

June 8, 2018

For Immediate Release

Real Estate Investment Trust Securities Issuer:
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Notice Concerning Acquisition and Leasing of Assets

NIPPON REIT Investment Corporation (“NIPPON REIT”) announces that Sojitz REIT Advisors K.K. (“SRA”), which is entrusted with managing the assets of NIPPON REIT, today decided on the following acquisition (the “Acquisition”) and leasing of assets.

1. Overview of acquisition

NIPPON REIT shall acquire the real estate and trust beneficiary rights in the following properties (the “To-be-Acquired Assets”). For the acquisition of the five properties B-10, B-14, B-18, B-20 and B-21, the six properties A-59, A-60, A-64, A-65, B-13 and B-19, the three properties B-12, B-15 and C-3 and the two properties A-58 and A-63, NIPPON REIT shall exercise the first negotiation rights granted by Godo Kaisha Nicolas Capital 10, Godo Kaisha Nicolas Capital 11, Godo Kaisha NRT Growth 12 and Godo Kaisha NRT Growth 13, respectively. The first negotiation rights (Note) were granted when NIPPON REIT acquired each silent partnership equity interest from the seller above.

After the acquisition, the above Godo Kaisha will be liquidated and the capital contribution of NIPPON REIT will be redeemed.

(Note) For details of the silent partnership equity interests and first negotiation rights, please refer to “Notice Concerning Acquisition of Asset (Godo Kaisha Nicolas Capital 10 Silent Partnership Equity Interest)” announced on March 28, 2017, “Notice Concerning Acquisition of Asset and Consent to Transfer of a Property (Godo Kaisha Nicolas Capital 11 Silent Partnership Equity Interest)” announced on October 25, 2017 “Notice Concerning Acquisition of Asset (Silent Partnership Equity Interest) (Godo Kaisha NRT Growth 12)” announced on February 26, 2018 and “Notice Concerning Acquisition of Asset (Silent Partnership Equity Interest) (Godo Kaisha NRT Growth 13)” announced on March 28, 2018.

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Property No. (Note 1)	Real estate/real estate in trust (Property name) (Note 2)	Location	Scheduled acquisition price (million yen) (Note 3)	Seller (Note 4)	Scheduled acquisition date
A-58	Towa Kandanishikicho Building	Chiyoda ward, Tokyo	960	Godo Kaisha NRT Growth 13	July 3, 2018
A-59	Yusen Higashi-Nihombashi Ekimae Building	Chuo ward, Tokyo	1,152	Godo Kaisha Nicolas Capital 11	July 3, 2018
A-60	Hiroo ON Building	Shibuya ward, Tokyo	2,392	Godo Kaisha Nicolas Capital 11	July 3, 2018
A-61	TK Gotanda Building	Shinagawa ward, Tokyo	4,130 (Note 5)	Not disclosed (Note 6)	July 3, 2018
A-62	Gotanda Sakura Building	Shinagawa ward, Tokyo	1,460	Not disclosed (Note 6)	July 3, 2018
A-63	Esprit Kameido	Koto ward, Tokyo	1,265	Godo Kaisha NRT Growth 13	July 3, 2018
A-64	Alte Building Higobashi	Osaka, Osaka	1,453	Godo Kaisha Nicolas Capital 11	July 3, 2018
A-65	DIA Building Meieki	Nagoya, Aichi	1,167	Godo Kaisha Nicolas Capital 11	July 3, 2018
B-10	Residence Hiroo	Minato ward, Tokyo	2,590	Godo Kaisha Nicolas Capital 10	July 3, 2018
B-11	(Tentative) Residence Nihombashi Hakozaiki (Note 7) (B-SITE Nihombashi Hakozaiki)	Chuo ward, Tokyo	1,300	Not disclosed (Note 6)	July 3, 2018
B-12	Primegate Iidabashi (Note 8)	Shinjuku ward, Tokyo	5,200	Godo Kaisha NRT Growth 12	July 3, 2018
B-13	Residence Edogawabashi	Shinjuku ward, Tokyo	1,230	Godo Kaisha Nicolas Capital 11	July 3, 2018
B-14	Merveille Senzoku	Ota ward, Tokyo	740	Godo Kaisha Nicolas Capital 10	July 3, 2018
B-15	Field Avenue (Note 9)	Ota ward, Tokyo	3,110	Godo Kaisha NRT Growth 12	July 3, 2018
B-16	Domeal Kitaakabane	Kita ward, Tokyo	785	Not disclosed (Note 6)	July 3, 2018
B-17	Dormy Kitaakabane	Kita ward, Tokyo	986	Not disclosed (Note 6)	July 3, 2018
B-18	Splendid Shin-Osaka III	Osaka, Osaka	2,428	Godo Kaisha Nicolas Capital 10	July 3, 2018
B-19	ZEPHYROS Minami-horie	Osaka, Osaka	1,608	Godo Kaisha Nicolas Capital 11	July 3, 2018
B-20	Charmant Fuji Osakajominami	Osaka, Osaka	905	Godo Kaisha Nicolas Capital 10	July 3, 2018
B-21	Piacere Fuminosato	Osaka, Osaka	571	Godo Kaisha Nicolas Capital 10	July 3, 2018
C-3	BECOME SAKAE	Nagoya, Aichi	4,770	Godo Kaisha NRT Growth 12	July 3, 2018
Total	21 properties	—	40,202	—	—

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- (Note 1) "Property No." is the number of each property in accordance with each asset type designated by NIPPON REIT. "A" represents office, "B" represents residence, and "C" represents retail. Property No. are numbered by asset type in order of the scheduled date of acquisition. The same shall apply hereinafter.
- (Note 2) The type of asset of A-62 is real estate and the type of the other assets are real estate trust beneficiary interest.
- (Note 3) "Scheduled acquisition price" is the acquisition price of each To-be-Acquired Asset stipulated in respective sales and purchase agreements or memorandum of understanding on the succession of the status of the buyer stipulated in the agreement to purchase the real estate trust beneficiary right, letter of intent to purchase and confirmation, and agreements to purchase the real estate beneficiary right to be concluded based on the relevant letter of intent and confirmation (hereinafter collectively referred to as "Purchase Agreement"). Furthermore, the Scheduled acquisition price excludes consumption taxes, local consumption taxes and various expenses required for the acquisition, and is rounded down to the nearest million yen.
- (Note 4) Please refer to "5. Overview of Sellers" below for details of the Sellers.
- (Note 5) The Investment Corporation is scheduled to, as of the anticipated acquisition date and from a domestic non-financial corporation, succeed the status of the buyer stipulated in the agreement to the purchase real estate beneficiary right concluded between the seller and such corporation. The Investment Corporation has agreed with such corporation to pay 30 million yen (not including consumption tax) to such corporation as consideration for the succession of the status of the buyer. The amount of this consideration is not included in the anticipated acquisition price as above. The same applies hereinafter.
- (Note 6) Not disclosed because consent has not been obtained from the seller.
- (Note 7) Concerning B-11, NIPPON REIT is scheduled to change the property name of each of these properties promptly after acquisition. Therefore, for the property names of the properties, the new name after the scheduled change is shown as "(Tentative)" along with the present property name as of today in parentheses. Hereinafter, the new name after the scheduled change will be used. NIPPON REIT is to implement the property name change after notifying end tenants of the timing, etc. thereof. The scheduled changed property names are based on the plans as of today and are subject to change without prior notice, or the property name change may possibly not be implemented at all.
- (Note 8) Part of the building (1F to 4F) is named "S&S Building" as an office/retail store. However, "Primegate Iidabashi" includes the office area thereof. The same applies hereinafter.
- (Note 9) This property includes a separate building, which is structurally independent from the main building, and these two buildings are counted as one property. The same shall apply hereinafter.
- (1) Agreement : June 8, 2018 (All the assets excluding B-11 (Tentative)
conclusion date June 14, 2018 (Scheduled) Residence Nihombashi Hakozaiki) (Note 1)
(B-11 (Tentative) Residence Nihombashi Hakozaiki)
- (2) Acquisition date : July 3, 2018
- (3) Seller : Please refer to "1. Overview of acquisition" above.
- (4) Acquisition financing : Proceeds from the issuance of new investment units (Domestic Public Offering and International Offering) for which a resolution was passed at the meeting of the board of officers of NIPPON REIT held on June 8, 2018 and loans and cash on hand (Note 2)
- (5) Settlement method : Settlement shall be in a lump sum at the time of the Acquisition
- (Note 1) The agreements to purchase the real estate trust beneficiary right were concluded as of June 8, 2018 regarding anticipated acquisitions A-58—60, A-63—65, B-10, B12—21 and C-3 with respective sellers. The real estate sales and purchase agreement regarding A-62 was concluded with the seller as of June 8, 2018. The memorandum of understanding on the succession of the status of the buyer stipulated in the agreement to purchase the real estate trust beneficiary right regarding A-61 was concluded with the domestic non-financial corporation as of June 8, 2018.
- (Note 2) Please refer to the "Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units" and "Notice Concerning Borrowing of Funds" announced today by NIPPON REIT for details.

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2. Reason for the Acquisition and leasing

SRA decided on the Acquisition and leasing to grow the asset size of NIPPON REIT's portfolio and secure stable revenues pursuant to the asset management targets and policies set forth in the articles of incorporation of NIPPON REIT.

Through the Acquisition, NIPPON REIT's asset size is expected to expand to 247.9 billion yen based on (scheduled) acquisition prices. NIPPON REIT will aim to achieve external growth steadily through timely and flexible investments based on its characteristics as a diversified-type REIT following its basic policy.

Please refer to "4. Outline of Real Estate and Real Estate in Trust " below for evaluated points for each property acquisition.

Furthermore, the tenants of the each property comply with the tenant screening criteria described in the Report on the Management Structure and System of the Issuer of Real Estate Investment Trust Units and Related Parties dated March 30, 2018.

3. Schedule of acquisitions

June 8, 2018	Decision on acquisitions	
June 8, 2018	Execution of the Purchase Agreements	All the assets excluding B-11 (Tentative) Residence Nihombashi Hakozaiki
June 14, 2018	Execution of the Purchase Agreements (scheduled)	B-11 (Tentative) Residence Nihombashi Hakozaiki
July 3, 2018	Payment (scheduled)	All the assets
	Acquisition of properties (scheduled)	All the assets

(Note) NIPPON REIT has concluded a letter of intent and confirmation letter regarding sale and purchase of trust beneficial right for B-11 on May 17, 2018. The letter of intent to purchase and confirmation provide the prerequisites that any conclusion of an agreement to purchase the real estate beneficiary right should be premised on some conditions, including an approval from the Asset Manager according to prescribed procedure, as well as stipulating that the right of first negotiation will be granted to the Investment Corporation. The Investment Corporation will execute agreements to purchase the real estate beneficiary right based on such letter of intent to purchase and confirmation.

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4. Outline of Real Estate and Real Estate in Trust

A-58 Towa Kandanishikicho Building

(1) Overview of property

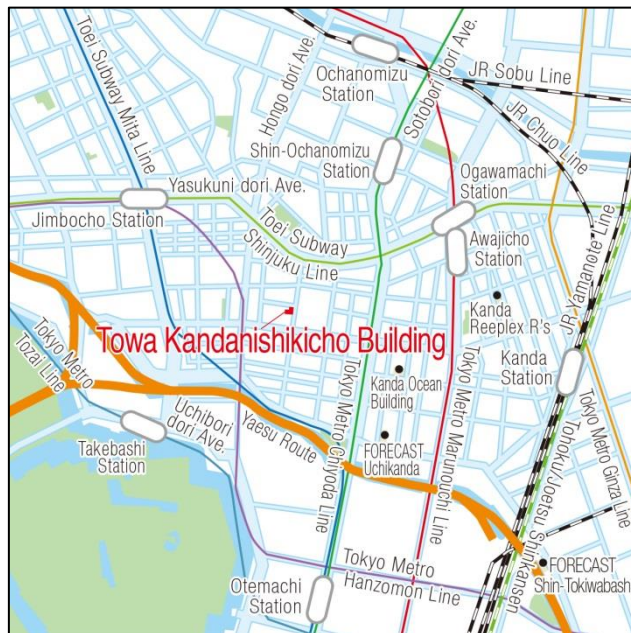
Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		March 20, 2003
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		3-4-2, Kanda-nishikicho, Chiyoda-ku, Tokyo
Land	Parcel number	3-4-2, Kanda-nishikicho, Chiyoda-ku, Tokyo
	Building coverage ratio / Floor area ratio	100% (Note 1) / 600%
	Use district	Commercial district
	Site area	298.44 m ²
	Type of ownership	Leasehold (right to lease)
Building	Construction completion	August 1992
	Structure / Floors	Steel-framed ・ Steel-framed reinforced concrete with flat roof, B1/6F
	Use	Office/retail
	Total floor space	1,456.87 m ² (Note 2)
	Type of ownership	Sectional ownership (Note 3)
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		1,000 million yen
Real estate appraiser		Japan Real Estate Institute
PML		5.6%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,324.07 m ²
	Leased floor space	1,324.07 m ²
	Occupancy rate	100%
	Ratio of total leasable floor space in portfolio	0.4%
	Representative tenant	Not disclosed (Note 4)
	Total number of tenants	5
	Total rent income (annual)	62 million yen
	Deposits, etc.	38 million yen
Special notations		Regarding the land, the trustee has concluded a lease agreement with the owner of the land, for the purpose of use as a building site, under which agreement has been reached on the lease period and obligation to obtain consent, etc. in certain cases. The leasehold right is based on the old Land Lease Act, the content of which is not disclosed because no consent has

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	been obtained from the owner of the land as of today.
(Note 1)	The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within fire prevention districts.
(Note 2)	Trustee has completed the registration change of the total floor space from 1,461.12 m ² to 1,456.87 m ² on May 25, 2018.
(Note 3)	The Investment Corporation is scheduled to acquire the entire sectional ownership.
(Note 4)	Not disclosed because consent has not been obtained from the end tenant.

Characteristics	<p><Location Characteristics></p> <p>Accessible to “Kanda-jimbocho/Kanda-ogawamachi area” is rated high as 6 stations are accessible on 7 lines, the JR Chuo and Sobu Line, Tokyo Metro Marunouchi, Chiyoda and Hanzomon Line, and Toei Subway Shinjuku and Mita Line. Furthermore the south side of the area is contiguous to the “Marunouchi/Otemachi/Yurakucho area” which is one of the main office areas in Japan. The property is competitive because of reasonable rent in the “Marunouchi/Otemachi/Yurakucho area”. The area attracts major enterprises as well as many small-to-medium-sized enterprises in a wide range of industries based on convenient access and relatively reasonable rent though it is located in Chiyoda ward. The property is an approximately 4-minute walk from the Ogawamachi station on the Toei Subway Shinjuku Line, an approximately 5-minute walk from the Jimbocho station on the Toei Subway Mita and Shinjuku Line and Tokyo Metro Hanzomon Line and an approximately 5-minute walk from the Takebashi station on the Tokyo Metro Tozai Line. It is conveniently located and has certain visibility with three way passage although located behind a main street. In addition, development of large-sized complex building of office with retail space and a multi-purpose hall with B1 to 21F (scheduled construction completion: March 2020) is ongoing on the site of the previous Tokyo Denki University Kanda Campus and Kanda Police Office. Further development of office and retail will be expected in the area.</p>
	<p><Property Characteristics></p> <p>The property is a small-sized building with total floor space of approximately 442 tsubo and standard floor space of approximately 61 tsubo. The size of the building is average in the area. The property has relatively high competitiveness because relatively older buildings with old earthquake-resistance standards are often found in the area. Furthermore, the property is equipped with standard specifications that meet tenants’ needs.</p>

(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	Towa Kandanishikicho Building	
Appraisal value	1,000 million yen	
Appraiser	Japan Real Estate Institute	
Date of value	May 1, 2018	
(thousand yen)		
	Details	Outline
Appraisal value by capitalization method	1,000,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,020,000	
Operating income	76,794	
Potential gross income	79,535	
Total of vacancy losses, etc.	2,741	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	28,732	
Building management fees	3,762	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	5,800	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repair and maintenance costs	690	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,011	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
Leasing expenses	449	Recorded based on the anticipated turnover period of the tenant.
Taxes	2,834	Land is not recorded as it is leased land. Recorded the building and depreciable assets based on tax related materials.
Insurance	110	Recorded in consideration of premium under insurance contract, and insurance rates of similar properties, etc.
Others	14,076	Recorded the ground rent and other expenses.
Net operating income	48,062	
Non-operating income	421	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	1,660	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	46,823	
Capitalization rate	4.6%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
Appraisal value using the discount cash flow method	987,000	

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	Discount rate	3.7%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
	Terminal rate	4.6%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		958,000	
	Proportion of land	87.7%	
	Proportion of building	12.3%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.
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A-59 Yusen Higashi-Nihombashi Ekimae Building

(1) Overview of property

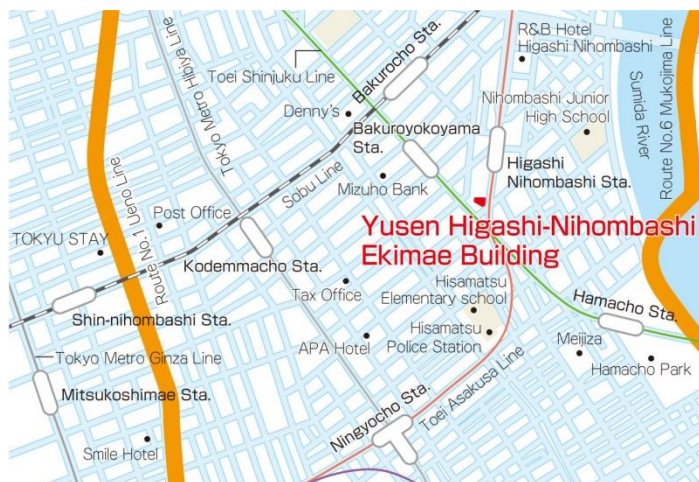
Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mizuho Trust & Banking Co., Ltd.
Trust establishment date		March 30, 2016
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		3-7-19, Higashi-nihombashi, Chuo-ku, Tokyo
Land	Parcel number	3-8-19, Higashi-nihombashi, Chuo-ku, Tokyo (and other 2 parcels)
	Building coverage ratio / Floor area ratio	100% (Note1) / 700%
	Use district	Commercial district
	Site area	276.22 m ²
	Type of ownership	Ownership
Building	Construction completion	February 2001
	Structure / Floors	Steel-framed reinforced concrete with flat roof,9F
	Use	Office/Retail
	Total floor space	1,879.72 m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		1,210 million yen
Real estate appraiser		Japan Real Estate Institute
PML		9.0%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,620.54 m ²
	Leased floor space	1,620.54 m ²

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Occupancy rate	100%
Ratio of total leasable floor space in portfolio	0.5%
Representative tenant	Not disclosed (Note 2)
Total number of tenants	8
Total rent income (annual)	69 million yen
Deposits, etc.	47 million yen
Special notations	Not applicable
(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.	
(Note 2) Not disclosed because consent has not been obtained from the end tenant.	

Characteristics	<p><Location Characteristics></p> <p>The “Horidomecho/Higashi-Nihombashi” area” where the property is located is accessible to Kodemmachō Station on the Tokyo Metro Hibiya Line, Bakuroyokoyama Station on the Toei Subway Shinjuku Line, Bakurocho Station on the JR Sobu Line and Higashi-Nihombashi Station on the Toei Subway Asakusa Line and multiple other train routes and stations are accessible. The area is considered to be convenient because it has direct access to the terminal stations in central Tokyo including Tokyo, Shinjuku and Nihombashi stations, etc. As for office buildings, the area consists mainly of medium- to small-sized offices including company-owned buildings. The area has a mix of office buildings and condominiums. The supply of rental condominiums is recent, while many office buildings were supplied during the bubble economy period. The property is located at approximately a minute walk from Higashi-Nihombashi Station on the Toei Subway Asakusa Line and Bakuroyokoyama Station on the Toei Subway Shinjuku Line and it is considered to be close to the nearest station. In addition, its location also has a competitive edge in the area as it is located at the Kiyosubashi Dori Street and Kiyosugi Dori Street intersection and highly visible.</p> <p><Property Characteristics></p> <p>The property has a total floor space of around 600 tsubo and a standard floor area of 60 tsubo, so it is categorized as a small-sized building. The size of the property is considered to be in the volume zone (zone with the largest distribution) as many of office buildings located in the “Horidomecho/Higashi-Nihombashi area” are small-sized buildings less than 1,000 tsubo. Furthermore, it is expected to be competitive because it is newer than other buildings in the volume zone.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	Yusen Higashi-Nihombashi Ekimae Building
Appraisal value	1,210 million yen
Appraiser	Japan Real Estate Institute
Date of value	May 1, 2018

(thousand yen)

	Details	Outline
Appraisal value by capitalization method	1,210,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,220,000	
Operating income	76,898	
Potential gross income	80,914	
Total of vacancy losses, etc.	4,016	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	21,004	
Building management fees	4,340	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	5,600	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repair and maintenance costs	1,200	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,074	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
Leasing expenses	466	Recorded based on the anticipated turnover period of the tenant.
Taxes	7,637	Recorded based on tax related materials.
Insurance	147	Recorded in consideration of premium under insurance contract, and insurance rates of similar properties, etc.
Others	540	Recorded the parking lost usage cost as other expenses.
Net operating income	55,894	
Non-operating income	468	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	2,890	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	53,472	
Capitalization rate	4.4%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
Appraisal value using the discount cash flow method	1,200,000	
Discount rate	4.1%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar

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			properties.
	Terminal rate	4.5%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
	Appraisal value by cost method	1,170,000	
	Proportion of land	81.3%	
	Proportion of building	18.7%	
Other matters to which the appraiser paid attention in appraisal		Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.	

