversely affect the competitiveness of the Investment Corporation, resulting in harm to the interests of unitholders. Therefore undisclosed as determined by the management company.

The amount posted was derived by multiplying the amount of estimated security deposits, etc. received by the management yield estimated by comprehensively examining the management status, etc. of one-off payments from both perspectives of management and procurement. In addition, although security deposits, etc. are not paid or received in the master lease contract, considering the fact that the client, who is the beneficiary, has

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

				received security deposits, etc., and since investment profits are expected to be substantial, this item was recorded.
	(5) Capital Expenditure	JPY thousand	831	Verified the level of renewal costs for similar real estate, the annual average amount of mid- to long-term renewal costs described in the ER was determined to be appropriate and recorded.
	(6) Net Cash Flow (NCF): (3) + (4) - (5)	JPY thousand	18,035	-
	(7) Capitalization Rate	(%)	5.1	Based on the method of comparing with transaction cases of similar real estate as a standard, we considered various factors related to location conditions, building conditions, contract conditions, and other conditions, and also used interviews with investors as a reference.
	Value Indicated by DCF Method	JPY thousand	346,000	-
	Discount Rate	(%)	4.9	In addition to using both the method of comparing with similar real estate transaction cases and the method of adding the individuality of the real estate to the yield of financial assets, we made an assessment based on interviews with investors.
	Terminal Capitalization Rate	(%)	5.3	Comprehensively consider the future trend of investment yield, the risk of the target real estate as an investment target, the general forecast of the future economic growth rate, the trend of real estate prices, etc., referring to the transaction yield of similar transactions Assessed.
	Value indicated by cost approach	JPY thousand	268,000	-
	Land Ratio	(%)	35.6	-
	Property Ratio	(%)	64.4	-

Other items of note by appraiser	None
----------------------------------	------

Property Name	Sawayaka Riverside Kurinoki
Appraisal Value	JPY 311,000,000
Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.
Date of Appraisal	March 31, 2023

Item	Details	Overview, etc.
Value indicated by income approach	JPY thousand	311,000
Value indicated by the Direct Capitalization Method	JPY thousand	315,000
(1) Total Operating Income: (a)-(b)	JPY thousand	Undisclosed
(a) Rental revenues including common service fees	JPY thousand	Undisclosed
(a) Utility fees	JPY thousand	Undisclosed
(a) Parking fees	JPY thousand	Undisclosed
(a) Other revenues	JPY thousand	Undisclosed
(b) Losses from vacancies	JPY thousand	Undisclosed
(b) Bad debt losses	JPY thousand	Undisclosed
(2) Total Operating Expenses	JPY thousand	Undisclosed
Operation costs	JPY thousand	Undisclosed
Utilities	JPY thousand	Undisclosed
Repairs and maintenance expense	JPY thousand	Undisclosed
Property management fees	JPY thousand	Undisclosed
Tenant promotion fees, etc.	JPY thousand	Undisclosed
Taxes and public dues	JPY thousand	Undisclosed
Nonlife insurance	JPY thousand	Undisclosed
Other expenses	JPY thousand	Undisclosed
(3) Net Operating Income (NOI): (1)-(2)	JPY thousand	16,489
(4) Lump-sum Investment Return	JPY thousand	82

(Note) In this evaluation, since figures based on actual figures are used as a reference, disclosure of these figures may adversely affect the competitiveness of the Investment Corporation, resulting in harm to the interests of unitholders. Therefore undisclosed as determined by the management company.

The amount posted was derived by multiplying the amount of estimated security deposits, etc. received by the management yield estimated by comprehensively examining the management status, etc. of one-off payments from both perspectives of management and procurement. In addition, although security deposits, etc. are not paid or received in the master lease contract, considering the fact that the client, who is the beneficiary, has received security deposits, etc., and since investment profits are expected to be substantial, this item was recorded.