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A-60 Hiroo ON Building

(1) Overview of property

Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		April 2, 2007
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		5-19-9, Hiroo, Shibuya-ku, Tokyo
Land	Parcel number	5-11-6, Hiroo, Shibuya-ku, Tokyo (and other 8 parcels)
	Building coverage ratio / Floor area ratio	100%(Note 1) / 453% (Note 2)
	Use district	Commercial district
	Site area	595.55 m ²
	Type of ownership	Ownership
Building	Construction completion	March 1995
	Structure / Floors	Steel-framed reinforced concrete with flat roof, B1/8F
	Use	Office/residence/parking lot
	Total floor space	2,707.95 m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		2,510 million yen
Real estate appraiser		Japan Real Estate Institute
PML		3.1%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	2,248.59 m ²
	Leased floor space	2,248.59 m ²
	Occupancy rate	100%
	Ratio of total leasable floor space in portfolio	0.7%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	3
	Total rent income (annual)	125 million yen
	Deposits, etc.	65 million yen
Special notations		The trustee concluded a land lease agreement regarding a part of the land (60.67 m ²) with an individual who is the land lease right holder, and there is a building owned by the land lease holder based on such land lease agreement. The land lease right was created for the purpose of owning a solid building based on the former Land Lease Law, and the content of such right is not disclosed since no consent has been obtained from the land lease right holder of this land as of today.
(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof		

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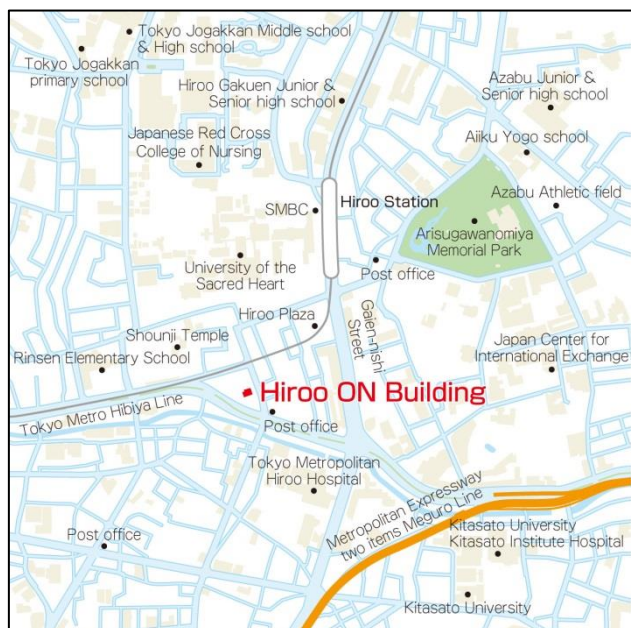
structures within commercial districts and fire prevention districts.

(Note 2) The floor area ratio is essentially 400% or 500%, but it is 453.13% based on a weighted average of the floor area incorporated in the calculation of the ratio.

(Note 3) Not disclosed because consent has not been obtained from the end tenant.

<p>Characteristics</p>	<p><Location Characteristics></p> <p>The “Ebisu/Hiroo area”, where the property is located, is an area around Ebisu station on the JR Yamanote Line, Saikyo Line and Shonan-Shinjuku Line. The area's degree of recognition has been dramatically improved as the supply of large-scale buildings has grown successively since the opening of the landmark property Yebisu Garden Place. In addition to the attractive area where a quiet residential area is spread and small stores are concentrated, three of the JR lines are accessible. Furthermore, there is access to Tokyo central area including Roppongi and Kasumigaseki by the Tokyo Metro Hibiya Line. The property is within an approximately 5-minute walking distance from the closest station, Hiroo station on the Tokyo Mero Hibiya Line, and considered to receive certain appreciation in terms of convenient access. The property is located in Shibuya ward where the demand for office is the tightest in central Tokyo, and among all, it is assumed to have an appealing power especially for IT-related companies who prefer the area and foreign-affiliated companies focus on locational impression and composed work environment.</p> <p><Property Characteristics></p> <p>The property is categorized as a small-sized building as it has a total floor space of approximately 900 tsubo and the standard floor space of approximately 90 tsubo. As many buildings in the area have total floor space of less than 1,000 tsubo, the property is standard-sized and competitiveness is at standard level in terms of building age as it is in the volume zone. The property is equipped with standard level of specifications which can meet tenants' needs.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	Hiroo ON Building
Appraisal value	2,510 million yen
Appraiser	Japan Real Estate Institute
Date of value	May 1, 2018

(thousand yen)		
	Details	Outline
Appraisal value by capitalization method	2,510,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	2,550,000	
Operating income	145,862	
Potential gross income	156,113	
Total of vacancy losses, etc.	10,251	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	35,051	
Building management fees	7,000	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	11,000	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repair and maintenance costs	1,802	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	2,038	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
Leasing expenses	925	Recorded based on the anticipated turnover period of the tenant.
Taxes	12,082	Recorded based on tax related materials.
Insurance	204	Recorded in consideration of premium under insurance contract, and insurance rates of similar properties, etc.
Others	0	No specific cost to be recorded.
Net operating income	110,811	
Non-operating income	676	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	4,340	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	107,147	
Capitalization rate	4.2%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
Appraisal value using the discount cash flow method	2,460,000	
Discount rate	4.0%	Assessed in consideration of the individuality of the target property

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			comprehensively, by reference to investment yields of similar properties.
	Terminal rate	4.4%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
	Appraisal value by cost method	2,020,000	
	Proportion of land	87.4%	
	Proportion of building	12.6%	
Other matters to which the appraiser paid attention in appraisal		Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.	

A-61 TK Gotanda Building

(1) Overview of property

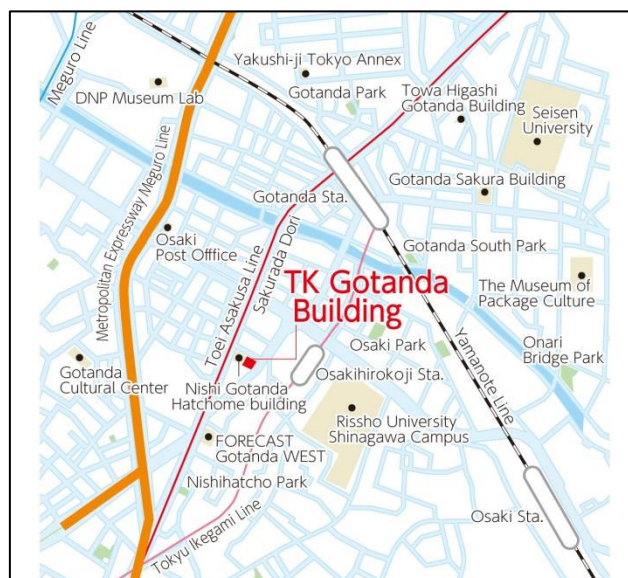
Type of specified asset		Real estate trust beneficiary right (Scheduled)
Acquisition date		July 3, 2018
Trustee		Resona Bank, Limited (Scheduled)
Trust establishment date		July 3, 2018 (Scheduled)
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		8-3-6, Nishi-gotanda, Shinagawa-ku, Tokyo
Land	Parcel number	8-3-2, Nishi-gotanda, Shinagawa-ku, Tokyo (and other 2 parcels)
	Building coverage ratio / Floor area ratio	100% (Note 1) / 800%
	Use district	Commercial district
	Site area	618.54 m ²
	Type of ownership	Ownership
Building	Construction completion	June 1989
	Structure / Floors	Steel-framed • Steel-framed reinforced concrete with flat roof, B1/9F
	Use	Office
	Total floor space	5,187.76m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		4,300 million yen
Real estate appraiser		Japan Real Estate Institute
PML		3.7%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	3,719.98 m ²
	Leased floor space	3,463.95 m ²

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Occupancy rate	93.1%
Ratio of total leasable floor space in portfolio	1.2%
Representative tenant	Not disclosed (Note 2)
Total number of tenants	7
Total rent income (annual)	172 million yen
Deposits, etc.	126 million yen
Special notations	The boundary between the land and adjacent land is yet to be finalized.
(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.	
(Note 2) Not disclosed because consent has not been obtained from the end tenant.	

Characteristics	<p><Location Characteristics></p> <p>The “Gotanda area” where the property is located is an area expanding from east to west around JR Gotanda station. Relatively good traffic convenience with Gotanda station on the JR Yamanote Line, Toei Subway Asakusa Line and Tokyu Ikegami Line, and Fudomae station on the Tokyu Meguro Line in the area. It has relatively excellent visibility as it faces a main road and has good traffic access as it locates within an approximately 6-minute walk from Gotanda station and approximately 3-minute walk from the closest station, Osaki-Hirokoji station on the Tokyu Ikegami Line. While demand is tight as vacancy rate in the area is less than 1%, target tenants are IT-related companies. New demand can be expected to inflow from demolition of small-to-medium-sized buildings in the “Shibuya/Ebisu area” due to low vacancy, rent increase, and redevelopment.</p> <p><Property Characteristics></p> <p>The property is categorized as a medium-sized building with a total floor space of approximately 1,600 tsubo and the standard floor space of approximately 140 tsubo. It is relatively large as other small-sized buildings in the area have total floor space of less than 1,000 tsubo. The property is standard level in terms of building age and competitiveness and it is equipped with standard level of specifications which can meet tenants' needs.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	TK Gotanda Building
Appraisal value	4,300 million yen
Appraiser	Japan Real Estate Institute
Date of value	May 1, 2018

(thousand yen)

	Details	Outline
Appraisal value by capitalization method	4,300,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	4,350,000	
Operating income	229,299	
Potential gross income	238,800	
Total of vacancy losses, etc.	9,501	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	47,470	
Building management fees	10,500	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	12,800	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repair and maintenance costs	2,101	Recorded, in consideration of actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	2,169	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
Leasing expenses	1,398	Recorded based on the anticipated turnover period of the tenant.
Taxes	18,002	Recorded based on tax related materials.
Insurance	500	Recorded in consideration of premium under insurance contract, and insurance rates of similar properties, etc.
Others	0	No specific cost to be recorded.
Net operating income	181,829	
Non-operating income	1,569	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	5,000	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	178,398	
Capitalization rate	4.1%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
Appraisal value using the discount cash flow method	4,250,000	
Discount rate	3.7%	Assessed in consideration of the individuality of the target property

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			comprehensively, by reference to investment yields of similar properties.
	Terminal rate	4.1%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
	Appraisal value by cost method	2,650,000	
	Proportion of land	90.5%	
	Proportion of building	9.5%	
Other matters to which the appraiser paid attention in appraisal		Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.	

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A-62 Gotanda Sakura Building

(1) Overview of property

Type of specified asset		Real estate
Acquisition date		July 3, 2018
Trustee		-
Trust establishment date		-
Trust expiration date		-
Location (indication of residential address)		1-22-6, Higashi-gotanda, Shinagawa-ku, Tokyo
Land	Parcel number	1-22-1, Higashi-gotanda, Shinagawa-ku, Tokyo
	Building coverage ratio / Floor area ratio	100% (Note 1)/ 700%
	Use district	Commercial district
	Site area	1,414.53 m ² (Note 2)
	Type of ownership	Leasehold (right to lease)
Building	Construction completion	November 1993
	Structure / Floors	Steel-framed ・ Steel-framed reinforced concrete with flat roof, B1/10F
	Use	Office/residence
	Total floor space	1,677.85 m ²
	Type of ownership	Ownership
Master lease company		-
Type of master lease		-
Appraisal value		1,500 million yen
Real estate appraiser		Japan Real Estate Institute
PML		4.8%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,500.36 m ²
	Leased floor space	1,500.36 m ²
	Occupancy rate	100.0%
	Ratio of total leasable floor space in portfolio	0.5%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	10
	Total rent income (annual)	89 million yen
	Deposits, etc.	52 million yen
Special notations		The seller concluded a lease agreement regarding the land with the owner of the land, for the purpose of using the building as premises, and agreed on the lease period and obligations to obtain consent in certain circumstances. This land lease right was created based on the former Land Lease Law, and the content of such right is not disclosed since no consent has been obtained from the owner of the land as of today.

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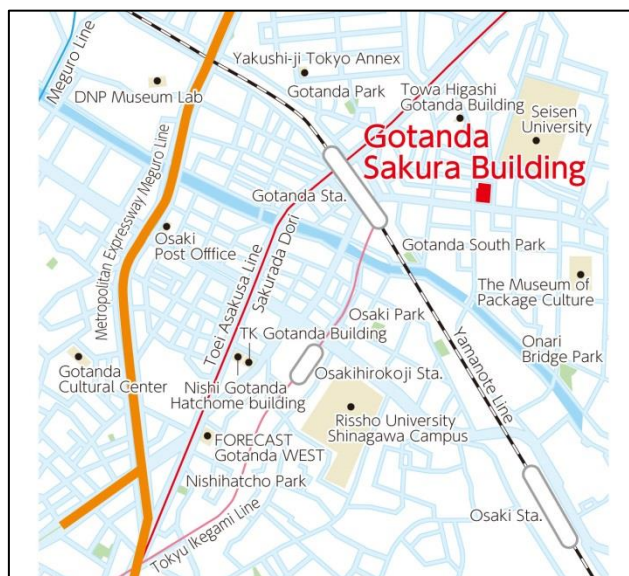
(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.

(Note 2) The To-be-Acquired Asset subject leasehold area is 248.32 m².

(Note 3) Not disclosed because consent has not been obtained from the end tenant.

<p>Characteristics</p>	<p style="text-align: center;"><Location Characteristics></p> <p>The “Gotanda area” where the subject property is located is an area expanding from east to west around JR Gotanda station. It has good traffic convenience with Gotanda station on the JR Yamanote Line, Toei Subway Asakusa Line and Tokyu Ikegami Line, and Fudomae station on the Tokyu Meguro Line in the area. Office building along the Tokyo Prefectural Road Route 317, especially small-to-medium-sized building and low retail stores concentrate in the east side of the station, where various tenant demand can be expected. It has an excellent visibility as it faces a main road and has good traffic access as it is located within an approximately 5-minute walk from Gotanda station on the JR Yamanote Line, Toei Subway Asakusa Line and Tokyu Ikegami Line. While demand is tight as vacancy rate in the area is less than 1%, target tenants are IT-related companies and service industries. New demand can be expected to inflow from demolition of small-to-medium-sized buildings in the “Shibuya/Ebisu area” due to low vacancy, rent increase, and redevelopment.</p> <p style="text-align: center;"><Property Characteristics></p> <p>The property is categorized as a small-sized building as it has a total floor space of approximately 450 tsubo and a standard floor space of approximately 50 tsubo. As many small-sized buildings in the “Gotanda area” have a total floor space of less than 1,000 tsubo, the property is considered to be standard-sized and standard level in terms of building age and competitiveness. The property is equipped with standard level of specifications which can meet tenants’ needs.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	Gotanda Sakura Building
Appraisal value	1,500 million yen
Appraiser	Japan Real Estate Institute
Date of value	May 1, 2018

(thousand yen)

	Details	Outline
Appraisal value by capitalization method	1,500,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,530,000	
Operating income	97,626	
Potential gross income	101,498	
Total of vacancy losses, etc.	3,872	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	28,513	
Building management fees	3,650	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	7,800	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repair and maintenance costs	960	Recorded, in consideration of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,072	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
Leasing expenses	923	Recorded based on the anticipated turnover period of the tenant.
Taxes	2,892	Land is not recorded as it is leased land. Recorded the building and depreciable assets based on tax related materials.
Insurance	200	Recorded in consideration of premium under insurance contract, and insurance rates of similar properties, etc.
Others	11,016	Assessed the payable ground rent based on existing contract and tax related material and recorded the revised ground rent as other expenses.
Net operating income	69,113	
Non-operating income	565	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	2,290	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	67,388	
Capitalization rate	4.4%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
Appraisal value using the discount cash flow	1,470,000	

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method	Discount rate	3.9%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
	Terminal rate	4.5%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		958,000	
	Proportion of land	84.7%	
	Proportion of building	15.3%	
Other matters to which the appraiser paid attention in appraisal		Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.	

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A-63 Esprit Kameido

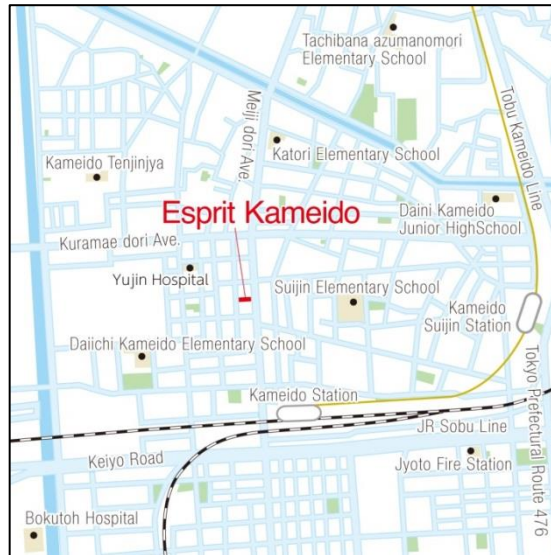
(1) Overview of property

Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mizuho Trust & Banking Co., Ltd.
Trust establishment date		March 30, 2018
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		2-36-12, Kameido, Koto-ku, Tokyo
Land	Parcel number	2-36-21, Kameido, Koto-ku, Tokyo (and another parcel)
	Building coverage ratio / Floor area ratio	100% (Note 1) / 600%
	Use district	Commercial district
	Site area	401.81 m ²
	Type of ownership	Ownership
Building	Construction completion	June 1991
	Structure / Floors	Steel-framed flat roof, 10F
	Use	Retail/residence
	Total floor space	2,239.02 m ² (extension building 2.42m ²)
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		1,280 million yen
Real estate appraiser		Japan Real Estate Institute
PML		6.8%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	2,010.81 m ²
	Leased floor space	2,010.81 m ²
	Occupancy rate	100.0%
	Ratio of total leasable floor space in portfolio	0.7%
	Representative tenant	Not disclosed (Note 2)
	Total number of tenants	11
	Total rent income (annual)	77 million yen
	Deposits, etc.	34 million yen
Special notations		Not applicable
(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.		
(Note 2) Not disclosed because consent has not been obtained from the end tenant.		

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Characteristics	<p style="text-align: center;"><Location Characteristics></p> <p>Access to the “Kinshicho area” is rated high because of accessibility to major office areas such as the those around Tokyo station, Mitsukoshimae station and Otemachi station by the JR Line and subway. Small retail properties such as Atré Kameido which is located north side of Kameido station and residential properties such as individual houses and apartment buildings gather together around the station near to where the property is located. The area has certain market scale as small-to-middle-sized offices are found although its recognition as an office area is low because there is no large sized office building in the area. The property is an approximately 6-minute walk from the Kameido station on the JR Sobu Line and Tobu Kameido Line. It has certain competitiveness because of good location along Meiji dori Avenue which is a main street in the area.</p> <p style="text-align: center;"><Property Characteristics></p> <p>The property is small-sized building with total floor space of approximately 700 tsubo and standard floor space of approximately 60 tsubo. The size of the building is average in the area. Furthermore the property has certain competitiveness in the “Kinshicho area” where relatively old buildings are often found. The property is equipped with standard specifications that meet tenants’ needs.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	Esprit Kameido
Appraisal value	1,280 million yen
Appraiser	Japan Real Estate Institute
Date of value	May 1, 2018

(thousand yen)

	Details	Outline
Appraisal value by capitalization method	1,280,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,290,000	
Operating income	86,636	
Potential gross income	90,900	
Total of vacancy losses, etc.	4,264	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	23,236	
Building management fees	5,200	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	8,500	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repair and maintenance costs	1,290	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,200	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
Leasing expenses	492	Recorded based on the anticipated turnover period of the tenant.
Taxes	6,073	Recorded based on tax related materials.
Insurance	168	Recorded in consideration of premium under insurance contract, and insurance rates of similar properties, etc.
Others	313	Recorded the community council fees as other expenses.
Net operating income	63,400	
Non-operating income	330	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	3,070	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	60,660	
Capitalization rate	4.7%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
Appraisal value using the discount cash flow method	1,260,000	
Discount rate	4.5%	Assessed in consideration of the individuality of the target property

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			comprehensively, by reference to investment yields of similar properties.
	Terminal rate	4.9%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
	Appraisal value by cost method	1,220,000	
	Proportion of land	83.9%	
	Proportion of building	16.1%	
Other matters to which the appraiser paid attention in appraisal		Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.	

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A-64 Alte Building Higobashi

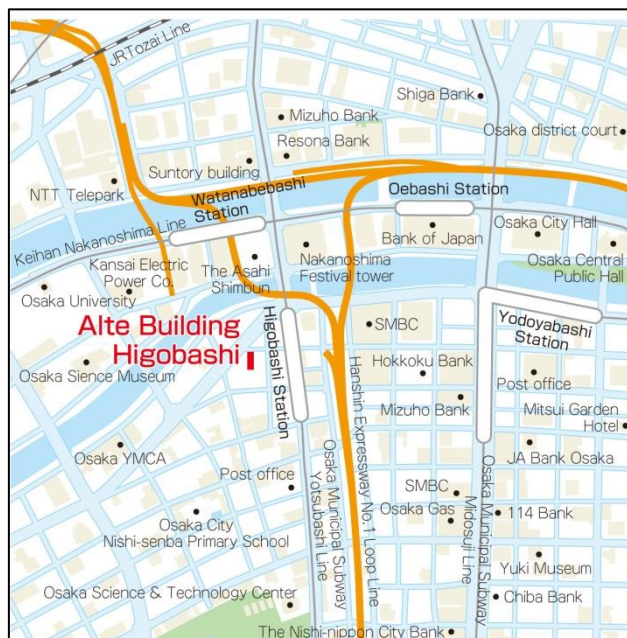
(1) Overview of property

Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		August 13, 2004
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		1-15-27, Edobori, Nishi-ku, Osaka, Osaka
Land	Parcel number	1-23-13, Edobori, Nishi-ku, Osaka, Osaka (and other 3 parcels)
	Building coverage ratio / Floor area ratio	100%(Note1) / 800% (Note2)
	Use district	Commercial district
	Site area	543.72 m ²
	Type of ownership	Ownership
Building	Construction completion	June 1993
	Structure / Floors	Steel structure with flat roof, B1/10F
	Use	Office/retail
	Total floor space	4,503.74 m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		1,560 million yen
Real estate appraiser		JLL Morii Valuation & Advisory K.K.
PML		7.2%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	3,482.92 m ²
	Leased floor space	3,482.92 m ²
	Occupancy rate	100%
	Ratio of total leasable floor space in portfolio	1.1%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	11
	Total rent income (annual)	106 million yen
	Deposits, etc.	91 million yen
Special notations		Not applicable
(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.		
(Note 2) The floor area ratio is essentially 400% or 800%, but it is 800% based on a weighted average of the floor area incorporated in the calculation of the ratio.		
(Note 3) Not disclosed because consent has not been obtained from the end tenant.		

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Characteristics	<p style="text-align: center;"><Location Characteristics></p> <p>The “Higobashi area”, where the property is located is served by Higobashi Station on the Osaka Metro Yotsubashi Line, and office buildings stand mainly along Yotsubashisuji Street and Tosabori-dori Street. The area has been developed as a sub-market of “Midosuji area” and “Dojima/Nakanoshima area”, however the mixture of business facilities and residence has been progressing mainly along the back streets in recent years. In addition, derived demands from subsidiaries of tenants located in the neighboring “Dojima/Nakanoshima area” and “Yodoyabashi area” are often recognized in the area. The property is located an approximately 2-minute walk from the above-mentioned Higobashi station, although the building does not face to the main street of Yotsubashisuji Street, it is considered to be highly competitive in the market as it is close to the station and has visibility from Tosabori-dori Street on the north side.</p> <p style="text-align: center;"><Property Characteristics></p> <p>The property is categorized as a small- and medium-sized building as it has the total floor space of approximately 1,400 tsubo and the standard floor space of approximately 120 tsubo. The property is considered to be highly evaluated since its leasing spaces are regularly shaped with no pillars and can be divided into small sections of 15 tsubo at the minimum. Its building age and level of equipment are at standard level in the area, and the building specification can meet tenants’ needs. The building is considered to maintain a certain competitive edge in the market since it underwent entrance and common area renovation recently and the property has incidental facilities including refreshment room.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	Alte Building Higobashi
Appraisal value	1,560 million yen
Appraiser	JLL Morii Valuation & Advisory K.K.
Date of value	May 1, 2018

(thousand yen)

	Details	Outline
Appraisal value by capitalization method	1,560,000	Calculated the value by associating values based on the direct capitalization method and the DCF method.
Appraisal value using the direct capitalization method	1,580,000	
Operating income	127,113	Assessed stable rent and other areas over the medium- and long-term based on the current terms and conditions and so on.
Potential gross income	133,682	
Total of vacancy losses, etc.	6,569	Assessed by taking into account the standard vacancy rate and the individuality of the target property.
Operating expenses	42,892	
Building management fees	9,892	Adopted based on our judgment that the level of actual performances are reasonable with reference to the level of similar properties.
Utilities	13,022	Assessed based on the actual performance with reference to the level of similar properties.
Repair and maintenance costs	5,976	Recorded 30% of the levelled amount based on our judgment that the estimated ER is reasonable.
Property management fees	2,704	Adopted based on our judgment that the contract is reasonable with reference to the level of similar properties.
Leasing expenses	1,071	1.0 months' worth of new monthly rent
Taxes	9,739	Land: Took volatility into account based on the actual amount. Building: Assessed by taking into account age depreciation. Depreciable assets: Assessed by taking into account building age Depreciation, based on actual performance.
Insurance	488	Recorded equivalent to 0.04% of replacement value.
Others	0	
Net operating income	84,221	
Non-operating income	838	Assessed by multiplying the amount obtained by deducting guarantee deposits for vacant rooms from room guarantee deposits for the time of full occupancy by a 1.0% yield.
Capital expenditure	13,943	Recorded 70% of the levelled amount based on our judgment that the estimated ER is reasonable.
Net income	71,116	
Capitalization rate	4.5%	Assessed by adding the volatility risk of revenue and the principal to the discount rate.
Appraisal value using the discount cash flow method	1,530,000	
Discount rate	4.3%	Assessed by comprehensively taking into account investor research, examples of REITs, and trading market trends and other aspects in consideration of risk factors related to the regional characteristics and individuality of the target property, in addition to the standard basic yield in a region where the risk is deemed to be the lowest, in light of interest rate trends for long-term JGBs and other instruments.
Terminal rate	4.7%	Assessed by taking into account uncertainties in the forecast for future changes in net revenue and future degradation and sales risks of the building, in addition to the cap rate.
Appraisal value by cost	1,270,000	

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method		
Proportion of land	75.6%	
Proportion of building	24.4%	

Other matters to which the appraiser paid attention in appraisal	We have determined the appraisal value by adopting the income approach value, using the cost approach value as a reference, after taking into account the characteristics of each method applied and the details and other aspects in the process of the application.
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A-65 DIA Building Meieki

(1) Overview of property

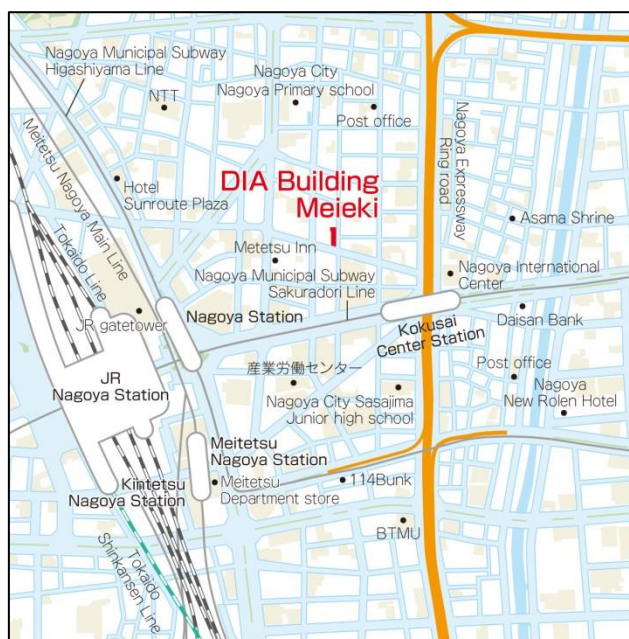
Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		July 30, 2015
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		3-8-7, Meieki, Nakamura-ku, Nagoya, Aichi
Land	Parcel number	3-805, Meieki, Nakamura-ku, Nagoya, Aichi (and another parcel)
	Building coverage ratio / Floor area ratio	100% (Note1) / 462% (Note2)
	Use district	Commercial district
	Site area	563.51 m ²
	Type of ownership	Ownership
Building	Construction completion	December 1991
	Structure / Floors	Steel-framed reinforced concrete with flat roof, B1/6F
	Use	Office/parking lot
	Total floor space	2,909.28 m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		1,240 million yen
Real estate appraiser		JLL Morii Valuation & Advisory K.K.
PML		3.4%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,781.72 m ²
	Leased floor space	1,781.72 m ²
	Occupancy rate	100%
	Ratio of total leasable floor space in portfolio	0.6%
	Representative tenant	Not disclosed (Note 3)
	Total number of tenants	11
	Total rent income (annual)	75 million yen
	Deposits, etc.	49 million yen

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Special notations	Not applicable
(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.	
(Note 2) The floor area ratio is essentially 400% or 500%, but it is 462% based on a weighted average of the floor area incorporated in the calculation of the ratio.	
(Note 3) Not disclosed because consent has not been obtained from the end tenant.	

Characteristics	<p><Location Characteristics></p> <p>The “Meieki area”, where the property is located, is an area extending from the east side of Nagoya Station. The area enjoys convenient access as multiple trains lines including the JR Lines, the Meitetsu Lines, the Kintetsu Line, and the Nagoya Municipal Subway Higashiyama and Sakura-dori Lines are accessible. The area is highly evaluated in terms of access to extensive areas using the Tokaido Shinkansen. The area is recognized as a center of Nagoya City and is becoming more competitive than other areas with an increasing number of high-quality properties after the recent reconstruction projects. The property is an approximately 3-minute walk from Kokusai Center Station on the Nagoya Municipal Subway Sakura-dori Line and within walking distance from Nagoya station on the JR Lines, and it is considered to be conveniently located.</p> <p><Property Characteristics></p> <p>The property is categorized as a small- and medium-sized building as it has the total floor space of approximately 880 tsubo and the standard floor space of approximately 100 tsubo which are the standard size in the area. Its leasing spaces are regularly shaped with no pillars and considered to have relatively high layout flexibility. The property meets the new earthquake-resistance standards and is considered to have no difficulty in attracting tenants as there are many old buildings in the “Meieki area”. Furthermore, it is equipped with standard level of specifications which can meet tenants’ needs.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	DIA Building Meieki
Appraisal value	1,240 million yen
Appraiser	JLL Morii Appraisal & Investment Consulting Inc.
Date of value	May 1, 2018

(thousand yen)		
	Details	Outline
Appraisal value by capitalization method	1,240,000	Calculated the value by associating values based on the direct capitalization method and the DCF method.
Appraisal value using the direct capitalization method	1,250,000	
Operating income	95,133	Assessed stable rent and other areas over the medium- and long-term based on the current terms and conditions and so on.
Potential gross income	99,531	
Total of vacancy losses, etc.	4,398	Assessed by taking into account the standard vacancy rate and the individuality of the target property.
Operating expenses	30,922	
Building management fees	7,068	Adopted based on our judgment that the level of actual performances are reasonable with reference to the level of similar properties.
Utilities	8,795	Assessed based on the actual performance with reference to the level of similar properties.
Repair and maintenance costs	3,123	Recorded 30% of the levelled amount based on our judgment that the estimated ER is reasonable.
Property management fees	2,119	Adopted based on our judgment that the contract is reasonable with reference to the level of similar properties.
Leasing expenses	701	1.0 months' worth of new monthly rent
Taxes	8,757	Land: Took volatility into account based on the actual amount. Building: Assessed by taking into account age depreciation. Depreciable assets: Assessed by taking into account building age Depreciation, based on actual performance.
Insurance	342	Recorded equivalent to 0.04% of replacement value.
Others	17	Recorded the CATV usage fees.
Net operating income	64,211	
Non-operating income	551	Assessed by multiplying the amount obtained by deducting guarantee deposits for vacant rooms from room guarantee deposits for the time of full occupancy by a 1.0% yield.
Capital expenditure	7,286	Recorded 70% of the levelled amount based on our judgment that the estimated ER is reasonable.
Net income	57,476	
Capitalization rate	4.6%	Assessed by adding the volatility risk of revenue and the principal to the discount rate.
Appraisal value using the discount cash flow method	1,220,000	
Discount rate	4.4%	Assessed by comprehensively taking into account investor research, examples of REITs, and trading market trends and other aspects in consideration of risk factors related to the regional characteristics and individuality of the target property, in addition to the standard basic yield in a region where the risk is deemed to be the lowest, in light of interest rate trends for long-term JGBs and other instruments.
Terminal rate	4.8%	Assessed by taking into account uncertainties in the forecast for future changes in net revenue and future degradation and sales risks of the building, in addition to the cap rate.

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Appraisal value by cost method	1,280,000	
Proportion of land	84.0%	
Proportion of building	16.0%	

Other matters to which the appraiser paid attention in appraisal	We have determined the appraisal value by adopting the income approach value, using the cost approach value as a reference, after taking into account the characteristics of each method applied and the details and other aspects in the process of the application.
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B-10 Residence Hiroo

(1) Overview of property

Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		March 30, 2017
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		5-1-10, Minami-azabu, Minato-ku, Tokyo
Land	Parcel number	5-79-46, Minami-azabu, Minato-ku, Tokyo
	Building coverage ratio / Floor area ratio	80%(Note1) / 400%
	Use district	Category 1 residential area
	Site area	608.63 m ² (Note 2)
	Type of ownership	Ownership
Building	Construction completion	February 2004
	Structure / Floors	Reinforced concrete structure/flat roof, 12F
	Use	Residence, Retail
	Total floor space	2,422.10 m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		2,630 million yen
Real estate appraiser		Daiwa Real Estate Appraisal Co., Ltd.
PML		3.0%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,983.15 m ²
	Leased floor space	1,914.83 m ²
	Occupancy rate (by space)	96.6%
	Number of leasable units	53 units
	Number of leased units	51 units
	Occupancy rate (by unit)	96.2%
	Ratio of total leasable floor space in portfolio	0.65%
	Total number of tenants	52

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	Total rent (annual)	117 million yen
	Deposits, etc.	38 million yen
Special notations	Part of the boundary between the land and adjacent land is yet to be finalized.	
(Note 1) The building coverage ratio is essentially 60%, but it is 80% due to relaxation for corner lots and for fire-proof structures within fire prevention districts.		
(Note 2) The site area includes the private road burden area of approximately 87.4 m ² , which is the total area of the portion for the private road burden pursuant to Article 42, Paragraph 1 Item 3 of the Building Standards Act and the portion that is deemed as a road pursuant to Article 42, Paragraph 2 of the Building Standards Act (setback portion).		

Characteristics	<p><Location Characteristics></p> <p>The property is approximately a 3-minute walk from the Hiroo station of Tokyo Metro Hibiya Line, with high and medium-high office buildings, stores and residences lining a prefectural road around the property. The area is historically one of the most luxurious residential areas with the residences of peerages or high-level military personnel and embassy etc. built around Arisugawa-no-miya Memorial Park after the Meiji period. High and medium-high apartment houses, stores and office buildings line along an arterial road. On the other hand relatively large detached houses and low apartment houses line behind the road and a quiet and elegant atmosphere has been created. In addition to luxury grocery stores which have foodstuffs from abroad and Hiroo Sanpo Dori that is an old-fashioned shopping street, medical institutions such as Japan Red Cross Medical Center and Tokyo Metropolitan Hiroo Hospital, schools with long histories such as University of the Sacred Heart, Tokyo, Tokyo Jogakkan, Keio Gijuku Yochisha Primary School are located around the property. The area combines a quiet living environment and convenience. Furthermore, it is easily accessible to central Tokyo. The property is expected to mainly target single businessmen and companies which need apartments for their employees.</p> <p><Property Characteristics></p> <p>The design and material are generally satisfactory, and rooms are composed of studio type and 1DK type which targets single persons as main target. It also is equipped with an automatic locking device, home delivery box, security camera, intercom with monitor, bathroom ventilating heating drier, bathtub with reheating function and 2 burner gas stove.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	Residence Hiroo
Appraisal value	2,630 million yen
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Date of value	May 1, 2018

(thousand yen)		
	Details	Outline
Appraisal value by capitalization method	2,630,000	Calculated based on a decision that the DCF-based appraisal value is more convincing by clarifying the fluctuation in net operating income in the future, also verified with the appraisal value by the direct capitalization method.
Appraisal value using the direct capitalization method	2,700,000	
Operating income	124,101	
Potential gross income	128,891	
Total of vacancy losses, etc.	4,790	Estimated using historical vacancy rate of the subject property and standard vacancy rate of comparable property.
Operating expenses	17,471	
Building management fees	2,880	Recorded after the assessment by reference to the amount of the building management fees of similar properties based on the contract price obtained from the client.
Utilities	1,367	Recorded after the assessment by reference to rentable area of 190 yen/tsubo based on the actual price obtained from the client.
Repair and maintenance costs	1,754	Recorded based on the annual average amount indicated on the ER. Recorded in 10,000yen/tsubo in consideration of restoration cost.
Property management fees	1,861	Determined that current contract is reasonable, and recorded a amount 1.5% equivalent of operating revenue.
Leasing expenses	3,218	Recorded after the assessment of amount equivalent to new tenant's 1.5 monthly rent based on materials obtained from the client.
Taxes	5,511	Recorded after the assessment in consideration of trend of land prices and level of tax burden based on the actual amount for 2018 obtained from the client for land, based on the actual amount for 2018 obtained from the client for building.
Insurance	158	Recorded based on our judgement that the estimates obtained from the client is reasonable.
Others	719	Recorded after the assessment by reference to rentable area of 100 yen/tsubo based on the actual price obtained from the client.
Net operating income	106,629	
Non-operating income	284	Assessed investment yield of 1.0% under comprehensive consideration of the management status of non-operating income from the viewpoints of management and fundraising.
Capital expenditure	1,809	Recorded bases on annual average of renewal expenses indicated on the ER with consideration of CM fees.
Net income	105,105	
Capitalization rate	3.9%	Assessed by adding or reducing a spread derived from the locational conditions, building grade, building age, building conditions such as facility standards, current rent standards compared to market rent, rights relationship, and terms and conditions of contract, etc. of the target property, based on similar use property's rate located in the most lowest risk, and also by reference to the capitalization rate, etc. in the appraisal of J-REIT properties within the same supply and demand zone.
Appraisal value using the discount cash flow method	2,600,000	

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	Discount rate	3.7%	Assessed in comparison with transaction in similar properties and yields of financial products.
	Terminal rate	4.1%	Assessed in consideration the market value of the property basis at the time of the analysis period expires for the terminal rate.
Appraisal value by cost method		2,640,000	
	Proportion of land	88.0%	
	Proportion of building	12.0%	
Other matters to which the appraiser paid attention in appraisal		Assessed based on the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference, because the Income Capitalization Approach Value, which reflects actual supply and demand trend in real estate market and market participants' behavior is more persuasive.	

B-11 (Tentative) Residence Nihombashi Hakozaki

(1) Overview of property

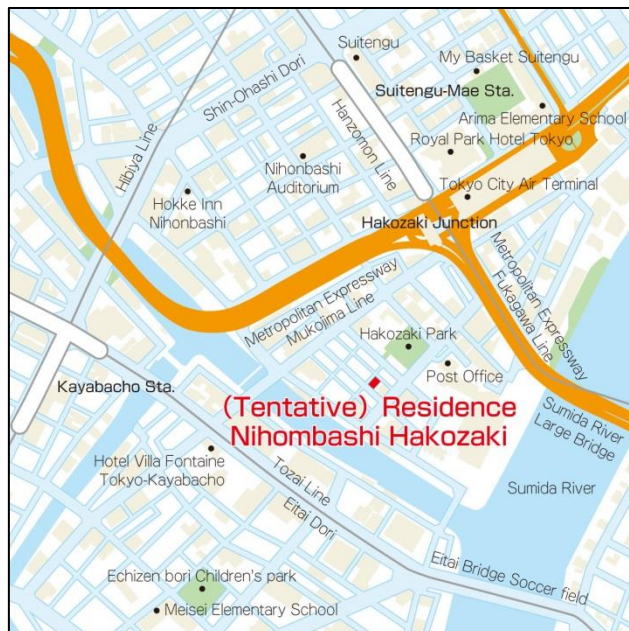
Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mizuho Trust & Banking Co., Ltd. (Scheduled)
Trust establishment date		July 3, 2018 (Scheduled)
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		13-2, Nihombashi Hakozaki, Chuo-ku, Tokyo
Land	Parcel number	13-1, Nihombashi Hakozaki, Chuo-ku, Tokyo (and another parcel)
	Building coverage ratio / Floor area ratio	100% (Note 1) / 608% (Note2)
	Use district	Commercial district
	Site area	264.18 m ²
	Type of ownership	Ownership
Building	Construction completion	March 2002
	Structure / Floors	Steel-framed ・ Steel-framed reinforced concrete with flat roof, 11F
	Use	Residence
	Total floor space	1,950.79 m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		1,300 million yen
Real estate appraiser		Japan Real Estate Institute
PML		7.8%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,950.79 m ²
	Leased floor space	1,950.79 m ²
	Occupancy rate (by space)	100.0% (Note 3)
	Number of leasable units	62 units

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Number of leased units	62 units
Occupancy rate (by unit)	100.0% (Note 3)
Ratio of total leasable floor area in portfolio	0.6%
Total number of tenants	1
Total rent income (annual)	Not disclosed (Note 4)
Deposits, etc.	Not disclosed (Note 4)
Special notations	Not applicable
<p>(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within fire prevention districts.</p> <p>(Note 2) The floor area ratio is essentially 500%, but it is 608% due to relaxation for subway facilities and subject to the single housing complex certification and the urban housing comprehensive design system.</p> <p>(Note 3) While the occupancy rate as of April 30, 2018 stood at 100.0%, it became 0.0% on May 1, 2018 as the property was vacated upon cancellation of the lease agreement with the sub-lessee on the same day. The occupancy of this property and revenue projection based on the planned leasing activities are reflected in the preconditions for the financial forecast.</p> <p>(Note 4) Not disclosed because consent has not been obtained from tenant.</p>	

Characteristics	<p><Location Characteristics></p> <p>The property is an approximately 5-minute walk from the closest station, Suitengumae Station. It has good access to Otemachi Station in central Tokyo in which is only approximately 4-minutes by train. Also, it has superior living environment with convenient facilities such as daily necessity stores nearby.</p> <p><Property Characteristics></p> <p>The property is a rental apartment targeting single persons or small families. Compared to neighboring competitors, it has certain competitiveness as it is equipped with appropriate level of specification.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	(Tentative) Residence Nihombashi Hakozaki
Appraisal value	1,300 million yen
Appraiser	Japan Real Estate Institute
Date of value	May 1, 2018