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

	(5) Capital Expenditure	JPY thousand	840	Verified the level of renewal costs for similar real estate, the annual average amount of mid- to long-term renewal costs described in the ER was determined to be appropriate and recorded.
	(6) Net Cash Flow (NCF): (3) + (4) - (5)	JPY thousand	15,732	-
	(7) Capitalization Rate	(%)	5.0	Based on the method of comparing with transaction cases of similar real estate as a standard, we considered various factors related to location conditions, building conditions, contract conditions, and other conditions, and also used interviews with investors as a reference.
	Value Indicated by DCF Method	JPY thousand	309,000	-
	Discount Rate	(%)	4.8	In addition to using both the method of comparing with similar real estate transaction cases and the method of adding the individuality of the real estate to the yield of financial assets, we made an assessment based on interviews with investors.
	Terminal Capitalization Rate	(%)	5.2	Comprehensively consider the future trend of investment yield, the risk of the target real estate as an investment target, the general forecast of the future economic growth rate, the trend of real estate prices, etc., referring to the transaction yield of similar transactions Assessed.
Value indicated by cost approach		JPY thousand	318,000	-
	Land Ratio	(%)	44.4	-
	Property Ratio	(%)	55.6	-

Other items of note by appraiser	None
----------------------------------	------

Property Name	Sky Hills Takadai I
Appraisal Value	JPY 513,000,000
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Date of Appraisal	March 31, 2023

Item		Details	Overview, etc.
Value indicated by income approach		JPY thousand	513,000
	Value indicated by the Direct Capitalization Method		JPY thousand
	(1) Total Operating Income: (a)-(b)		JPY thousand
	(a)	Rental revenues including common service fees	JPY thousand
		Parking fees	JPY thousand
		Other revenues	JPY thousand
		Losses from vacancies	JPY thousand
	(b)	Bad debt losses	JPY thousand
		(2) Total Operating Expenses	JPY thousand
		Operation costs	JPY thousand
		Utilities	JPY thousand
		Repairs and maintenance expense	JPY thousand
		Property management fees	JPY thousand
		Tenant promotion fees, etc.	JPY thousand
		Taxes and public dues	JPY thousand
		Nonlife insurance	JPY thousand

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

	Other expenses	JPY thousand	278	Other expenses such as land price paid and fees for the occupation of road space
	(3) Net Operating Income (NOI): (1)-(2)	JPY thousand	39,655	-
	(4) Lump-sum Investment Return	JPY thousand	50	Management gain from guarantee money that has a nature of a deposit received is added.
	(5) Capital Expenditure	JPY thousand	8,991	Of the amount paid for repair, improvement, etc. of a building, facility, etc. of the property concerned, expenditure corresponding to the part deemed to increase the value or durability of the building, facility, etc.
	(6) Net Cash Flow (NCF): (3) + (4) - (5)	JPY thousand	30,714	-
	(7) Capitalization Rate	(%)	6.0	The cap rate was estimated by comparing and examining the yields on multiple transactions in similar districts, etc. in neighboring areas or the same demand-supply area, taking into account the forecast for changes in future net profit and relationships with discount rates.
	Value Indicated by DCF Method	JPY thousand	513,000	-
	Discount Rate	(%)	6.1	The discount rate was estimated by determining the base yield of apartments using the summation method, etc. based on the yields of financial instruments and considering individual risks of the property concerned.
	Terminal Capitalization Rate	(%)	6.2	The terminal cap rate was estimated by adding the uncertainties of future forecasts to the cap rate.
	Value indicated by cost approach	JPY thousand	507,000	-
	Land Ratio	(%)	33.4	-
	Property Ratio	(%)	66.6	-

Other items of note by appraiser	None
----------------------------------	------

Property Name	Colonnade Kasuga
Appraisal Value	JPY 2,860,000,000
Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.
Date of Appraisal	March 31, 2023

Item	Details	Overview, etc.
Value indicated by income approach	JPY thousand	2,860,000
Value indicated by the Direct Capitalization Method	JPY thousand	2,890,000
(1) Total Operating Income: (a)-(b)	JPY thousand	156,348
(a)		
Rental revenues including common service fees	JPY thousand	148,123
Parking fees	JPY thousand	10,231
Other revenues	JPY thousand	5,633
(b)		
Losses from vacancies	JPY thousand	7,640
Bad debt losses	JPY thousand	0
(2) Total Operating Expenses	JPY thousand	32,628
Operation costs	JPY thousand	4,332

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

		Utilities	JPY thousand	1,546	Utilities expenses posted are an estimate based on those of similar properties and the amounts paid in the past.
		Repairs and maintenance expense	JPY thousand	6,028	Posted after examining the levels of repair expenses of similar real properties based on the 15-year average repair expenses in engineering reports. Tenant replacement expenses were assessed and posted, taking into account the turnover and vacancy rates.
		Property management fees	JPY thousand	3,767	Under the assumption that the current management duties were generally within the standard range, the property management fee was posted after examining the levels of property management fees of similar properties based on the fee amount of the current contracts.
		Tenant promotion fees, etc.	JPY thousand	2,657	For rental rooms and parking lots, the replacement portion when the assumed replacement rate is applied is recorded after taking into consideration the tenant recruitment expenses, etc. assessed based on the level of similar real estate with reference to the actual amount of past years.
		Taxes and public dues	JPY thousand	11,658	(Land) Assessed and recorded based on the actual amount obtained from the client, taking into consideration land price trends and burden levels. (Buildings, etc.) Appraised and posted based on the actual amount obtained from the client.
		Nonlife insurance	JPY thousand	626	Non-life insurance premiums were posted after examining the levels of those for similar properties on the assumption that the current amounts were appropriate.
		Other expenses	JPY thousand	2,011	Renewal fees were calculated by assessing the renewal rate according to the rental room type and taking into consideration the vacancy rate. An amount equivalent to 1.0% of operating income was recorded as other property operating expenses.
		(3) Net Operating Income (NOI): (1)-(2)	JPY thousand	123,719	-
		(4) Lump-sum Investment Return	JPY thousand	305	The amount posted was derived by multiplying the amount of estimated security deposits, etc. received by the management yield estimated by comprehensively examining the management status, etc. of one-off payments from both perspectives of management and procurement.
		(5) Capital Expenditure	JPY thousand	11,291	Posted after examining the levels of capital expenditure of similar real properties based on the 15-year average renewal expenses in engineering reports.
		(6) Net Cash Flow (NCF): (3) + (4) - (5)	JPY thousand	112,734	-
		(7) Capitalization Rate	(%)	3.9	Based on the method of comparing with transaction cases of similar real estate as a standard, we considered various factors related to location conditions, building conditions, contract conditions, and other conditions, and also used interviews with investors as a reference.
	Value Indicated by DCF Method		JPY thousand	2,850,000	-
		Discount Rate	(%)	3.7	In addition to using both the method of comparing with similar real estate transaction cases and the method of adding the individuality of the real estate to the yield of financial assets, we made an assessment based on interviews with investors.
		Terminal Capitalization Rate	(%)	4.1	Comprehensively consider the future trend of investment yield, the risk of the target real estate as an investment target, the general forecast of the future economic growth rate, the trend of real estate prices, etc., referring to the transaction yield of similar transactions Assessed.
Value indicated by cost approach		JPY thousand	2,710,000	-	
	Land Ratio	(%)	83.4	-	
	Property Ratio	(%)	16.6	-	

Other items of note by appraiser	None
----------------------------------	------

Property Name	Alpha Living Okayama Korakuen
Appraisal Value	JPY 655,000,000
Appraiser	DAIWA REAL ESTATE APPRAISAL CO., LTD.
Date of Appraisal	March 31, 2023

Item	Details	Overview, etc.
Value indicated by income approach	JPY thousand	655,000
Value indicated by the Direct Capitalization Method	JPY thousand	666,000
(1) Total Operating Income: (a)-(b)	JPY thousand	Undisclosed
(a)	Rental revenues including common service fees	JPY thousand
	Parking fees	JPY thousand
	Other revenues	JPY thousand
	Losses from vacancies	JPY thousand
		(Note) In this evaluation, since figures based on actual figures are used as a reference, disclosure of these figures may adversely affect the competitiveness of the Investment Corporation, resulting in harm to the interests of unitholders. Therefore undisclosed as determined by the management company.