(thousand yen)

	Details	Outline
Appraisal value by capitalization method	1,300,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,330,000	
Operating income	77,089	
Potential gross income	80,980	
Total of vacancy losses, etc.	3,891	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	14,254	
Building management fees	3,000	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	600	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repair and maintenance costs	1,441	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	1,433	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
Leasing expenses	4,106	Recorded based on the anticipated turnover period of the tenant.
Taxes	3,474	Recorded based on tax related materials.
Insurance	200	Recorded in consideration of premium under insurance contract, and insurance rates of similar properties, etc.
Others	0	No specific cost to be recorded.
Net operating income	62,835	
Non-operating income	60	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	1,920	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	60,975	
Capitalization rate	4.6%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
Appraisal value using the discount cash flow method	1,270,000	
Discount rate	4.0%	Assessed in consideration of the individuality of the target property

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			comprehensively, by reference to investment yields of similar properties.
	Terminal rate	4.4%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
Appraisal value by cost method		1,050,000	
	Proportion of land	82.1%	
	Proportion of building	17.9%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings
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B-12 Primegate Iidabashi

(1) Overview of property

Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust establishment date		December 19, 2014
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		6-36, Shin-ogawamachi, Shinjuku-ku, Tokyo
Land	Parcel number	108-1, Shin-ogawamachi, Shinjuku-ku, Tokyo (and other 16 parcels)
	Building coverage ratio / Floor area ratio	82% (Note 1) / 450% (Note 2)
	Use district	Commercial district, Category 2 residential area (Note 3)
	Site area	2,174.87 m ²
	Type of ownership	Ownership
Building	Construction completion	March 1994
	Structure / Floors	Steel-framed reinforced concrete with flat roof,B1/14F
	Use	Office/retail/residence
	Total floor space	9,217.16 m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		5,200 million yen
Real estate appraiser		Japan Real Estate Institute
PML		2.8%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	6,055.81 m ²
	Leased floor space	5,772.52 m ²

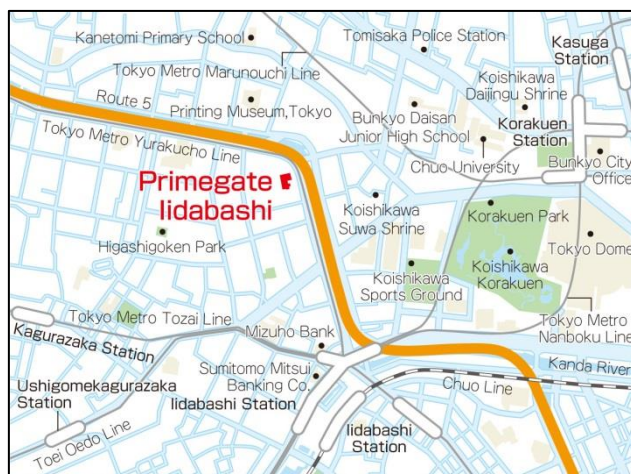
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	Occupancy rate (by space)	95.3%
	Number of leasable units	58 units
	Number of leased units	54 units
	Occupancy rate (by unit)	93.1%
	Ratio of total leasable floor area in portfolio	2.0%
	Total number of tenants	62
	Total rent income (annual)	241 million yen
	Deposits, etc.	61 million yen
Special notations	<div>1. A surface right is created for part of the land (410.97m²) as follows: Surface right holder: Tokyo Metro Co., Ltd. Purpose: Construction of underground electric railways Scope: 2.30 meters below (or 2.40 meters below) the average sea level of Tokyo Bay</div> <div>2. The building is certified as a single housing complex combined with the building on the adjacent land, according to the provisions of Article 86, Paragraph 1 of the Building Standards Act, and the trustee has concluded an agreement with the owner of the building on the adjacent land concerning reciprocal use of a drive way, how to allocate burden of repair expenses, and prior consultation over and obligations to obtain consent on any reconstruction and renovation, etc. In such agreement, it is provided that the trustee shall, if it sells the building, transfer rights, obligations and status prescribed in such agreement to a buyer.</div>	
<div>(Note 1) The building coverage ratio is essentially 80% and 60%, but it is 81.92% due to relaxation subject to the single housing complex certification and the urban housing comprehensive design system.</div> <div>(Note 2) The floor area ratio is essentially 500% and 300%, but it is 450% due to relaxation for subway facilities and subject to the single housing complex certification and the urban housing comprehensive design system.</div> <div>(Note 3) The commercial area of the land is within 30m from the street boundary, while the category II residential area of the land is 30m or over from the street boundary.</div>		

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Characteristics	<p><Location Characteristics></p> <p>The property faces Mejiro-dori with good visibility. It is an approximately 8-minute walk from the Iidabashi station which is accessible to various areas on multiple train routes. Good living convenience with various convenient facilities within walking distance.</p> <p><Property Characteristics></p> <p>Interior of the entrance area and corridor looks high-quality compared to other similar apartments in the surrounding area. It has sufficient competitiveness with satisfactory security and room facilities. Furthermore, it is superior in the market in terms of size and price as it has a total of 58 housing units in an area where there are many mid-small sized apartments.</p>
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(2) Photo of property and Map



(3) Outline of Appraisal Report

Property name	Primegate Iidabashi
Appraisal value	5,200 million yen
Appraiser	Japan Real Estate Institute
Date of value	May 1, 2018

(thousand yen)

	Details	Outline
Appraisal value by capitalization method	5,200,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	5,230,000	
Operating income	284,615	
Potential gross income	298,958	
Total of vacancy losses, etc.	14,343	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	69,405	
Building management fees	22,000	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	10,900	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repair and	4,111	Recorded, in consideration of the actual amount of the past years,

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	maintenance costs		maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
	Property management fees	4,043	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
	Leasing expenses	8,591	Recorded based on the anticipated turnover period of the tenant.
	Taxes	19,260	Recorded based on tax related materials.
	Insurance	500	Recorded in consideration of premium under insurance contract, and insurance rates of similar properties, etc.
	Others	0	No specific cost to be recorded.
	Net operating income	215,210	
	Non-operating income	633	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
	Capital expenditure	6,700	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
	Net income	209,143	
	Capitalization rate	4.0%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
	Appraisal value using the discount cash flow method	5,160,000	
	Discount rate	3.7%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
	Terminal rate	4.1%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
	Appraisal value by cost method	5,090,000	
	Proportion of land	88.3%	
	Proportion of building	11.7%	
Other matters to which the appraiser paid attention in appraisal		Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.	

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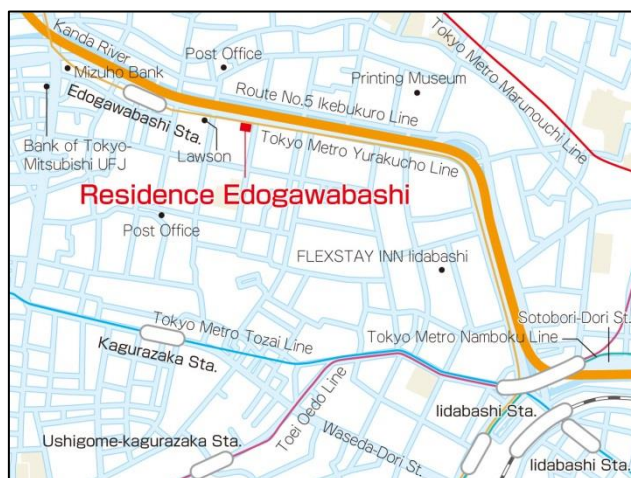
B-13 Residence Edogawabashi
(1) Overview of property

Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust establishment date		February 8, 2012
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		4-22, Suidocho, Shinjuku-ku, Tokyo
Land	Parcel number	52-19, Suidocho, Shinjuku-ku, Tokyo (and other 2 parcels)
	Building coverage ratio / Floor area ratio	100%(Note1)/500%
	Use district	Commercial district
	Site area	277.83 m ² (Note 2)
	Type of ownership	Ownership
Building	Construction completion	March 2000
	Structure / Floors	Reinforced concrete structure/flat roof, 10F
	Use	Residence/retail
	Total floor space	1,323.15 m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		1,250 million yen
Real estate appraiser		JLL Morii Valuation & Advisory K.K.
PML		3.5%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,246.42 m ²
	Leased floor space	1,216.00 m ²
	Occupancy rate (by space)	97.6%
	Number of leasable units	36 units
	Number of leased units	35 units
	Occupancy rate (by unit)	97.2%
	Ratio of total leasable floor area in portfolio	0.4%
	Total number of tenants	36
	Total rent income (annual)	58 million yen
	Deposits, etc.	17 million yen
Special notations		Not applicable
(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.		
(Note 2) A burden on private road (approx. 20.16m ²) pursuant to Article 42, Paragraph 2 of the Building Standards Act, is included.		

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Characteristics	<p><Location Characteristics></p> <p>The property is approximately a 4-minute walk from Edogawabashi Station on the Tokyo Metro Yurakucho Line and located in the area where multiple train routes are accessible including Kagurazaka Station on the Tokyo Metro Tozai line. It can be said to have superior living convenience as there are Jizo Dori shopping street in parallel with Mejiro Dori Street along the south side of Edogawabashi Station.</p> <p>The same demand/supply area is a mixture of retail and residential area spread from the northeast part of Shinjuku Ward to the west part of Bunkyo Ward and have superior proximity to central Tokyo and demand for rental condominium for singles and families that value proximity to workplace is existed in the area. The property can expect demand especially from singles because of the location.</p> <p><Property Characteristics></p> <p>The property is considered to have a standard level of competitiveness in the same demand/supply area as the building grade and maintenance condition of the building is standard and the equipment specification of its rooms are appropriate for the age.</p>
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(2) Photo of property and Map



(3) Outline of Appraisal Report

Property name	Residence Edogawabashi
Appraisal value	1,250 million yen
Appraiser	JLL Morii Valuation & Advisory K.K.
Date of value	May 1, 2018

(thousand yen)		
	Details	Outline
Appraisal value by capitalization method	1,250,000	Calculated the value by associating values based on the direct capitalization method and the DCF method.
Appraisal value using the direct capitalization method	1,270,000	
Operating income	63,821	Assessed stable rent and other areas over the medium- and long-term based on the current terms and conditions and so on.
Potential gross income	66,138	
Total of vacancy losses, etc.	2,317	Assessed by taking into account the standard vacancy rate and the individuality of the target property.

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Operating expenses	9,235	
Building management fees	2,100	Adopted based on our judgment that estimates are reasonable with reference to the level of similar properties.
Utilities	452	Assessed based on the actual performance with reference to the level of similar properties.
Repair and maintenance costs	1,490	Recorded 30% of the levelled amount based on our judgment that the estimated ER is reasonable. In addition, assessed residence restoration costs as 12,100/ tsubo by taking into account the actual performance and the move-out ratio with reference to the level of similar properties.
Property management fees	928	Adopted based on our judgment that the contract is reasonable with reference to the level of similar properties.
Leasing expenses	1,319	1.5 months' worth of new monthly rent
Taxes	2,197	Recorded based on tax related materials. Land: Took volatility into account based on the actual amount. Building: Assessed by taking into account age depreciation. Depreciable assets: Assessed by taking into account building age Depreciation, based on actual performance.
Insurance	120	Recorded equivalent to 0.04% of replacement value.
Others	629	Recorded the community council fee and renewal fee.
Net operating income	54,586	
Non-operating income	155	Assessed by multiplying the amount obtained by deducting guarantee deposits for vacant rooms from room guarantee deposits for the time of full occupancy by a 1.0% yield.
Capital expenditure	1,609	Recorded 70% of the levelled amount based on our judgment that the estimated ER is reasonable.
Net income	53,132	
Capitalization rate	4.2%	Assessed by adding the volatility risk of revenue and the principal to the discount rate.
Appraisal value using the discount cash flow method	1,220,000	
Discount rate	4.0%	Assessed by comprehensively taking into account investor research, examples of REITs, and trading market trends and other aspects in consideration of risk factors related to the regional characteristics and individuality of the target property, in addition to the standard basic yield in a region where the risk is deemed to be the lowest.
Terminal rate	4.4%	Assessed by taking into account uncertainties in the forecast for future changes in net revenue and future degradation and sales risks of the building, in addition to the cap rate.
Appraisal value by cost method	470,000	
Proportion of land	81.5%	
Proportion of building	18.5%	

Other matters to which the appraiser paid attention in appraisal	We have determined the appraisal value by adopting the income approach value, using the cost approach value as a reference, after taking into account the characteristics of each method applied and the details and other aspects in the process of the application.
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B-14 Merveille Senszoku
(1) Overview of property

Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		March 30, 2017
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		1-10-1, Kitasenzoku, Ota-ku, Tokyo
Land	Parcel number	1-672-1, Kitasenzoku, Ota-ku, Tokyo (and another parcel)
	Building coverage ratio / Floor area ratio	80%(Note) / 300%
	Use district	Quasi-residential zone
	Site area	300.32 m ²
	Type of ownership	Ownership
Building	Construction completion	September 2002
	Structure / Floors	Steel-framed reinforced concrete, Reinforced concrete structure/flat roof, B1/9F
	Use	Residence/parking lot
	Total floor space	1,075.85 m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		740 million yen
Real estate appraiser		JLL Morii Valuation & Advisory K.K.
PML		5.3%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	841.26 m ²
	Leased floor space	841.26 m ²
	Occupancy rate (by space)	100.0%
	Number of leasable units	28 units
	Number of leased units	28 units
	Occupancy rate (by unit)	100.0%
	Ratio of total leasable floor area in portfolio	0.3%
	Total number of tenants	28
	Total rent income (annual)	37 million yen
	Deposits, etc.	3 million yen
Special notations		Part of the boundary between the land and adjacent land is yet to be finalized.
(Note) The building coverage ratio is essentially 60%, but it is 80% due to relaxation for corner lots and for fire-proof structures within fire prevention districts.		

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Characteristics	<p style="text-align: center;"><Location Characteristics></p> <p>The property is accessible to several lines and stations and is an approximately 6-minute walk from the Senszoku station on the Tokyu Meguro Line, an approximately 7-minute walk from the Kita-senzoku station and an approximately 10-minute walk from the Ookayama station on the Tokyu Oimachi Line. Many kind of community facilities such as grocery store, convenience store, hospital, bank, library and children's play-ground are located within an approximately 10-minute walkable area. The area combines satisfactory living environment and convenience. Regarding the surrounding environment, many apartment houses line along an arterial road as popular location for urban residence. On the other hand lots of detached house are concentrated behind the road, and a quiet atmosphere has been created. The property is affected by noise and dust as location along the Loop Road No.7, however certain comfortability is maintained by balconies placed at back of the road, certain sunshine and ventilation. The property is close to the station and commercial district around the station. The location is high in convenience. Furthermore, it takes approximately 12 minutes by train from the Senszoku station to the Shibuya station via the Meguro station, and approximately 19 minutes by train to the Shinjuku station via the Meguro station. The area is considered to have strong demand as residence district.</p> <p style="text-align: center;"><Property Characteristics></p> <p>Though deterioration has been seen from aging, the condition of the building and equipment has been maintained at the same level as buildings which compete with the property. Both layout and equipment are standard level. The property is expected to be in demand stably from single persons mainly.</p>
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(2) Photo of property and Map



(3) Outline of Appraisal Report

Property name	Merveille Senszoku
Appraisal value	740 million yen
Appraiser	JLL Morii Valuation & Advisory K.K.
Date of value	May 1, 2018

(thousand yen)		
	Details	Outline
Appraisal value by capitalization method	740,000	Calculated the value by associating values based on the direct capitalization method and the DCF method.
Appraisal value using	754,000	

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the direct capitalization method			
Operating income	40,347	Assessed stable rent and other areas over the medium- and long-term based on the current terms and conditions and so on.	
Potential gross income	41,981		
Total of vacancy losses, etc.	1,634	Assessed by taking into account the standard vacancy rate and the individuality of the target property.	
Operating expenses	7,527		
Building management fees	1,868	Adopted based on our judgment that estimates are reasonable with reference to the level of similar properties.	
Utilities	519	Assessed based on the actual performance with reference to the level of similar properties.	
Repair and maintenance costs	1,041	Recorded 30% of the levelled amount based on our judgment that the estimated ER is reasonable.	
Property management fees	777	Adopted based on our judgment that the contract is reasonable with reference to the level of similar properties.	
Leasing expenses	863	1.5 months' worth of new monthly rent	
Taxes	1,839	Recorded based on tax related materials. Land: Took volatility into account based on the actual amount. Building: Assessed by taking into account age depreciation. Depreciable assets: Assessed by taking into account building age Depreciation, based on actual performance.	
Insurance	70	Recorded equivalent to 0.03% of replacement value.	
Others	550	Recorded the CATV, CCTV system usage fee and renewal fee.	
Net operating income	32,820		
Non-operating income	28	Assessed by multiplying the amount obtained by deducting guarantee deposits for vacant rooms from room guarantee deposits for the time of full occupancy by a 1.0% yield.	
Capital expenditure	1,194	Recorded 70% of the levelled amount based on our judgment that the estimated ER is reasonable.	
Net income	31,654		
Capitalization rate	4.2%	Assessed by adding the volatility risk of revenue and the principal to the discount rate.	
Appraisal value using the discount cash flow method		725,000	
Discount rate	4.0%	Assessed by comprehensively taking into account investor research, examples of REITs, and trading market trends and other aspects in consideration of risk factors related to the regional characteristics and individuality of the target property, in addition to the standard basic yield in a region where the risk is deemed to be the lowest.	
Terminal rate	4.4%	Assessed by taking into account uncertainties in the forecast for future changes in net revenue and future degradation and sales risks of the building, in addition to the cap rate.	
Appraisal value by cost method		382,000	
Proportion of land	78.4%		
Proportion of building	21.6%		
Other matters to which the appraiser paid attention in appraisal		We have determined the appraisal value by adopting the income approach value, using the cost approach value as a reference, after taking into account the characteristics of each method applied and the details and other aspects in the process of the application.	

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B-15 Field Avenue
(1) Overview of property

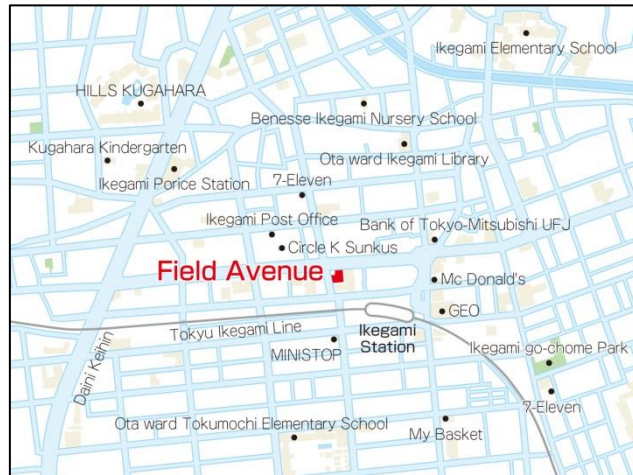
Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mizuho Trust & Banking Co., Ltd.
Trust establishment date		(1) June 30, 2015 (Land and Building) (2) June 30, 2015 (Land) and August 19, 2016 (Building)
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		(1) 6-2-2, Ikegami, Ota-ku, Tokyo (2) 6-2-1, Ikegami, Ota-ku, Tokyo
Land	Parcel number	(1) 6-83-6, Ikegami, Ota-ku, Tokyo (2) 6-83-25, Ikegami, Ota-ku, Tokyo
	Building coverage ratio / Floor area ratio	(1) 100%(Note 1) / 500% (2) 100%(Note 2) / 500%
	Use district	(1) Commercial district (2) Commercial district
	Site area	(1) 651.18 m ² (2) 50.85 m ²
	Type of ownership	Ownership
Building	Construction completion	(1) August 2000 (2) July 2016
	Structure / Floors	(1) Steel-framed reinforced concrete with flat roof, B1/12F (2) Steel-framed structure with zinc coated steel sheet / 2F
	Use	(1) Retail/residence (2) Retail
	Total floor space	(1) 3,760.70 m ² (2) 79.80 m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		3,110 million yen
Real estate appraiser		Japan Real Estate Institute
PML		(1) 3.1% (2) 6.8%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	3,092.63 m ²
	Leased floor space	2,980.31 m ²
	Occupancy rate (by space)	96.4%
	Number of leasable units	55 units
	Number of leased units	52 units
	Occupancy rate (by unit)	94.5%
	Ratio of total leasable floor area in portfolio	1.0%
	Total number of tenants	54

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	Total rent income (annual)	134 million yen
	Deposits, etc.	43 million yen
Special notations	Not applicable	
(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within fire prevention districts.		
(Note 2) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for corner lots and for fire-proof structures within fire prevention districts.		