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

		Bad debt losses	JPY thousand	Undisclosed	
	(2)	Total Operating Expenses	JPY thousand	Undisclosed	
		Operation costs	JPY thousand	Undisclosed	
		Utilities	JPY thousand	Undisclosed	
		Repairs and maintenance expense	JPY thousand	Undisclosed	
		Property management fees	JPY thousand	Undisclosed	
		Tenant promotion fees, etc.	JPY thousand	Undisclosed	
		Taxes and public dues	JPY thousand	Undisclosed	
		Nonlife insurance	JPY thousand	Undisclosed	
		Other expenses	JPY thousand	Undisclosed	
	(3)	Net Operating Income (NOI): (1)-(2)	JPY thousand	32,524	-
	(4)	Lump-sum Investment Return	JPY thousand	185	The amount posted was derived by multiplying the amount of estimated security deposits, etc. received by the management yield estimated by comprehensively examining the management status, etc. of one-off payments from both perspectives of management and procurement. In addition, although security deposits, etc. are not paid or received in the master lease contract, considering the fact that the client, who is the beneficiary, has received security deposits, etc., and since investment profits are expected to be substantial, this item was recorded.
	(5)	Capital Expenditure	JPY thousand	1,414	After verifying the level of repair costs for similar real estate, assessed as equivalent to 0.28% of the building replacement price.
	(6)	Net Cash Flow (NCF): (3) + (4) - (5)	JPY thousand	31,294	-
	(7)	Capitalization Rate	(%)	4.7	Based on the method of comparing with transaction cases of similar real estate as a standard, we considered various factors related to location conditions, building conditions, contract conditions, and other conditions, and also used interviews with investors as a reference.
		Value Indicated by DCF Method	JPY thousand	650,000	-
		Discount Rate	(%)	4.5	In addition to using both the method of comparing with similar real estate transaction cases and the method of adding the individuality of the real estate to the yield of financial assets, we made an assessment based on interviews with investors.
		Terminal Capitalization Rate	(%)	4.9	Comprehensively consider the future trend of investment yield, the risk of the target real estate as an investment target, the general forecast of the future economic growth rate, the trend of real estate prices, etc., referring to the transaction yield of similar transactions Assessed.
		Value indicated by cost approach	JPY thousand	486,000	-
		Land Ratio	(%)	78.7	-
		Property Ratio	(%)	21.3	-

Other items of note by appraiser	None
----------------------------------	------

Property Name	Gran Casa Daikan-Cho
Appraisal Value	JPY 1,710,000,000
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Date of Appraisal	March 31, 2023

Item	Details	Overview, etc.
Value indicated by income approach	JPY thousand	1,710,000
Value indicated by the Direct Capitalization Method	JPY thousand	1,720,000
(1) Total Operating Income: (a)-(b)	JPY thousand	116,298
(a)		
Rental revenues including common service fees	JPY thousand	111,612
Parking fees	JPY thousand	5,388
Other revenues	JPY thousand	2,078