Characteristics	<p><Location Characteristics></p> <p>The property is an approximately 2-minute walk from the closest station and has good access to the central area in approximately 30 minutes. Good living environment with convenient facilities nearby such as supermarkets and hospitals.</p> <p><Property Characteristics></p> <p>Various demand can be expected as the apartment has singles and family type rooms. Apartment grade is at standard level compared to surrounding apartments and considered to have appropriate competitiveness.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	Field Avenue
Appraisal value	3,110 million yen
Appraiser	Japan Real Estate Institute
Date of value	May 1, 2018

(thousand yen)

	Details	Outline
Appraisal value by capitalization method	3,110,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	3,130,000	
Operating income	156,696	
Potential gross income	162,110	
Total of vacancy losses, etc.	5,414	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	26,447	
Building management fees	3,350	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	7,800	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repair and maintenance costs	1,830	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	2,120	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
Leasing expenses	4,484	Recorded based on the anticipated turnover period of the tenant.
Taxes	6,663	Recorded based on tax related materials.
Insurance	200	Recorded in consideration of premium under insurance contract, and insurance rates of similar properties, etc.
Others	0	No specific cost to be recorded.
Net operating income	130,249	
Non-operating income	434	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	2,490	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	128,193	
Capitalization rate	4.1%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
Appraisal value using the discount cash flow method	3,090,000	

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	Discount rate	3.8%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
	Terminal rate	4.2%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
	Appraisal value by cost method	2,140,000	
	Proportion of land	80.9%	
	Proportion of building	19.1%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.
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B-16 Domeal Kitaakabane

(1) Overview of property

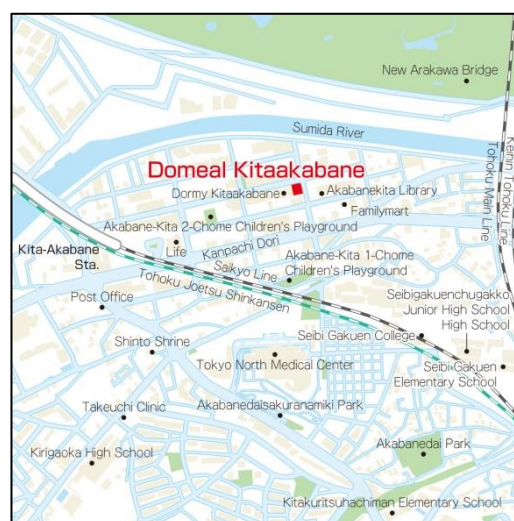
Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		April 26, 2017
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		1-14-20, Akabane-kita, Kita-ku, Tokyo
Land	Parcel number	1-1506-2, Akabane-kita, Kita-ku, Tokyo
	Building coverage ratio / Floor area ratio	70% (Note 1) / 200%
	Use district	Industrial district
	Site area	679.86 m ²
	Type of ownership	Ownership
Building	Construction completion	March, 2001
	Structure / Floors	Steel-framed reinforced concrete with flat roof, 7F
	Use	Dormitory (Note 2) /garage
	Total floor space	1,673.92 m ²
	Type of ownership	Ownership
Master lease company		Not disclosed (Note 3)
Type of master lease		Rent guaranteed
Appraisal value		785 million yen
Real estate appraiser		Japan Real Estate Institute
PML		6.7%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,697.11 m ²
	Leased floor space	1,697.11 m ²
	Occupancy rate (by space)	100.0%

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Number of leasable units	57 units
Number of leased units	57 units
Occupancy rate (by unit)	100.0%
Ratio of total leasable floor area in portfolio	0.6%
Total number of tenants	1
Total rent income (annual)	Not disclosed (Note 3)
Deposits, etc.	Not disclosed (Note 3)
Special notations	Not applicable
<p>(Note 1) The building coverage ratio is essentially 60%, but it is 70% due to application of relaxation for corner lots.</p> <p>(Note 2) Building use is dormitory on the registry, however it is used as residence as of today.</p> <p>(Note 3) Not disclosed because consent to disclosure has not been obtained from the master lease company.</p>	

Characteristics	<p><Location Characteristics></p> <p>Walking distance to the closest station, Kitaakabane station on the JR Saikyo Line. Located in favorable area in terms of traffic and living convenience with retail stores and other convenient facilities nearby.</p> <p><Property Characteristics></p> <p>Property is well maintained with sufficient competitiveness compared to neighboring competitors. It operates stably as a wholesale leasing apartment, and is expected to continue stable operation in consideration of rental standards. Even though the tenant moves out, it is considered that the possibility of revenue decrease is limited due to aforementioned rental standards.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	Domeal Kitaakabane
Appraisal value	785 million yen
Appraiser	Japan Real Estate Institute
Date of value	May 1, 2018

(thousand yen)

	Details	Outline
Appraisal value by capitalization method	785,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	796,000	
Operating income	40,771	
Potential gross income	41,024	Recorded based on the assessed unit price of rent, etc. which can be received over a mid- and long-term.
Total of vacancy losses, etc.	253	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	5,526	
Building management fees	1,196	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	0	
Repair and maintenance costs	480	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	806	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
Leasing expenses	49	Recorded based on the assessed advertising fees, based on new one month's rent revenue and the actual amount of the past years, and the renewal fees assessed as a half of the renewal revenue, by reference to the existing terms and conditions as well as lease terms for similar properties in the neighborhood, also in consideration of an annual average of tenant replacement rate and occupancy rate
Taxes	2,805	Land: recorded based on tax related materials. Building: recorded based on tax related materials. Depreciable assets: Assessed in reference to similar properties.
Insurance	190	Recorded in consideration of premium under insurance contract, and insurance rates of similar properties, etc.
Others	0	No specific cost to be recorded.
Net operating income	35,245	
Non-operating income	135	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	1,150	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	34,230	
Capitalization rate	4.3%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market

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			capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
	Appraisal value using the discount cash flow method	774,000	
	Discount rate	4.1%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.
	Terminal rate	4.5%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
	Appraisal value by cost method	718,000	
	Proportion of land	81.1%	
	Proportion of building	18.9%	
Other matters to which the appraiser paid attention in appraisal		Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.	

B-17 Dormy Kitaakabane

(1) Overview of property

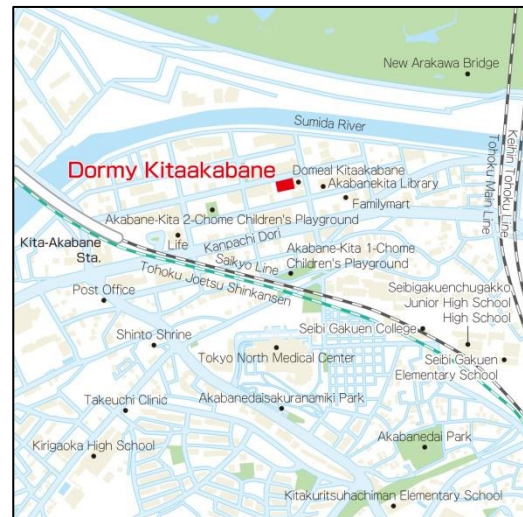
Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		April 26, 2017
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		1-14-15, Akabane-kita, Kita-ku, Tokyo
Land	Parcel number	1-1506-1, Akabane-kita, Kita-ku, Tokyo (and another parcel)
	Building coverage ratio / Floor area ratio	60% / 200%
	Use district	Industrial district
	Site area	991.35 m ²
	Type of ownership	Ownership
Building	Construction completion	March 1997
	Structure / Floors	Steel-framed reinforced concrete with flat roof, 6F
	Use	Residence (Note 1) /garage
	Total floor space	2,075.47m ²
	Type of ownership	Ownership
Master lease company		Not disclosed (Note 2)
Type of master lease		Rent guaranteed
Appraisal value		995 million yen
Real estate appraiser		Japan Real Estate Institute
PML		6.5%

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Collateral after acquisition	None
Status of leasing	
Leasable floor space	2,471.42 m ²
Leased floor space	2,471.42 m ²
Occupancy rate (by space)	100.0%
Number of leasable units	81 units
Number of leased units	81 units
Occupancy rate (by unit)	100.0%
Ratio of total leasable floor area in portfolio	0.80%
Total number of tenants	1
Total rent income (annual)	Not disclosed (Note 2)
Deposits, etc.	Not disclosed (Note 2)
Special notations	Not applicable
(Note 1) Building use is residence on registry, however it is used as dormitory as of today. (Note 2) Not disclosed because consent to disclosure has not been obtained from the master lease company.	

Characteristics	<p><Location Characteristics></p> <p>Walking distance to the closest station, Kitaakabane station on the JR Saikyo Line. Located in favorable area in terms of traffic and living convenience with retail stores and other convenient facilities nearby.</p> <p><Property Characteristics></p> <p>Property is well maintained with sufficient competitiveness compared to neighboring competitors. It operates stably as a wholesale leasing apartment, and is expected to continue stable operation in consideration of rental standards. Even though the tenant moves out, it is considered that the possibility of revenue decrease is limited due to aforementioned rental standards.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	Dormy Kitaakabane
Appraisal value	995 million yen
Appraiser	Japan Real Estate Institute
Date of value	May 1, 2018

(thousand yen)

	Details	Outline
Appraisal value by capitalization method	995,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.
Appraisal value using the direct capitalization method	1,010,000	
Operating income	50,598	
Potential gross income	51,153	
Total of vacancy losses, etc.	555	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.
Operating expenses	5,156	
Building management fees	150	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.
Utilities	0	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.
Repair and maintenance costs	630	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.
Property management fees	910	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.
Leasing expenses	83	Recorded based on the anticipated turnover period of the tenant.
Taxes	3,149	Recorded based on tax related materials.
Insurance	234	Recorded in consideration of premium under insurance contract, and insurance rates of similar properties, etc.
Others	0	No specific cost to be recorded..
Net operating income	45,442	
Non-operating income	394	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.
Capital expenditure	1,480	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.
Net income	44,356	
Capitalization rate	4.4%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.
Appraisal value using the discount cash flow method	979,000	
Discount rate	4.2%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar

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			properties.
	Terminal rate	4.6%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of similar properties.
	Appraisal value by cost method	910,000	
	Proportion of land	85.2%	
	Proportion of building	14.8%	

Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.
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B-18 Splendid Shin-Osaka III

(1) Overview of property

Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		April 11, 2017
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		2-1-11, Higashinakajima, Higashiyodogawa-ku, Osaka, Osaka
Land	Parcel number	2-1-5, Higashinakajima, Higashiyodogawa-ku, Osaka, Osaka
	Building coverage ratio / Floor area ratio	80% / 400%
	Use district	Commercial district
	Site area	1,118.04 m ²
	Type of ownership	Ownership
Building	Construction completion	February 2015
	Structure / Floors	Steel-framed reinforced concrete with flat roof 15F
	Use	Residence/parking lot/bicycle parking space
	Total floor space	4,794.48 m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		2,470 million yen
Real estate appraiser		Daiwa Real Estate Appraisal Co., Ltd.
PML		6.0%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	4,299.12 m ²
	Leased floor space	4,272.59 m ²
	Occupancy rate (by space)	99.4%
	Number of leasable units	154 units

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Number of leased units	153 units
Occupancy rate (by unit)	99.4%
Ratio of total leasable floor area in portfolio	1.4%
Total number of tenants	153
Total rent income (annual)	147 million yen
Deposits, etc.	0 million yen
Special notations	Part of the boundary between the land and adjacent land is yet to be finalized.

Characteristics	<p><Location Characteristics></p> <p>The property is an approximately 9-minute walk from Nishinakajima-Minamigata station on the Osaka Metro Midosuji Line, and 2 stations/2 lines are accessible along with Minamigata station on the Hankyu-Kyoto Line. By train, it takes approximately 5 minutes from Nishinakajima-Minamigata station on the Osaka Metro Midosuji Line to the Umeda station and approximately 2 minutes to the Shin-osaka station providing great access to the center of the Osaka city. High and medium-high residences and office buildings are spread throughout the area. It is a mixed area of commercial zone and residence zone. Community facilities such as restaurant and grocery store are located around the nearest station. The convenience of the area is satisfactory.</p> <p><Property Characteristics></p> <p>The first floor is for the entrance and common space, and the property has various type of layout such as 1K type room(26.10-27.84 m²) of 126 units, 1LDK type room (33.06 m²) of 14 units and 1K+S type room(33.06 m²) of 14 units, it is considered to attract rental demand widely. Furthermore, the property is equipped with consideration for single women from the aspect of security and livability such as a spacious entrance with automatic locking device and home delivery box. In rental rooms it is equipped with standard level of specifications which can meet general tenants' needs such as independent type washstand, inside space for washing machine, bathroom heating dryer, air conditioner, internet system, closet and shoes box.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	Splendid Shin-Osaka III
Appraisal value	2,470 million yen
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Date of value	May 1, 2018

(thousand yen)

	Details	Outline
Appraisal value by capitalization method	2,470,000	Calculated based on a decision that the DCF-based appraisal value is more convincing by clarifying the fluctuation in net operating income in the future, also verified with the appraisal value by the direct capitalization method.
Appraisal value using the direct capitalization method	2,510,000	
Operating income	148,099	
Potential gross income	155,879	
Total of vacancy losses, etc.	7,780	Estimated using historical vacancy rate of the subject property and standard vacancy rate of comparable property.
Operating expenses	29,792	
Building management fees	3,720	Recorded after the assessment by reference to the amount of the building management fees of similar properties based on the contract price obtained from the client.
Utilities	1,871	Recorded after the assessment by reference to rentable area of 120 yen/tsubo based on the actual price obtained from the client.
Repair and maintenance costs	3,363	Recorded 0.12% equivalent of building replacement cost in reference to similar properties. In addition, assessed maintenance cost as 6,000yen/tsubo.
Property management fees	4,348	Determined that current contract is reasonable, and recorded a amount 3.0% equivalent of operating revenue.
Leasing expenses	5,925	Recorded after the assessment of amount equivalent to new tenant's 1.85 monthly rent based on materials obtained from the client.
Taxes	8,575	Recorded after the assessment in consideration of trend of land prices and level of tax burden based on the actual amount for 2018 obtained from the client for land. Recorded the estimated tax amount of the 11th year after the completion, assessed based on the actual amount for 2018 obtained from the client or building.
Insurance	271	Recorded the amount indicated on material obtained from the client.
Others	1,715	Recorded after the assessment by reference to rentable area of 110 yen/tsubo based on the actual price obtained from the client.
Net operating income	118,306	
Non-operating income	53	Assessed investment yield of 1.0% under comprehensive consideration of the management status of non-operating income from the viewpoints of management and fundraising.
Capital expenditure	2,753	Recorded 0.28% equivalent of building replacement cost in reference to similar properties.
Net income	115,605	
Capitalization rate	4.6%	Assessed by adding or reducing a spread derived from the locational conditions, building grade, building age, building conditions such as facility standards, current rent standards compared to market rent, rights relationship, and terms and conditions of contract, etc. of the target property, based on similar use property's rate located in the most lowest risk, and also by reference to the capitalization rate, etc. in the appraisal of J-REIT properties within the same supply and demand zone.
Appraisal value using the discount cash flow method	2,450,000	

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	Discount rate	4.4%	Assessed in comparison with transaction in similar properties and yields of financial products.
	Terminal rate	4.8%	Assessed in consideration the market value of the property basis at the time of the analysis period expires for the terminal rate.
Appraisal value by cost method		2,230,000	
	Proportion of land	54.6%	
	Proportion of building	45.4%	
Other matters to which the appraiser paid attention in appraisal		Assessed based on the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference, because the Income Capitalization Approach Value, which reflects actual supply and demand trend in real estate market and market participants' behavior is more persuasive.	

B-19 ZEPHYROS Minami-horie

(1) Overview of property

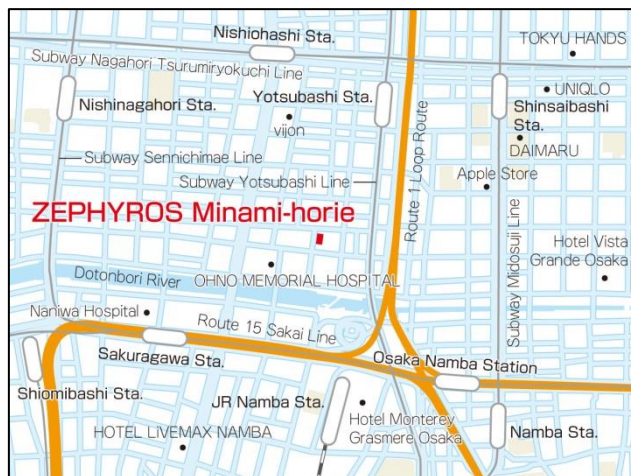
Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mizuho Trust & Banking Co., Ltd.
Trust establishment date		March 30, 2016
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		1-16-16, Minami-horie, Nishi-ku, Osaka, Osaka
Land	Parcel number	1-64, Minami-horie, Nishi-ku, Osaka, Osaka (and other 2 parcels)
	Building coverage ratio / Floor area ratio	100% (Note)/600%
	Use district	Commercial district
	Site area	576.42 m ²
	Type of ownership	Ownership
Building	Construction completion	March 2002
	Structure / Floors	Steel-framed reinforced concrete with flat roof, 14F
	Use	Residence/retail/parking lot/garage
	Total floor space	3,114.33 m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		1,670 million yen
Real estate appraiser		Daiwa Real Estate Appraisal Co., Ltd.
PML		13.3%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	2,827.55 m ²
	Leased floor space	2,764.63 m ²
	Occupancy rate (by space)	97.8%
	Number of leasable units	70 units
	Number of leased units	68 units
	Occupancy rate (by unit)	97.1%

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Ratio of total leasable floor area in portfolio	0.9%
Total number of tenants	70
Total rent income (annual)	90 million yen
Deposits, etc.	3 million yen
Special notations	Part of the boundary between the land and adjacent land is yet to be finalized.
(Note) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for corner lots and for fire-proof structures within fire prevention districts.	

Characteristics	<p><Location Characteristics></p> <p>The property is located in the “Horie area”. There is a concentration of clothing stores, boutique shops and variety stores, especially along the Tachibana dori street (Orange Street) which is the main street in the “Horie area” and crowded with shoppers on holidays. Recently, the supply of rental condominiums and for-sale condominiums are observed between these retail buildings and the area is under the circumstance that residential use stands out. The surrounding area is approximately a 5-minute walk from Yotsubashi Station and Namba Station on the Osaka Metro Yotsubashi Line. The area boasts convenient access as it is walking distance from Minami Area which is the commercial district in Osaka, has proximity to central business district and commercial district in Kita Ward and Chuo Ward and accessibility to central Osaka. Demand from single office workers that value lifestyle and convenient access and corporations for employee housing can be expected in the same demand/supply area because of the characteristics of the area and the rent rivals many of the recently constructed condominiums and remains stable.</p> <p><Property Characteristics></p> <p>The property is a standard level of rental condominium in the area in terms of location including proximity to the nearest station and surrounding area, building grade, building age and equipment and considered to have a standard competitiveness in the same demand/supply area.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	ZEPHYROS Minami-horie
Appraisal value	1,670 million yen
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Date of value	May 1, 2018

(thousand yen)

	Details	Outline
Appraisal value by capitalization method	1,670,000	Calculated based on a decision that the DCF-based appraisal value is more convincing by clarifying the fluctuation in net operating income in the future, also verified with the appraisal value by the direct capitalization method.
Appraisal value using the direct capitalization method	1,690,000	
Operating income	95,647	
Potential gross income	100,629	Recorded the estimated rental revenue and common area maintenance fee of the property, based on the current contract rental standard and new rental standards and trend of similar property in the same demand/supply area in consideration of the properties long term competitiveness.
Total of vacancy losses, etc.	4,981	Estimated using historical vacancy rate of the subject property and standard vacancy rate of comparable property.
Operating expenses	17,920	
Building management fees	2,333	Recorded after the assessment by reference to the amount of the building management fees of similar properties based on the contract price obtained from the client.
Utilities	2,767	Recorded after the assessment by reference to rentable area of 270 yen/tsubo based on the actual price obtained from the client.
Repair and maintenance costs	2,044	Recorded based on the annual average amount indicated on the ER. Recorded in 8,000yen/tsubo in consideration of restoration cost.
Property management fees	2,304	Determined that current contract is reasonable, and recorded a amount 2.5 % equivalent of operating revenue.
Leasing expenses	3,171	Recorded after the assessment of amount equivalent to new tenant's 2.0 monthly rent based on materials obtained from the client.
Taxes	4,846	Recorded after the assessment in consideration of trend of land prices and level of tax burden based on the actual amount for 2018 obtained from the client for land, based on the actual amount for 2018 obtained from the client for building.
Insurance	247	Recorded based on the material obtained from the client.
Others	205	Recorded after the assessment by reference to rentable area of 20 yen/tsubo based on the actual price obtained from the client.
Net operating income	77,727	
Non-operating income	76	Assessed investment yield of 1.0% under comprehensive consideration of the management status of non-operating income from the viewpoints of management and fundraising.
Capital expenditure	3,386	Recorded bases on annual average of renewal expenses indicated on the ER with consideration of CM fees
Net income	74,417	
Capitalization rate	4.4%	Assessed by adding or reducing a spread derived from the locational conditions, building grade, building age, building conditions such as facility standards, current rent standards compared to market rent, rights relationship, and terms and conditions of contract, etc. of the target property, based on similar use property's rate located in the most lowest risk, and also by reference to the capitalization rate, etc. in the appraisal of J-REIT properties within the same supply and demand zone.
Appraisal value using the discount cash flow	1,660,000	

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method		
Discount rate	4.2%	Assessed in comparison with transaction in similar properties and yields of financial products.
Terminal rate	4.6%	Assessed in consideration the market value of the property basis at the time of the analysis period expires for the terminal rate.
Appraisal value by cost method	1,420,000	
Proportion of land	73.1%	
Proportion of building	26.9%	
Other matters to which the appraiser paid attention in appraisal	Assessed based on the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference, because the Income Capitalization Approach Value, which reflects actual supply and demand trend in real estate market and market participants' behavior is more persuasive.	