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

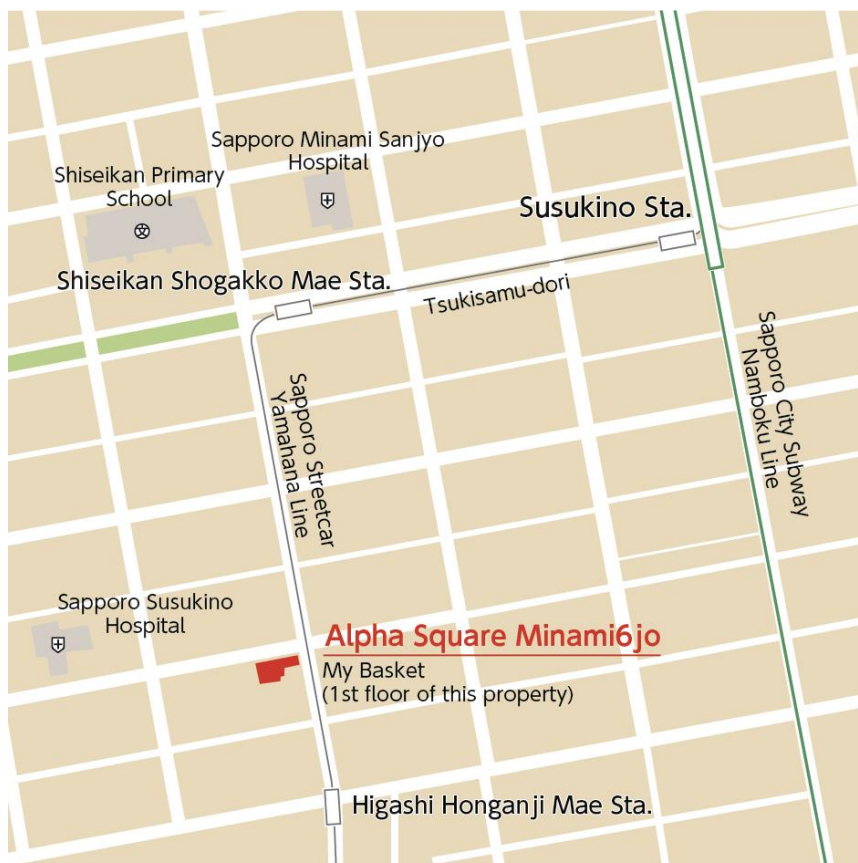
(b)	Losses from vacancies	JPY thousand	2,779	Amounts reduced from each type of income based on the forecasts for vacancies, replacement periods, etc.
	Bad debt losses	JPY thousand	0	Amounts reduced from each type of income based on the forecast for bad debts
(2) Total Operating Expenses		JPY thousand	25,347	-
	Operation costs	JPY thousand	1,752	Expenses continuously required for the maintenance and management of the property concerned, including management of the building and facilities, security and safety, and cleaning
	Utilities	JPY thousand	1,789	Expenses required for electricity, water supply, gas, local heat source for air-conditioning, etc. in the operation of the property concerned
	Repairs and maintenance expense	JPY thousand	8,349	Of the amount spent for repair, improvement, etc. of the building, facility, etc. of the property concerned, expenses continuously required for normal maintenance of the building, facility, etc. or the recovery of the original condition of a partially damaged building, facility, etc.
	Property management fees	JPY thousand	2,855	Expenses for management operations of the property concerned.
	Tenant promotion fees, etc.	JPY thousand	1,901	Expenses for agency services, advertising, etc. for new tenant solicitation, expenses for renewal of rental agreements with tenants and contract extension, etc.
	Taxes and public dues	JPY thousand	6,970	Property taxes (on land, buildings and depreciable assets) and city planning taxes (on land and buildings)
	Nonlife insurance	JPY thousand	333	Fire insurance premiums for the property concerned and attached facilities, liability insurance premiums for defects on the property concerned and damage caused to a third party, etc. by a management accident, etc.
	Other expenses	JPY thousand	1,395	Other expenses such as land price paid and fees for the occupation of road space
(3) Net Operating Income (NOI): (1)-(2)		JPY thousand	90,951	-
(4) Lump-sum Investment Return		JPY thousand	110	Management gain from guarantee money that has a nature of a deposit received is added.
(5) Capital Expenditure		JPY thousand	10,080	Of the amount paid for repair, improvement, etc. of a building, facility, etc. of the property concerned, expenditure corresponding to the part deemed to increase the value or durability of the building, facility, etc.
(6) Net Cash Flow (NCF): (3) + (4) - (5)		JPY thousand	80,981	-
(7) Capitalization Rate		(%)	4.7	The cap rate was estimated by comparing and examining the yields on multiple transactions in similar districts, etc. in neighboring areas or the same demand-supply area, taking into account the forecast for changes in future net profit and relationships with discount rates.
Value Indicated by DCF Method		JPY thousand	1,700,000	-
	Discount Rate	(%)	4.8	The discount rate was estimated by determining the base yield of apartments using the summation method, etc. based on the yields of financial instruments and considering individual risks of the property concerned.
	Terminal Capitalization Rate	(%)	4.9	The terminal cap rate was estimated by adding the uncertainties of future forecasts to the cap rate.
Value indicated by cost approach		JPY thousand	1,690,000	-
	Land Ratio	(%)	77.9	-
	Property Ratio	(%)	22.1	-
Other items of note by appraiser			None	

End

URL: <https://www.daiwa-securities-living.co.jp/en/>

(Reference Material) Exterior and Map of the Asset to Be Acquired

Alpha Square Minami6jo



(Additional Material) Overview of Portfolio accompany the Transaction

<Number of properties, etc.>

	Properties owned as of today (a)	Asset to be acquired (b)	Assets to be disposed (c)	(a) + (b) – (c)
Total number of properties	250 properties	1 property	17 properties	234 properties
Total number of leasable units	18,208 units	91 units	1,143 units	17,156 units
Total leasable area	767,965.05 m ²	3,102.95 m ²	49,488.96 m ²	721,579.04m ²

<Asset size, etc.>

	Properties owned as of today (a)	Asset to be acquired (b)	Assets to be disposed (c)	(a) + (b) – (c)
Total (anticipated) acquisition price	JPY 364.7 billion	JPY 1.6 billion	JPY 13.8 billion	JPY 352.4 billion
Appraisal value	JPY 452.2 billion	JPY 1.6 billion	JPY 15.9 billion	JPY 438.0 billion

(Note 1) "Total (anticipated) acquisition price is calculated based on the (anticipated) acquisition price.

(Note 2) The appraisal value of the "Properties owned as of today", as of February 1, 2023 for "Gran Casa Kinshicho", as of June 1, 2023 for "Gran Casa Watanabedori", and as of March 31, 2023 for other properties. The appraisal value of the "Asset to be acquired" is as of August 1, 2023.

<Amount and rate of investment by type (based on (anticipated) acquisition price)>

	Properties owned as of today (a)	Asset to be acquired (b)	Assets to be disposed (c)	(a) + (b) – (c)
Studio	JPY 175.6 billion (48.2%)	JPY 1.6 billion	JPY 2.0 billion	JPY 175.2 billion (49.7%)
Family	JPY 80.8 billion (22.2%)	-	JPY 6.1 billion	JPY 74.6 billion (21.2%)
Healthcare	JPY 108.2 billion (29.7%)	-	JPY 5.6 billion	JPY 102.5 billion (29.1%)

(Reference) Operating Results and Distribution for the fiscal period ended March 2023 (34th fiscal period) and Forecasts of Operating Results and Distribution for the fiscal period ending September 2023 (35th fiscal period)

	Operating revenue	Operating income	Ordinary income	Net income	Net income per unit	Distribution per unit
34th fiscal period results	JPY11,898 million	JPY5,571 million	JPY4,829 million	JPY4,828 million	JPY2,136	JPY2,200
35th fiscal period Previously announced forecast (A)	JPY11,892 million	JPY5,482 million	JPY4,749 million	JPY4,748 million	JPY2,100	JPY2,200
35th fiscal period Revised forecast (B)	JPY12,732 million	JPY6,210 million	JPY5,489 million	JPY5,488 million	JPY2,427	JPY2,230
Difference (B-A)	JPY840 million	JPY727 million	JPY740 million	JPY740 million	JPY327	JPY30
Difference	7.1%	13.3%	15.6%	15.6%	15.6%	1.4%

(Note 1) Expected number of investment units issued at the end of the period: 2,260,890 units.

(Note 2) The fiscal period of the Investment Corporation is from April 1 to September 30 every year and from October 1 to March 31 of the following year.

(Note 3) The above figures are the current forecasts calculated based on the conditions described in the attached assumptions of the "Notice Concerning Revisions to Forecast of Operating Results and Distribution for the Fiscal Period Ending September, 2023(35th Fiscal Period)" announced today,

English Translation

The following is an English translation of the original Japanese press release and is being provided for informational purposes only.

and the actual operating revenue, operating income, ordinary income, net income, net income per unit and distribution per unit may vary. In addition, these forecasts do not guarantee the distribution amounts.

(Note 4) The distribution amount for the fiscal period ending September 2023 includes the expected reversal of reserve for temporary difference adjustments of JPY79 million and that it is expected to record a dividend reserve of JPY526 million. In addition, the distribution amount is different from the amount of net income.

(Note 5) When a certain degree of discrepancy from the above forecasts is expected, the forecasts may be revised.

(Note 6) Amounts are rounded to the nearest unit and percentages are rounded to the first decimal place.

For details, please refer to the “Notice Concerning Revision to Forecasts of Operating Results and Distribution for the Fiscal Period Ending September 2023 (35th Fiscal Period),” announced today.