B-20 Charmant Fuji Osakajominami

(1) Overview of property

Type of specified asset	Real estate trust beneficiary right	
Acquisition date	July 3, 2018	
Trustee	Mitsubishi UFJ Trust and Banking Corporation	
Trust establishment date	April 11, 2017	
Trust expiration date	July 31, 2028 (Scheduled)	
Location (indication of residential address)	3-3-8, Uchikyuhojimachi, Chuo-ku, Osaka, Osaka	
Land	Parcel number	3-25-1, Uchikyuhojimachi, Chuo-ku, Osaka, Osaka
	Building coverage ratio / Floor area ratio	80% / 400%
	Use district	Commercial district
	Site area	397.96 m ²
	Type of ownership	Ownership
Building	Construction completion	April 2004
	Structure / Floors	Reinforced concrete structure/flat roof, 10F
	Use	Residence
	Total floor space	1,612.76 m ²
	Type of ownership	Ownership
Master lease company	NIPPON REIT (Scheduled)	
Type of master lease	Pass-through	
Appraisal value	906 million yen	
Real estate appraiser	Daiwa Real Estate Appraisal Co., Ltd.	
PML	9.4%	
Collateral after acquisition	None	
Status of leasing		
	Leasable floor space	1,512.00 m ²
	Leased floor space	1,464.00 m ²
	Occupancy rate (by space)	96.8%
	Number of leasable units	63 units
	Number of leased units	61 units

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Occupancy rate (by unit)	96.8%
Ratio of total leasable floor area in portfolio	0.5%
Total number of tenants	61
Total rent income (annual)	47 million yen
Deposits, etc.	0 million yen
Special notations	Not applicable

Characteristics	<p><Location Characteristics></p> <p>The property is approximately 6-minute walk from the Tanimachi-yonchome station on the Osaka Metro Tanimachi Line and Chuo Line and has proximal location to the station. It takes approximately 7 minutes by train from the station to the Higashi-umeda station on the Osaka Metro Tanimachi Line, and approximately 9 minutes to the Namba station on the Osaka Metro Sennichimae Line. It has great access to both "Umeda area" and "Namba area" which are the largest commercial districts in the Kansai area. In addition, it is easily accessible to each business area in Osaka city and convenience in transportation of the location is relatively satisfactory. The area is a commercial area which medium-high office buildings intermingled with apartment houses, community facilities such as grocery store, restaurant and convenience store are located around the station. It is a satisfactory livable area.</p> <p><Property Characteristics></p> <p>Though deterioration has been seen due to aging, the property meets rental needs in the area with 1K type rooms (24.00 m²) for single person. Furthermore, the property is equipped with consideration for single women from the aspect of security and livability such as spacy entrance with automatic locking device and home delivery box. In rental rooms it is equipped with standard level of specifications which can meet general tenants' needs such as air conditioner, washstand with shower, inside space for washing machine, internet system, closet and shoes box.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	Charmant Fuji Osakajominami
Appraisal value	906 million yen
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Date of value	May 1, 2018

(thousand yen)		
	Details	Outline
Appraisal value by capitalization method	906,000	Calculated based on a decision that the DCF-based appraisal value is more convincing by clarifying the fluctuation in net operating income in the future, also verified with the appraisal value by the direct capitalization method.
Appraisal value using the direct capitalization method	923,000	
Operating income	52,710	
Potential gross income	55,384	
Total of vacancy losses, etc.	2,673	Recorded after the assessment of rental revenue which is expected to be stable over the medium to long term and vacancy rate of common area maintenance fee of the property, based on the actual vacancy rate of subject property and standard vacancy rate of similar properties in consideration of the subject properties' competitiveness etc.
Operating expenses	10,157	
Building management fees	1,420	Recorded after the assessment by reference to the amount of the building management fees of similar properties based on the contract price obtained from the client.
Utilities	1,866	Recorded after the assessment by reference to rentable area of 340 yen/tsubo based on the actual price obtained from the client.
Repair and maintenance costs	1,070	Recorded 0.12% equivalent of building replacement cost in reference to average cost indicated on the ER and similar properties. Recorded in 6,000yen/tsubo in consideration of restoration cost.
Property management fees	1,010	Determined that current contract is reasonable, and recorded a amount 2.0 % equivalent of operating revenue.
Leasing expenses	1,367	Recorded 1.5 new tenant's monthly rent in reference to similar properties.
Taxes	2,720	Recorded after the assessment in consideration of a level of tax burden and trend of land prices, based on the actual amount in 2018 obtained from the client.
Insurance	97	Recorded based on our judgement that the estimates obtained from the client is reasonable.
Others	603	Recorded after the assessment by reference to rentable area of 110 yen/tsubo based on the actual price obtained from the client
Net operating income	42,553	
Non-operating income	0	Assessed investment yield of 1.0% under comprehensive consideration of the management status of non-operating income from the viewpoints of management and fundraising.
Capital expenditure	1,018	Recorded 0.28% equivalent of building replacement cost in reference to renewal fees of similar properties with consideration of CM fees.
Net income	41,535	
Capitalization rate	4.5%	Assessed by adding or reducing a spread derived from the locational conditions, building grade, building age, building conditions such as facility standards, current rent standards compared to market rent, rights relationship, and terms and conditions of contract, etc. of the target property, based on similar use property's rate located in the most lowest risk, and also by reference to the capitalization rate, etc. in the appraisal of J-REIT

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			properties within the same supply and demand zone.
Appraisal value using the discount cash flow method	898,000		
Discount rate	4.3%		Assessed in comparison with transaction in similar properties and yields of financial products.
Terminal rate	4.7%		Assessed in consideration the market value of the property basis at the time of the analysis period expires for the terminal rate.
Appraisal value by cost method	813,000		
Proportion of land	74.9%		
Proportion of building	25.1%		

Other matters to which the appraiser paid attention in appraisal	Assessed based on the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference, because the Income Capitalization Approach Value, which reflects actual supply and demand trend in real estate market and market participants' behavior is more persuasive.
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B-21 Piacere Fuminosato

(1) Overview of property

Type of specified asset		Real estate trust beneficiary right
Acquisition date		July 3, 2018
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust establishment date		April 11, 2017
Trust expiration date		July 31, 2028 (Scheduled)
Location (indication of residential address)		1-12-18, Hannancho, Abeno-ku, Osaka, Osaka
Land	Parcel number	1-12-31, Hannancho, Abeno-ku, Osaka, Osaka
	Building coverage ratio / Floor area ratio	80% / 300%
	Use district	Category 1 residential area
	Site area	499.00 m ² (Note)
	Type of ownership	Ownership
Building	Construction completion	February 1999
	Structure / Floors	Reinforced concrete structure/flat roof, 8F
	Use	Residence
	Total floor space	1,511.30 m ²
	Type of ownership	Ownership
Master lease company		NIPPON REIT (Scheduled)
Type of master lease		Pass-through
Appraisal value		575 million yen
Real estate appraiser		Daiwa Real Estate Appraisal Co., Ltd.
PML		11.9%
Collateral after acquisition		None
Status of leasing		
	Leasable floor space	1,374.08 m ²
	Leased floor space	1,319.60 m ²
	Occupancy rate (by space)	96.0%

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Number of leasable units	44 units
Number of leased units	42 units
Occupancy rate (by unit)	95.5%
Ratio of total leasable floor area in portfolio	0.4%
Total number of tenants	42
Total rent income (annual)	33 million yen
Deposits, etc.	0 million yen
Special notations	Not applicable
(Note) A burden on private road (approx. 5.31m ²) pursuant to the laws of Japan, is included.	

Characteristics	<p><Location Characteristics></p> <p>The property is an approximately 3-minute walk from the Fuminosato station on the Osaka Metro Tanimachi Line, walkable from the Showamachi station on the Osaka Metro Midosuji Line and with great access to the center of the commercial area in Osaka city with Osaka Metro Midosuji Line which is one of main lines in the city. Convenience in transportation of the location is satisfactory. The area is considered to have demand from businessmen who commute to "Tennoji / Abeno area" or students of vocational schools.</p> <p><Property Characteristics></p> <p>The property targets single persons with standard resident-friendly layout. It is considered to have standard competitiveness in the area.</p>
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(2) Photo of property and Map



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(3) Outline of Appraisal Report

Property name	Piacere Fuminosato
Appraisal value	575 million yen
Appraiser	Daiwa Real Estate Appraisal Co., Ltd.
Date of value	May 1, 2018

(thousand yen)

	Details	Outline
Appraisal value by capitalization method	575,000	Calculated based on a decision that the DCF-based appraisal value is more convincing by clarifying the fluctuation in net operating income in the future, also verified with the appraisal value by the direct capitalization method.
Appraisal value using the direct capitalization method	585,000	
Operating income	37,459	
Potential gross income	39,608	
Total of vacancy losses, etc.	2,148	Recorded after the assessment of rental revenue which is expected to be stable over the medium to long term and vacancy rate of common area maintenance fee of the property, based on the actual vacancy rate of subject property and standard vacancy rate of similar properties in consideration of the subject properties' competitiveness etc.
Operating expenses	8,848	
Building management fees	1,862	Recorded after the assessment by reference to the amount of the building management fees of similar properties based on the contract price obtained from the client.
Utilities	1,546	Recorded after the assessment by reference to rentable area of 310 yen/tsubo based on the actual price obtained from the client.
Repair and maintenance costs	802	Recorded in reference to mid-long term repair average cost indicated on the ER and similar properties. Recorded in 6,000yen/tsubo in consideration of restoration cost.
Property management fees	727	Determined that current contract is reasonable, and recorded a amount 2.0 % equivalent of operating revenue.
Leasing expenses	635	Recorded 1.0 new tenant's monthly rent in reference to similar properties.
Taxes	2,035	Recorded after the assessment in consideration of a level of tax burden and trend of land prices, based on the actual amount in 2018 obtained from the client.
Insurance	91	Recorded based on our judgement that the estimates obtained from the client is reasonable.
Others	1,147	Recorded after the assessment by reference to rentable area of 230 yen/tsubo based on the actual price obtained from the client.
Net operating income	28,611	
Non-operating income	25	Assessed investment yield of 1.0% under comprehensive consideration of the management status of non-operating income from the viewpoints of management and fundraising.
Capital expenditure	1,136	Recorded based on long term annual average of renewal expenses indicated on the ER with consideration of CM fees.
Net income	27,500	
Capitalization rate	4.7%	Assessed by adding or reducing a spread derived from the locational conditions, building grade, building age, building conditions such as facility standards, current rent standards compared to market rent, rights relationship, and terms and conditions of contract, etc. of the target property, based on similar use property's rate located in the most lowest risk, and also by reference to the capitalization rate, etc. in the appraisal of J-REIT properties within the same supply and demand zone.
Appraisal value using the discount cash flow	570,000	

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method		
Discount rate	4.5%	Assessed in comparison with transaction in similar properties and yields of financial products.
Terminal rate	4.9%	Assessed in consideration the market value of the property basis at the time of the analysis period expires for the terminal rate.
Appraisal value by cost method	430,000	
Proportion of land	63.2%	
Proportion of building	36.8%	
Other matters to which the appraiser paid attention in appraisal	Assessed based on the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference, because the Income Capitalization Approach Value, which reflects actual supply and demand trend in real estate market and market participants' behavior is more persuasive.	

C-3 BECOME SAKAE

(1) Overview of property

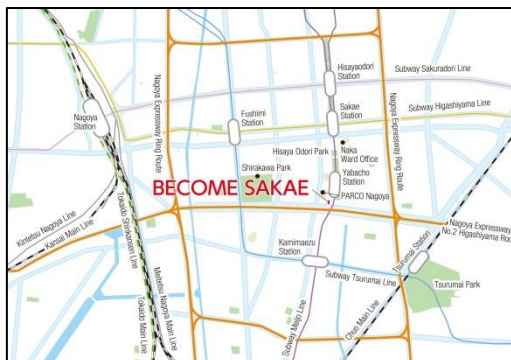
Type of specified asset	Real estate trust beneficiary right	
Acquisition date	July 3, 2018	
Trustee	Mizuho Trust & Banking Co., Ltd.	
Trust establishment date	August 2, 2004	
Trust expiration date	July 31, 2028 (Scheduled)	
Location (indication of residential address)	3-32-6, Sakae, Naka-ku, Nagoya, Aichi	
Land	Parcel number	3-3203-1, Sakae, Naka-ku, Nagoya, Aichi (and another parcel)
	Building coverage ratio / Floor area ratio	100% (Note 1) / 800%
	Use district	Commercial district
	Site area	885.02 m ²
	Type of ownership	Ownership
Building	Construction completion	August 2005
	Structure / Floors	Steel-framed flat roof, B1/10F
	Use	Retail
	Total floor space	7,440.93 m ²
	Type of ownership	Ownership
Master lease company	NIPPON REIT (Scheduled)	
Type of master lease	Pass-through	
Appraisal value	4,800 million yen	
Real estate appraiser	Japan Real Estate Institute	
PML	2.7%	
Collateral after acquisition	None	
Status of leasing		
	Leasable floor space	4,615.66 m ²
	Leased floor space	4,384.24 m ²
	Occupancy rate	95.0 %
	Ratio of total leasable floor space in portfolio	1.5%

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Representative tenant	Not disclosed (Note 2)
Total number of tenants	10
Total rent income (annual)	217 million yen
Deposits, etc.	118 million yen
Special notations	Part of the boundary between the land and adjacent land is yet to be finalized.
(Note 1) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within commercial districts and fire prevention districts.	
(Note 2) Not disclosed because consent has not been obtained from the end tenant.	

Characteristics	<p><Location Characteristics></p> <p>The property is located in "Sakae area" in which many retail properties are concentrated. It is an approximately 3 minute-walk from Yabacho station on the Nagoya Municipal Subway Meijo Line, with easy access and excellent visibility. There are large retail properties adjacent to the property, however, the property's strength is that it is divided well among tenants and each retail property attracts customers. The property is expected to attract many types of businesses because of its excellent location.</p> <p><Property Characteristics></p> <p>Basement of the property is parking and from first floor to 10th floor are retail, it has 2 entrances at north and south of the properties. Main entrance is located between Hisayaodori-avenue and Otsudori-avenue, sub-entrance and gate to the parking are located on Wakamiyaodori-avenue. Furthermore, at the main entrance independent of the first floor is secured because entrance for the first floor is separated from the one for the above second floor. Although deterioration due to aging is recognized, building and equipment are managed well by the building manager.</p>
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(2) Photo of property and Map



(3) Outline of Appraisal Report

Property name	BECOME SAKAE
Appraisal value	4,800 million yen
Appraiser	Japan Real Estate Institute

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Date of value		May 1, 2018	
			(thousand yen)
	Details	Outline	
Appraisal value by capitalization method	4,800,000	Calculated by associating value based on the direct capitalization method and that based on the DCF method, both of which are considered to have the same level of canonicity.	
Appraisal value using the direct capitalization method	4,870,000		
Operating income	267,020		
Potential gross income	278,457		
Total of vacancy losses, etc.	11,437	Recorded based on the assessed level of occupancy rate which is stable over a mid- and long-term.	
Operating expenses	65,329		
Building management fees	13,450	Recorded in consideration of the individuality of the target property, by reference to building management fees of similar properties, and the actual amount of the past years.	
Utilities	23,591	Recorded in consideration of the occupancy rate etc. of the leasing space, by reference to the actual amount of the past years.	
Repair and maintenance costs	1,350	Recorded, in consideration of the actual amount of the past years, maintenance plan, a level of such costs of similar properties and an annual average of repairs, maintenance and renewal costs in the engineering report.	
Property management fees	3,251	Recorded in consideration of the rate of fees for similar properties and the individuality of the target property, by reference to rates based on the terms and conditions.	
Leasing expenses	1,719	Recorded based on the anticipated turnover period of the tenant.	
Taxes	21,148	Recorded based on tax related materials.	
Insurance	820	Recorded in consideration of premium under insurance contract, and insurance rates of similar properties, etc.	
Others	0	No specific cost to be recorded..	
Net operating income	201,691		
Non-operating income	1,149	Assessed by multiplying the number of mid-and long-term stable months for deposits based on the existing leasing terms and the number of deposited months at the new execution of leasing agreements with multiplied by the occupancy rate, by the management yield. A level of management yield considered to be appropriate is 1.0% in consideration of both levels of interest rates for management and financing.	
Capital expenditure	3,210	Assessed in consideration of a level of capital expenditure by similar properties, age of the building and an annual average of repairs, maintenance and renewal costs in the engineering report, based on an assumption that expected expenditure is accumulated every term on average.	
Net income	199,630		
Capitalization rate	4.1%	Assessed by adding and subtracting spreads attributable to location, building and other conditions of the property as well as market capitalization rate of the area in which the property is located, and by taking into account future uncertainties and the transaction yields of similar properties and other aspects.	
Appraisal value using the discount cash flow method	4,720,000		
Discount rate	3.9%	Assessed in consideration of the individuality of the target property comprehensively, by reference to investment yields of similar properties.	
Terminal rate	4.3%	Assessed in consideration of future trends of investment yields, risks in the target property as an investment target and general forecasts for economic growth and trends in property prices and rents, etc. comprehensively, by reference to investment yields of	

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			similar properties.
Appraisal value by cost method	4,650,000		
Proportion of land	84.1%		
Proportion of building	15.9%		
Other matters to which the appraiser paid attention in appraisal	Determined the appraisal value using the Income Capitalization Approach Value with the Value Calculated Using the Cost Method used only for reference. The decision is made that the Income Capitalization Approach Value is more persuasive because the price determination process has been accurately reproduced with respect to earnings.		

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Explanation of matters stated in (1) Outline of To-be-Acquired Asset

- “Acquisition date” of each To-be-Acquired Assets is the scheduled acquisition date indicated or scheduled to be indicated in the sales and purchase agreement
- “Trustee” indicates the trustee or the scheduled trustee for each To-be-Acquired Asset.
- “Trust establishment date” indicates the trust establishment date set under the trust contract or the trust establishment date scheduled to change due to NIPPON REIT’s acquisition for each To-be-Acquired Asset.
- “Trust expiration date” indicates the trust expiration date set under the trust contract or the trust expiration date scheduled to change due to NIPPON REIT’s acquisition for each To-be-Acquired Asset.
- “Location (indication of residential address)” is the indication of residential address of the real estate or real estate that is the trust property. In addition, if there is no indication of residential address, the building location in the registry (if several, then one of the locations) is stated.
- “Parcel number” of Land indicates the parcel number on the registry (if several, one of the parcels).
- “Building coverage ratio” and “Floor area ratio” of land are, in principle, the figures provided in accordance with related laws and regulations, such as the Building Standards Act (Act No. 201 of 1950, as amended) (the “Building Standards Act”) and the City Planning Act (Act No. 100 of 1968, as amended.) (the “City Planning Act”), and rounded to the nearest whole number. Depending on the To-be-Acquired Assets, there are cases where “Building coverage ratio” and “Floor area ratio” indicated in the Act are subject to certain relaxation measures or restriction measures. In addition, where there are several floor area ratios that apply to a site, the floor area ratio is stated by converting to one that applies to the entire site.
- “Use district” of land is the type of use district listed in Article 8, Paragraph 1, Item 1 of the City Planning Act.
- “Site area” of land is based on that stated in the registry and may differ from the present state.
- “Type of ownership” of land is the type of rights held by NIPPON REIT or the trustee of the real estate trust or scheduled to be held by a party that is scheduled to be a trustee of the real estate trust for the To-be-Acquired Assets.
- “Construction completion” of building is the date of new construction in the registry. In addition, the date of extension, reconstruction, etc. are also stated, if any.
- “Structure / Floors” of building is based on that stated in the registry.
- “Use” of building is the major type of building in the registry.
- “Total floor space” of building is based on that stated in the registry, and annex buildings are separately stated, if any.
- “Type of ownership” of building is the type of rights held by NIPPON REIT or the trustee of the real estate trust or scheduled to be held by a party that is scheduled to be a trustee of the real estate trust for the To-be-Acquired Assets.
- “Property management company” is the company that has concluded or plan to conclude a property management agreement that is valid as of today for each To-be Acquired Assets.
- “Master lease company” is the company that has concluded or the company that is scheduled to conclude a master lease agreement that is valid as of today for the To-be-Acquired Assets.
- “Type of master lease” is the main type of master lease agreement concluded or scheduled to be concluded as of this document, where “Pass-through” is a master lease agreement in which the master lease company shall pay the same amount of rent as the rent payable by end tenants to the master lease company and “Rent guaranteed” is a master lease agreement in which the master lease company shall pay a fixed amount of rent.
- “Appraisal value” is the appraisal value stated in the appraisal report prepared by Japan Real Estate Institute, Daiwa Real Estate Appraisal Co., Ltd. and JLL Morii Valuation & Advisory K.K. and rounded down to the nearest million yen. The appraisal value does not guarantee or promise any possible sale or purchase of the relevant property at the appraisal value at present and in the future. Neither NIPPON REIT or SRA has special interest with any of the appraisers, Japan Real Estate Institute, Daiwa Real Estate Appraisal Co., Ltd. and JLL Morii Valuation & Advisory K.K.
- “PML” is the PML (Probable Maximum Loss) calculated in the evaluation of seismic risk analysis conducted by Tokio Marine & Nichido Risk Consulting Co., Ltd. as requested as part of due diligence upon acquisition of the Property by the Issuer. Furthermore, “Probable Maximum Loss” means the probable maximum loss that may result from an earthquake and, herein, refers to the extent of damage that may be suffered due to an earthquake of the assumed maximum scale (earthquake with

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a probability of occurring once in 475 years = earthquake with a 10% probability of occurrence in 50 years) in the assumed scheduled use period (50 years = useful life of a general building), expressed as the estimated cost of restoring such damage as a percentage (%) of the replacement cost.

- “Collateral after acquisition” is whether or not collateral is scheduled to be established after acquisition of the To-be-Acquired Assets.
- “Status of leasing” is based on the figures and information provided by the previous owner or previous trust beneficiary, etc. of the To-be-Acquired Assets regarding the content, etc. of the lease agreement, etc. that is valid as of the end of April, 2018, unless otherwise stated.
- “Leasable floor space” is the floor space regarded as being available for leasing based on the lease agreement or building drawing, etc. of the building of each asset as of the end of April, 2018 for the To-be-Acquired Assets (Note 1).
- “Leased floor space” is the sum total of the leased floor space indicated in each lease contract or each provisional lease contract for each To-be-Acquired Assets as of the end of April, 2018 (Note 1). However, in cases where a pass-through type master lease agreement is concluded or is scheduled to be concluded with the lessor, in which, in principle, the rent, etc. from end tenants is received as is, the sum total of the leased floor space of end tenants indicated in each sublease contract or each provisional sublease contract for the real estate that is the trust property as of the end of April, 2018. Furthermore, because there are cases where leased floor space indicated in lease contracts, etc. includes the portion not included in total floor space, there are cases where total leased floor space may exceed total floor space.
- “Occupancy rate” is the ratio of the leased floor space to the leasable floor space for the To-be-Acquired Assets as of the end of April, 2018, and rounded to one decimal place.
- “Number of leasable units” for residence is the number of units regarded as being available for leasing based on the lease agreement or building drawing, etc. (not including the number of stores, etc., if any) as of the end of April, 2018 for the To-be-Acquired Asset.
- “Number of leased units” for residence is the number of units actually leased to end tenants under the lease contract of each To-be-Acquired Assets as of the end of April, 2018.
- “Unit occupancy rate” is the ratio of the number of leased units to the number of leasable units for the To-be-Acquired Asset as of the end of April, 2018, rounded to one decimal place.
- “Ratio of total leasable floor space in portfolio” indicates a ratio of the leased floor space regarding the To-be-Acquired Assets to the total leasable floor space (scheduled) as of the end of April, 2018 (307,138.15m²), which is rounded to one decimal place.
- “Representative tenant” for office and retail properties indicates the name of the tenant who leases the largest leased area in the total leased floor space of the To-be-Acquired Assets.
- “Total number of tenants” is the sum total of the number of tenants by building (Note 1) in the lease agreement of the real estate and the real estate that is the trust property indicated in the lease agreement for the To-be-Acquired Assets as of the end of April, 2018. Furthermore, in cases where a pass-through type master lease agreement is concluded or is scheduled to be concluded for the concerned asset, the total number of end tenants is stated (Note 1). However, even in the case of a pass-through type master lease agreement, in cases where the sublessee who subleases or is scheduled to sublease the entire property from the master lease company shall pay fixed rent to the master lease company, the total number of tenants is stated as 1.
- “Total rent income (annual)” is the annual rent, or the amount annualized by multiplying the monthly rent by 12, for the building indicated in each lease contract or each provisional lease contract for the real estate and real estate that is the trust property as of the end of April, 2018 (Note 2), and rounded down to the nearest million yen. However, in cases where a pass-through type master lease agreement is concluded or is scheduled to be concluded between the master lease company and the lessor, etc. in which, in principle, the rent, etc. from end tenants is received as is, the annual rent, or the amount annualized by multiplying the monthly rent by 12, indicated in each sublease contract or each provisional sublease contract with end tenants for each real estate and trust property as of the end of April, 2018 (Note 3), and rounded down to the nearest million yen is stated.
- “Deposits, etc.” is the sum total amount of tenant leasehold and security deposits required based on each lease agreement for each To-be-Acquired Assets as of the end of April, 2018 (limited to the tenant leasehold and security deposits based on the lease agreement for the leasing space occupied as of the end of April, 2018), and rounded down to the nearest million yen. In cases where a master lease agreement is concluded for the concerned asset, the sum total amount of tenant leasehold and security deposits required based on the lease agreement concluded with end tenants, and rounded down to the nearest million yen is stated. In addition, when an end tenant does not give consent to the

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disclosure, the description in the “Deposits, etc.” column is omitted. Occupancy rate, total number of tenants, total rental revenue (annual) and deposits, etc. are indicated even though cancellation or submission of cancellation of the lease contract concerning end tenants are undergoing, as long as the contract is effective as of the end of April, 2018.

- “Special notations” indicate, in general, items believed to be important in terms of the respective relationship of rights and use of each asset as well as items believed to be important in consideration of their impact on the appraisal value, profitability, and possibility of disposal of such asset based on the information as of the date of this press release. Prior notices of cancellation from a office or retail tenant or execution of an agreement with a new tenant which were received or executed before the end of April, 2018, if any, are indicated.
- “Characteristics” describe the basic characteristics and features of the To-be-Acquired Assets and characteristics of the zone and area in which such property is located, based on the appraisal report and market reports prepared by CBRE Kabushiki Kaisha for office, prepared by Geo Akamatsu Co., Ltd. for retail. Such appraisal reports, etc. only constitute judgment and opinions of external professionals who prepared such reports at a specific point of time and any validity or accuracy of such reports is not guaranteed. Although it does not reflect any environmental changes after the creation of such reports.

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

(Note 2) For the real estate that is, or is scheduled to be the real estate or the trust property under several lease agreements, the sum total amount thereof. In addition, common area maintenance charges are included, but storage shed, signboard, parking lot, etc. usage fees are not included, and free-rent is not taken into account.

(Note 3) For the real estate that is, or is scheduled to be the real estate or the trust property under several sublease agreements, the sum total amount thereof. In addition, common area maintenance charges are included, but storage shed, signboard, parking lot, etc. usage fees are not included, and free-rent is not taken into account.

5. Overview of Sellers

B-10	Residence Hiroo
B-14	Merveille Senzoku
B-18	Splendid Shin-Osaka III
B-20	Charmant Fuji Osakajominami
B-21	Piacere Fuminosato

Name	Godo Kaisha Nicolas Capital 10
Location	2-7-1, Nihombashi, Chuo-ku, Tokyo
Title and name of representative	Representative member: Ippan Shadan Hojin Nicolas Funding 10 Person to execute duties: Hiroshi Arihara
Capital	100 thousand yen
Date of establishment	February 21, 2017
Total asset	7,550 million yen (Note 1)
Net asset	100 thousand yen
Silent partnership investor	Not disclosed (Note 2)
Line of business	1. Acquisition, holding and disposition and management of trust beneficiary right 2. Sale and purchase, holding, management and leasing of real estate 3. Other businesses incidental or related to the businesses listed in the preceding item
Relationship with NIPPON REIT or SRA	
Capital relationship Personnel relationship	There is no capital relationship, or personnel relationship to be stated between NIPPON REIT or SRA and the concerned company. In addition, there is no capital relationship or personnel relationship to be specially noted between associated persons and associated companies of NIPPON REIT or SRA and associated persons and associated companies of the concerned.
Business relationship	The concerned company is the operator of the silent partnership in which NIPPON REIT has made a silent partnership investment of 50 million yen. Please refer to “Notice Concerning Acquisition of Asset (Godo Kaisha Nicolas Capital 10 Silent Partnership)”, announced as of March 28, 2017, for

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	the details of the concerned silent partnership equity interest.
Related-party status	The concerned company does not fall under the category of related party of NIPPON REIT or SRA. In addition, associated persons and associated companies of the concerned company do not fall under the category of a related party of NIPPON REIT or SRA.

(Note 1) Truncated to the nearest million yen.

(Note 2) Not disclosed because consent has not obtained from other silent partnership investors.

A-59 Yusen Higashi-Nihombashi Ekimae Building

A-60 Hiroo ON Building

A-64 Alte Building Higobashi

A-65 DIA Building Meieki

B-13 Residence Edogawabashi

B-19 ZEPHYROS Minami-horie

Name	Godo Kaisha Nicolas Capital 11
Location	2-7-1, Nihombashi, Chuo-ku, Tokyo
Title and name of representative	Representative member: Ippan Shadan Hojin Nicolas Funding 11 Person to execute duties: Keisuke Moriyasu
Capital	100 thousand yen
Date of establishment	September 15, 2017
Total asset	11,450 million yen (Note 1)
Net asset	100 thousand yen
Other equity investor in silent partnership	Not disclosed (Note 2)
Line of business	1. Acquisition, holding and disposition and management of trust beneficiary right 2. Sale and purchase, holding, management and leasing of real estate 3. Other businesses incidental or related to businesses listed in each of the preceding items
Relationship with NIPPON REIT or SRA	
Capital relationship Personnel relationship	There is no capital relationship, or personnel relationship to be stated between NIPPON REIT or SRA and the concerned company. In addition, there is no capital relationship or personnel relationship to be specially noted between associated persons and associated companies of NIPPON REIT or SRA and associated persons and associated companies of the concerned.
Business relationship	The concerned company is the operator of silent partnership in which NIPPON REIT makes an equity investment of 500 million yen. Please refer to the "Notice Concerning Acquisition of Asset and Consent to Transfer of a Property (Godo Kaisha Nicolas Capital 11 Silent Partnership Equity Interest)", announced on October 25, 2017, for the details of the concerned silent partnership equity investment.
Related-party status	The concerned company does not fall under the category of related party of NIPPON REIT or SRA. In addition, associated persons and associated companies of the concerned company do not fall under the category of a related party of NIPPON REIT or SRA.

(Note 1) Truncated to the nearest million yen.

(Note 2) Not disclosed because consent has not obtained from other equity investors in silent partnership.

B-12 Primegate Iidabashi

B-15 Field Avenue

C-3 BECOME SAKAE

Name	Godo Kaisha NRT Growth 12
Location	2-7-1, Nihombashi, Chuo-ku, Tokyo
Title and name of	Representative member: Ippan Shadan Hojin NRT Growth 12

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representative	Person to execute duties: Keisuke Moriyasu
Capital	100 thousand yen
Date of establishment	January 19, 2018
Total asset	13,400 million yen (Note 1)
Net asset	100 thousand yen
Other equity investor in silent partnership	Not disclosed (Note 2)
Line of business	1. Acquisition, holding and disposition and management of trust beneficiary right 2. Sale and purchase, holding, management and leasing of real estate 3. Other businesses incidental or related to businesses listed in each of the preceding items
Relationship with NIPPON REIT or SRA	
Capital relationship Personnel relationship	There is no capital relationship, or personnel relationship to be stated between NIPPON REIT or SRA and the concerned company. In addition, there is no capital relationship or personnel relationship to be specially noted between associated persons and associated companies of NIPPON REIT or SRA and associated persons and associated companies of the concerned.
Business relationship	The concerned company is the operator of silent partnership in which NIPPON REIT has made an equity investment of 50 million yen. Please refer to the "Notice Concerning Acquisition of Asset (Silent Partnership Equity Interest) (NRT Growth 12)", announced on February 26, 2018, for the details of the concerned silent partnership equity investment.
Related-party status	The concerned company does not fall under the category of related party of NIPPON REIT or SRA. In addition, the company does not fall under the category of interested persons, etc. of SRA as provided in the Act on Investment Trusts and Investment Corporations, however the concerned company falls under the category of interested persons stipulated in the SRA internal rules, "Rules on Transactions by Interested Persons". NIPPON REIT and SRA have conducted an appropriate approval procedure upon the entrustment of brokerage service pertaining to the Acquisition in accordance with voluntary rules pursuant to the rules on transactions with interested parties.

(Note 1) Truncated to the nearest million yen.

(Note 2) Not disclosed because consent has not obtained from other equity investors in silent partnership.

A-58 Towa Kandanishikicho Building

A-63 Esprit Kameido

Name	Godo Kaisha NRT Growth 13
Location	2-7-1, Nihombashi, Chuo-ku, Tokyo
Title and name of representative	Representative member: Ippan Shadan Hojin NRT Growth 13 Person to execute duties: Keisuke Moriyasu
Capital	100 thousand yen
Date of establishment	March 7, 2018
Total asset	2,342 million yen (Note 1)
Net asset	100 thousand yen
Other equity investor in silent partnership	Not disclosed (Note 2)
Line of business	1. Acquisition, holding and disposition and management of trust beneficiary right 2. Sale and purchase, holding, management and leasing of real estate 3. Other businesses incidental or related to businesses listed in each of the preceding items

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Relationship with NIPPON REIT or SRA	
Capital relationship Personnel relationship	There is no capital relationship, or personnel relationship to be stated between NIPPON REIT or SRA and the concerned company. In addition, there is no capital relationship or personnel relationship to be specially noted between associated persons and associated companies of NIPPON REIT or SRA and associated persons and associated companies of the concerned.
Business relationship	The concerned company is the operator of silent partnership in which NIPPON REIT has made an equity investment of 140 million yen. Please refer to the "Notice Concerning Acquisition of Asset (Silent Partnership Equity Interest) (NRT Growth 13)", announced on March 28, 2018, for the details of the concerned silent partnership equity investment.
Related-party status	The concerned company does not fall under the category of related party of NIPPON REIT or SRA. In addition, associated persons and associated companies of the concerned company do not fall under the category of a related party of NIPPON REIT or SRA.

(Note 1) Truncated to the nearest million yen.

(Note 2) Not disclosed because consent has not obtained from other equity investors in silent partnership.

A-61 TK Gotanda Building

The seller of this property is a Japanese corporation and individuals. Details are not described in this press release because no consent has been obtained from the seller to disclose its name, etc.

There is no capital relationship, personnel relationship or business relationship to be stated between NIPPON REIT or SRA and the seller. The seller does not fall under the category of related party of NIPPON REIT or SRA. In addition, the seller does not fall under the category of any interested party or any interested party prescribed in the SRA's internal rule, the "Rules on Transactions with Interested Parties", as of today.

A-62 Gotanda Sakura Building

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

B-11 (Tentative) Residence Nihombashi Hakozaki

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

B-16 Domeal Kitaakabane

B-17 Dormy Kitaakabane

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

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6. Acquirer's profile

Property acquisitions from parties with particular interests are as follows. The table below notes (1) the name of the party; (2) the relationship with the party that has a particular interest; and (3) the backgrounds and reason for the acquisition.

Property name (Location)	Previous trust beneficiary	Trust beneficiary before previous trust beneficiary	Trust beneficiary before trust beneficiary before previous trust beneficiary
	(1), (2), (3) Acquisition (transfer) price Acquisition (transfer) date	(1), (2), (3) Acquisition (transfer) price Acquisition (transfer) date	(1), (2), (3) Acquisition (transfer) price Acquisition (transfer) date
Primegate Iidabashi 6-36, Shin-ogawamachi, Shinjuku-ku, Tokyo	(1) Godo Kaisha NRT Growth 12 (2) Godo Kaisha NRT Growth 12 is a related party under voluntary rules pursuant to the "rules on transactions with interested parties" of SRA (3) Acquired for investing purposes	(1) Sojitz Corporation (2) Sojitz Corporation is the parent company of SRA (3) Acquired for investing purposes	Not in particular interests
	5,200 million yen	5,025 million yen (Note)	—
	February, 2018	September, 2017	—
Field Avenue 6-2-2, Ikegami, Ota-ku, Tokyo	(1) Godo Kaisha NRT Growth 12 (2) Godo Kaisha NRT Growth 12 is a related party under voluntary rules pursuant to the "rules on transactions with interested parties" of SRA (3) Acquired for investing purposes	(1) Sojitz Corporation (2) Sojitz Corporation is the parent company of SRA (3) Acquired for investing purposes	Not in particular interests
	3,110 million yen	3,100 million yen	—
	February, 2018	October, 2017	—
BECOME SAKAE 3-32-6, Sakae, Naka-ku, Nagoya	(1) Godo Kaisha NRT Growth 12 (2) Godo Kaisha NRT Growth 12 is a related party under voluntary rules pursuant to the "rules on transactions with interested parties" of SRA (3) Acquired for investing purposes	Not in particular interests	Not in particular interests
	4,260 million yen	—	—
	February, 2018	—	—

(Note) Brokerage fees of approximately 150 million yen were paid separately to brokerage company as acquisition cost. However, the brokerage company is not an interested party and is not an interested party under the asset management's voluntary rules pursuant to the "rules on transactions with interested parties"

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7. Overview of brokerage

(1) Brokers

A-61 TK Gotanda Building

Name	Resona Bank, Limited
Location	2-2-1, Bingocho, Chuo-ku, Osaka city, Osaka
Title and name of representative	Kazuhiro Higashi
Capital	279,928 million yen (Note)
Date of establishment	May 15, 1918
Relationship with NIPPON REIT or SRA	
Capital relationship	There is no capital relationship, personnel relationship or business relationship to be stated between NIPPON REIT or SRA and the concerned company. In addition, there is no capital relationship, personnel relationship or business relationship to be specially noted between associated persons and associated companies of NIPPON REIT or SRA and associated persons and associated companies of the concerned company.
Personnel relationship	
Business relationship	
Related-party status	The concerned company does not fall under the category of related party of NIPPON REIT or SRA. In addition, associated persons and associated companies of the concerned company do not fall under the category of a related party of NIPPON REIT or SRA.

(Note) Truncated to the nearest million yen.

B-11 (Tentative) Residence Nihombashi Hakozaki

Name	Mizuho Trust & Banking Co., Ltd.
Location	1-2-1, Yaesu, Chuo-ku, Tokyo
Title and name of representative	Tetsuo Imori
Capital	247,369 million yen (Note)
Date of establishment	May 9, 1925
Relationship with NIPPON REIT or SRA	
Capital relationship	There is no capital relationship, personnel relationship or business relationship to be stated between NIPPON REIT or SRA and the concerned company. In addition, there is no capital relationship, personnel relationship or business relationship to be specially noted between associated persons and associated companies of NIPPON REIT or SRA and associated persons and associated companies of the concerned company.
Personnel relationship	
Business relationship	
Related-party status	The concerned company does not fall under the category of related party of NIPPON REIT or SRA. In addition, associated persons and associated companies of the concerned company do not fall under the category of a related party of NIPPON REIT or SRA.

(Note) Truncated to the nearest million yen.

(2) Amount and breakdown of brokerage fees

Not disclosed because consent has not obtained from brokers.

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8. Transaction with interested persons, etc.

Godo Kaisha NRT Growth 12 falls under the category of related party of SRA indicated in aforementioned Section 6. In addition, as stated above, the company does not fall under the category of interested persons, etc. of SRA as provided in the Article 201 of the Act on Investment Trusts and Investment Corporations and Article 123 of the Order of Enforcement thereof. NIPPON REIT and SRA have conducted an appropriate approval procedure upon the entrustment of brokerage service pertaining to the Acquisition in accordance with voluntary rules pursuant to the rules on transactions with interested parties.

In addition, regarding Towa Kandanishikicho Building, TK Gotanda Building, Gotanda Sakura Building, Residence Hiroo, Merveille Senzoku, (Tentative) Residence, Nihombashi Hakozaiki, Domeal Kitaakabane, Dormy Kitaakabane, and ZEPHYROS Minami-horie, nine of the To-be-Acquired Assets, NIPPON REIT will (in case of Gotanda Sakura Building) execute by itself, or (in case of the other assets) cause the trustee to execute the Management Consignment Agreement with Sojitz General Property Management Corporation.

As Sojitz General Property Management Corporation is a wholly-owned subsidiary of the parent company of SRA (67.0% of stake) and falls under the category of interested persons, etc. as provided in the Article 201 of the Act on Investment Trusts and Investment Corporations and Article 123 of the Order of Enforcement thereof, as well as of interested persons stipulated in the SRA internal rules, "Rules on Transactions by Interested Persons," SRA underwent the review and resolution as stipulated in the Rules on Transactions by Interested Persons when agreements with Sojitz General Property Management Corporation are executed or continued.

<Consignee>

Name	Sojitz General Property Management Corporation
Head office address	2-3-1, Daiba, Minato-ku, Tokyo
Title and name of representative	President & CEO: Kouki Umeda
Capital	324,000,000 yen
Date of establishment	September 12, 1989
Line of business	<ol style="list-style-type: none"> 1. Management of real estate properties 2. Sales, maintenance and management of plumbing equipment, sanitary equipment, elevating machines, refrigeration and heating equipment, electric facilities, other machines and equipment and materials, and construction machinery for buildings, renewal of buildings, and sales of machines and materials for building renewal 3. Trading, leasing, rental, agency and brokerage thereof and import and export of equipment attached to residential properties such as furniture, fixtures, interior ornaments, ready-to-assemble garages, gates and fences (including used goods) 4. Trading, leasing and brokerage of real estate properties 5. Planning, inspection, designing, execution, supervision and contract work of engineering and construction works 6. Non-life insurance agency and insurance agency based on the Automobile Liability Security Act 7. Solicitation of life insurance 8. Sales and intermediacy of tobacco, alcohol, soft drink, tea, food and commodities 9. Forwarding and home-delivery service agency 10. Worker dispatch based on the Worker Dispatch Law 11. Security services 12. Janitorial services 13. Any and all businesses incidental to each of the foregoing
Relationship with NIPPON REIT or SRA	
Capital relationship	The company is 100% subsidiary of Sojitz Corporation which is the parent company (67.0% stake) of SRA and thus falls under the category of interested persons, etc. as provided in the Act on Investment Trusts and Investment Corporations and interested

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	parties prescribed in the SRA's internal rule, the "Rules on Transactions with Interested Parties".
Personnel relationship	Five of the officers and employees of SRA are seconded from Sojitz Corporation which is the parent company of the company.
Business relationship	NIPPON REIT paid administration expenses of 270,628 thousand yen, repair works expenses of 562,002 thousand yen (Note) and other leasing business expenses of 22,373 thousand yen to Sojitz Corporation during the 11 th fiscal period (ended in December 2017), the latest calculation period. This company is a sponsor group company based on the Sponsor Support Agreement executed between NIPPON REIT and SRA, and Sojitz Corporation.
Related-party status	The company falls under the category of a related party of NIPPON REIT and SRA. In addition, as stated above, the company falls under the category of interested persons, etc. of SRA as provided in the Act on Investment Trusts and Investment Corporations and interested parties prescribed in the SRA's internal rule, the "Rules on Transactions with Interested Parties". In addition, as stated above, the review and resolution as stipulated in the Rules on Transactions with Interested Parties are undergone when NIPPON REIT (in case of Gotanda Sakura Building) executes or continues agreements by itself, or (in case of the other assets) causes the trustee to execute or continue agreements, with Sojitz General Property Management Corporation.

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

9. Future outlook

There is no change in the outlook of the management status of NIPPON REIT for the fiscal period ending in June 2018 (from January 1, 2018 to June 30, 2018) as the Acquisition is scheduled to be conducted in July 2018.

For the future outlook of the management status of NIPPON REIT for the fiscal period ending in December 2018 (from July 1, 2018 to December 31, 2018) and the fiscal period ending in June 2019 (from January 1, 2019 to June 30, 2019), please refer to the "Notice Concerning Revision of Forecast of Management Status for Fiscal Period Ending December 2018 and Forecast of Management Status for Fiscal Period Ending June 2019" announced today.

*This material is distributed to the press club of the Tokyo Stock Exchange (Kabuto Club), the press club of the Ministry of Land, Infrastructure, Transport and Tourism, and the press club for construction trade publications of the Ministry of Land, Infrastructure, Transport and Tourism.

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

This notice is the English translation of the original Japanese document and is provided solely for information purposes. There is no assurance as to the accuracy of the English translation. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

<Attachments>

- Reference 1 Outline of appraisals reports for the To-be-Acquired Assets
- Reference 2 Overview of engineering reports for the To-be-Acquired Assets
- Reference 3 List of portfolio properties (after the Acquisition)

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<Attachments>

Reference 1 Outline of appraisals reports for the To-be-Acquired Assets

Property No.	Real estate in trust (Property name)	Appraiser	Date of value	Appraisal value (million yen)	Direct capitalization method		DCF method			Appraisal NOI (million yen) (Note 2)	Appraisal NOI yield (%) (Note 3)
					Appraisal value by capitalization method (million yen)	Overall capitalization rate (%)	Appraisal value by capitalization method (million yen)	Discount rate (%)	Terminal capitalization rate (%)		
A-58	Towa Kandanishikicho Building	Japan Real Estate Institute	May 1, 2018	1,000	1,020	4.6	987	3.7	4.6	48	5.0%
A-59	Yusen Higashi-Nihombashi Ekimae Building	Japan Real Estate Institute	May 1, 2018	1,210	1,220	4.4	1,200	4.1	4.5	55	4.9%
A-60	Hiroo ON Building	Japan Real Estate Institute	May 1, 2018	2,510	2,550	4.2	2,460	4.0	4.4	110	4.6%
A-61	TK Gotanda Building	Japan Real Estate Institute	May 1, 2018	4,300	4,350	4.1	4,250	3.7	4.1	181	4.4%
A-62	Gotanda Sakura Building	Japan Real Estate Institute	May 1, 2018	1,500	1,530	4.4	1,470	3.9	4.5	69	4.7%
A-63	Esprit Kameido	Japan Real Estate Institute	May 1, 2018	1,280	1,290	4.7	1,260	4.5	4.9	63	5.0%
A-64	Alte Building Higobashi	JLL Morii Valuation & Advisory K.K.	May 1, 2018	1,560	1,580	4.5	1,530	4.3	4.7	84	5.8%
A-65	DIA Building Meieki	JLL Morii Valuation & Advisory K.K.	May 1, 2018	1,240	1,250	4.6	1,220	4.4	4.8	64	5.5%
B-10	Residence Hiroo	Daiwa Real Estate Appraisal Co., Ltd.	May 1, 2018	2,630	2,700	3.9	2,600	3.7	4.1	106	4.1%
B-11	(Tentative) Residence Nihombashi Hakozaiki	Japan Real Estate Institute	May 1, 2018	1,300	1,330	4.6	1,270	4.0	4.4	62	4.8%
B-12	Primegate Iidabashi	Japan Real Estate Institute	May 1, 2018	5,200	5,230	4.0	5,160	3.7	4.1	215	4.1%
B-13	Residence Edogawabashi	JLL Morii Valuation & Advisory K.K.	May 1, 2018	1,250	1,270	4.2	1,220	4.0	4.4	54	4.4%
B-14	Merveille Senzoku	JLL Morii Valuation & Advisory K.K.	May 1, 2018	740	754	4.2	725	4.0	4.4	32	4.4%
B-15	Field Avenue	Japan Real Estate Institute	May 1, 2018	3,110	3,130	4.1	3,090	3.8	4.2	130	4.2%
B-16	Domeal Kitaakabane	Japan Real Estate Institute	May 1, 2018	785	796	4.3	774	4.1	4.5	35	4.5%
B-17	Dormy Kitaakabane	Japan Real Estate Institute	May 1, 2018	995	1,010	4.4	979	4.2	4.6	45	4.6%
B-18	Splendid Shin-Osaka III	Daiwa Real Estate Appraisal Co., Ltd.	May 1, 2018	2,470	2,510	4.6	2,450	4.4	4.8	118	4.9%
B-19	ZEPHYROS Minami-horie	Daiwa Real Estate Appraisal Co., Ltd.	May 1, 2018	1,670	1,690	4.4	1,660	4.2	4.6	77	4.8%
B-20	Charmant Fuji Osakajominami	Daiwa Real Estate Appraisal Co., Ltd.	May 1, 2018	906	923	4.5	898	4.3	4.7	42	4.7%
B-21	Piacere Fuminosato	Daiwa Real Estate Appraisal Co., Ltd.	May 1, 2018	575	585	4.7	570	4.5	4.9	28	5.0%
C-3	BECOME SAKAE	Japan Real Estate Institute	May 1, 2018	4,800	4,870	4.1	4,720	3.9	4.3	201	4.2%

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Property No.	Real estate in trust (Property name)	Appraiser	Date of value	Appraisal value (million yen)	Direct capitalization method		DCF method			Appraisal NOI (million yen) (Note 2)	Appraisal NOI yield (%) (Note 3)
					Appraisal value by capitalization method (million yen)	Overall capitalization rate (%)	Appraisal value by capitalization method (million yen)	Discount rate (%)	Terminal capitalization rate (%)		
The Acquisition Total				41,031	41,588	—	40,493	—	—	1,829	4.6%

(Note 1) Above figures are truncated to the nearest million yen.

(Note 2) "Appraisal NOI" refers to the NOI (Net Operating Income) derived from deducting operating expenses from operating revenue stated in the appraisal report. The amount is the revenue before deduction of depreciation, and different from the NCF (Net Cash Flow) derived from adding the gain on investment of deposits, etc. to NOI and deducting capital expenditures. The appraisal NOI above is the NOI by the direct capitalization method. "Appraisal NOI" is rounded down to the nearest million yen.

(Note 3) "Appraisal NOI yield" is the figure calculated using the following formula, and rounded to one decimal place.

Appraisal NOI yield = Each asset's appraisal NOI ÷ Scheduled acquisition price

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Reference 2 Overview of engineering reports for the To-be-Acquired Assets

NIPPON REIT obtained building engineering reports from Tokio Marine & Nichido Risk Consulting Co., Ltd. concerning building inspection, compliance with related laws and regulations, repair expenses evaluation, environmental assessment, etc. for the To-be-Acquired Assets. The following is an overview of the engineering reports.

Property No.	Property name	Investigator	Investigation date	Short-term repair expenses (thousand yen) (Note 1) (Note 2)	Long-term repair expenses (thousand yen) (Note 1) (Note 3)
A-58	Towa Kandanishikicho Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 9, 2018	0	2,300
A-59	Yusen Higashi-Nihombashi Ekimae Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	April 20, 2018	0	3,999
A-60	Hiroo ON Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	April 20, 2018	0	6,008
A-61	TK Gotanda Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	March 15, 2018	0	7,001
A-62	Gotanda Sakura Building	Tokio Marine & Nichido Risk Consulting Co., Ltd.	February 9, 2018	0	3,200
A-63	Esprit Kameido	Tokio Marine & Nichido Risk Consulting Co., Ltd.	March 1, 2018	0	4,299
A-64	Alte Building Higobashi	Tokio Marine & Nichido Risk Consulting Co., Ltd.	April 18, 2018	0 (Note 4)	19,918
A-65	DIA Building Meieki	Tokio Marine & Nichido Risk Consulting Co., Ltd.	April 23, 2018	0	10,408
B-10	Residence Hiroo	Tokio Marine & Nichido Risk Consulting Co., Ltd.	April 20, 2018	0	2,232
B-11	(Tentative) Residence Nihombashi Hakozaeki	Tokio Marine & Nichido Risk Consulting Co., Ltd.	May 8, 2018	0 (Note 4)	2,699
B-12	Primegate Iidabashi	Tokio Marine & Nichido Risk Consulting Co., Ltd.	January 15, 2018	0	9,291
B-13	Residence Edogawabashi	Tokio Marine & Nichido Risk Consulting Co., Ltd.	April 19, 2018	0	2,298
B-14	Merveille Senzoku	Tokio Marine & Nichido Risk Consulting Co., Ltd.	April 19, 2018	0	1,705
B-15	Field Avenue (Note 5)	Tokio Marine & Nichido Risk Consulting Co., Ltd.	(1) January 15, 2018 (2) January 15, 2018	(1) 0 (2) 0	(1) 3,282 (2) 212
B-16	Domeal Kitaakabane	Tokio Marine & Nichido Risk Consulting Co., Ltd.	May 2, 2018	0	1,599
B-17	Dormy Kitaakabane	Tokio Marine & Nichido Risk Consulting Co., Ltd.	May 2, 2018	0	2,099
B-18	Splendid Shin-Osaka III	Tokio Marine & Nichido Risk Consulting Co., Ltd.	April 18, 2018	0	2,751
B-19	ZEPHYROS Minami-horie	Tokio Marine & Nichido Risk Consulting Co., Ltd.	April 18, 2018	0	3,844
B-20	Charmant Fuji Osakajominami	Tokio Marine & Nichido Risk Consulting Co., Ltd.	April 18, 2018	0	1,332
B-21	Piacere Fuminosato	Tokio Marine & Nichido Risk Consulting Co., Ltd.	April 18, 2018	0	1,351
C-3	BECOME SAKAE	Tokio Marine & Nichido Risk Consulting Co., Ltd.	April 23, 2018	0	4,500
Total	—	—	—	0	96,328

(Note 1) "Short-term repair expenses" and "Long-term repair expenses" are based on those stated in the building condition assessment report. The sum total of each repair expenses of each property may differ from the figure in the total column due to rounding.

(Note 2) "Short-term repair expenses" is the sum total amount of repair expenses required within one year counting from the investigation date, and rounded down to the nearest thousand yen.

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(Note 3) "Long-term repair expenses" is the average per year calculated as the sum total amount of repair expenses required within 12 years counting from the investigation date divided by 12, and rounded down to the nearest thousand yen.

(Note 4) For construction recorded as emergent repair costs, as the construction is to be completed by NIPPON REIT's acquisition, it is indicated as 0 yen.

(Note 5) As the building of B-15 is separated into two buildings, the amount is separately indicated as (1) main building and (2) annex building.

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Reference 3 List of portfolio properties (after the Acquisition)

Prope rty No.	Real Estate/Real estate in trust (Property name)	Location	Date of (Scheduled) Acquisition	(Scheduled) Acquisition price (Note 1)	
				Value (million yen)	Ratio (%)
Office					
A-1	FORECAST Nishishinjuku	Shinjuku Ward, Tokyo	March 29, 2011	2,260	0.9
A-2	Nihombashi Playa Building	Chuo Ward, Tokyo	March 29, 2011	2,130	0.9
A-3	FORECAST Yotsuya	Shinjuku Ward, Tokyo	March 29, 2011	1,430	0.6
A-4	FORECAST Shinjuku AVENUE	Shinjuku Ward, Tokyo	April 24, 2014	6,500	2.6
A-5	FORECAST Ichigaya (Note 2)	Shinjuku Ward, Tokyo	April 24, 2014	4,800	1.9
A-6	FORECAST Mita	Minato Ward, Tokyo	April 24, 2014	1,800	0.7
A-7	FORECAST Shinjuku SOUTH	Shinjuku Ward, Tokyo	April 24, 2014	13,990	5.6
A-8	FORECAST Sakurabashi	Chuo Ward, Tokyo	April 24, 2014	5,760	2.3
A-9	GreenOak Kayabacho	Chuo Ward, Tokyo	April 24, 2014	2,860	1.2
A-10	GreenOak Kudan	Chiyoda Ward, Tokyo	April 24, 2014	2,780	1.1
A-11	GreenOak Takanawa	Minato Ward, Tokyo	April 24, 2014	2,260	0.9
A-13	Higashi Ikebukuro Center Building	Toshima Ward, Tokyo	April 24, 2014	2,520	1.0
A-14	Central Daikanyama	Shibuya Ward, Tokyo	December 19, 2014	3,510	1.4
A-16	Hiroo Reeplex B's	Minato Ward, Tokyo	February 12, 2015	2,827	1.1
A-17	Shibakoen Sanchome Building	Minato Ward, Tokyo	February 12, 2015	7,396	3.0
A-18	FORECAST Iidabashi	Chiyoda Ward, Tokyo	February 12, 2015	5,230	2.1
A-19	Kudankita 325 Building	Chiyoda Ward, Tokyo	February 12, 2015	1,850	0.7
A-20	FORECAST Uchikanda	Chiyoda Ward, Tokyo	February 12, 2015	1,240	0.5
A-21	Itohpia Iwamotocho 2-chome Building	Chiyoda Ward, Tokyo	February 12, 2015	2,810	1.1
A-22	Itohpia Iwamotocho 1-chome Building	Chiyoda Ward, Tokyo	February 12, 2015	2,640	1.1
A-23	Itohpia Iwamotocho ANNEX Building	Chiyoda Ward, Tokyo	February 12, 2015	2,100	0.8
A-24	Pigeon Building	Chuo Ward, Tokyo	February 12, 2015	2,837	1.1
A-25	FORECAST Ningyocho	Chuo Ward, Tokyo	February 12, 2015	2,070	0.8
A-26	FORECAST Ningyocho PLACE	Chuo Ward, Tokyo	February 12, 2015	1,650	0.7
A-27	FORECAST Shin-Tokiwabashi	Chuo Ward, Tokyo	February 12, 2015	2,030	0.8
A-28	Nishi-Shinjuku Sanko Building	Shinjuku Ward, Tokyo	February 12, 2015	2,207	0.9
A-29	Iidabashi Reeplex B's	Shinjuku Ward, Tokyo	February 12, 2015	1,249	0.5
A-30	FORECAST Shinagawa	Shinagawa Ward, Tokyo	February 12, 2015	2,300	0.9
A-31	Nishi-Gotanda 8-chome Building	Shinagawa Ward, Tokyo	February 12, 2015	2,210	0.9
A-32	Towa Higashi-Gotanda Building	Shinagawa Ward, Tokyo	February 12, 2015	2,033	0.8
A-33	FORECAST Takadanobaba	Toshima Ward, Tokyo	February 12, 2015	5,550	2.2

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Property No.	Real Estate/Real estate in trust (Property name)	Location	Date of (Scheduled) Acquisition	(Scheduled) Acquisition price (Note 1)	
				Value (million yen)	Ratio (%)
A-34	Mejiro NT Building	Toshima Ward, Tokyo	February 12, 2015	3,094	1.2
A-35	Toshin Higashi-Ikebukuro Building	Toshima Ward, Tokyo	February 12, 2015	979	0.4
A-36	Mitsui Woody Building	Koto Ward, Tokyo	February 12, 2015	2,475	1.0
A-37	Itabashi Honcho Building	Itabashi Ward, Tokyo	February 12, 2015	3,146	1.3
A-38	ANTEX24 Building	Taito Ward, Tokyo	February 12, 2015	1,691	0.7
A-39	Itohia Kiyosubashidori Building	Taito Ward, Tokyo	February 12, 2015	1,550	0.6
A-40	East Side Building	Taito Ward, Tokyo	February 12, 2015	1,372	0.6
A-41	I・S Minamimorimachi Building	Osaka, Osaka	February 12, 2015	2,258	0.9
A-42	Sunworld Building	Osaka, Osaka	February 12, 2015	1,200	0.5
A-43	Marunouchi Sanchome Building	Nagoya, Aichi	February 12, 2015	1,626	0.7
A-44	MK Kojimachi Building	Chiyoda Ward, Tokyo	March 27, 2015	1,781	0.7
A-45	Toranomon Sakura Building	Minato Ward, Tokyo	July 2, 2015	4,120	1.7
A-46	La Verite AKASAKA	Minato Ward, Tokyo	July 2, 2015	2,000	0.8
A-47	Kanda Ocean Building	Chiyoda Ward, Tokyo	July 2, 2015	1,440	0.6
A-48	Shinto GINZA EAST	Chuo Ward, Tokyo	July 2, 2015	1,352	0.5
A-49	FORECAST Kayabacho	Chuo Ward, Tokyo	July 2, 2015	3,000	1.2
A-50	FORECAST Waseda FIRST	Shinjuku Ward, Tokyo	July 2, 2015	4,775	1.9
A-51	FORECAST Gotanda WEST	Shinagawa Ward, Tokyo	July 2, 2015	6,520	2.6
A-52	Omiya Center Building	Saitama, Saitama	July 2, 2015	15,585	6.3
A-53	Sumitomo Mitsui Bank Koraibashi Building	Osaka, Osaka	July 2, 2015	2,850	1.1
A-54	NORE Fushimi	Nagoya, Aichi	July 2, 2015	2,840	1.1
A-55	NORE Meieki	Nagoya, Aichi	July 2, 2015	2,520	1.0
A-56	Homat Horizon Building	Chiyoda Ward, Tokyo	September 28, 2017	6,705	2.7
A-57	Sannomiya First Building	Kobe, Hyogo	September 28, 2017	1,390	0.6
A-58	Towa Kandanshikicho Building	Chiyoda Ward, Tokyo	July 3, 2018	960	0.4
A-59	Yusen Higashi-Nihombashi Ekimae Building	Chuo Ward, Tokyo	July 3, 2018	1,152	0.5
A-60	Hiroo ON Building	Shibuya Ward, Tokyo	July 3, 2018	2,392	1.0
A-61	TK Gotanda Building	Shinagawa Ward, Tokyo	July 3, 2018	4,130	1.7
A-62	Gotanda Sakura Building	Shinagawa Ward, Tokyo	July 3, 2018	1,460	0.6
A-63	Esprit Kameido	Koto Ward, Tokyo	July 3, 2018	1,265	0.5
A-64	Alte Building Higobashi	Osaka, Osaka	July 3, 2018	1,453	0.6
A-65	DIA Building Meieki	Nagoya, Aichi	July 3, 2018	1,167	0.5

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Property No.	Real Estate/Real estate in trust (Property name)	Location	Date of (Scheduled) Acquisition	(Scheduled) Acquisition price (Note 1)	
				Value (million yen)	Ratio (%)
Office subtotal 63 properties				193,086	77.9
Residential					
B-1	Tower Court Kitashinagawa	Shinagawa Ward, Tokyo	March 29, 2011	11,880	4.8
B-2	Sky Hills N11	Sapporo, Hokkaido	April 24, 2014	1,570	0.6
B-3	my atria Meieki	Nagoya, Aichi	April 24, 2014	1,280	0.5
B-4	my atria Sakae	Nagoya, Aichi	April 24, 2014	1,110	0.4
B-5	Mac Village Heian	Nagoya, Aichi	April 24, 2014	785	0.3
B-6	Seam Dwell Tsutsui	Nagoya, Aichi	April 24, 2014	695	0.3
B-7	Ciel Yakuin	Fukuoka, Fukuoka	April 24, 2014	640	0.3
B-8	Kanda Reeplex R's	Chiyoda Ward, Tokyo	February 12, 2015	1,813	0.7
B-9	Splendid Namba	Osaka, Osaka	September 28, 2017	3,502	1.4
B-10	Residence Hiroo	Minato Ward, Tokyo	July 3, 2018	2,590	1.0
B-11	(Tentative) Residence Nihombashi Hakozaki	Chuo Ward, Tokyo	July 3, 2018	1,300	0.5
B-12	Primegate Iidabashi	Shinjuku Ward, Tokyo	July 3, 2018	5,200	2.1
B-13	Residence Edogawabashi	Shinjuku Ward, Tokyo	July 3, 2018	1,230	0.5
B-14	Merveille Senzoku	Ota Ward, Tokyo	July 3, 2018	740	0.3
B-15	Field Avenue	Ota Ward, Tokyo	July 3, 2018	3,110	1.3
B-16	Domeal Kitaakabane	Kita Ward, Tokyo	July 3, 2018	785	0.3
B-17	Dormy Kitaakabane	Kita Ward, Tokyo	July 3, 2018	986	0.4
B-18	Splendid Shin-Osaka III	Osaka, Osaka	July 3, 2018	2,428	1.0
B-19	ZEPHYROS Minami-horie	Osaka, Osaka	July 3, 2018	1,608	0.6
B-20	Charmant Fuji Osakajominami	Osaka, Osaka	July 3, 2018	905	0.4
B-21	Piacere Fuminosato	Osaka, Osaka	July 3, 2018	571	0.2
Residential subtotal 21 properties				44,728	18.0
Retail					
C-1	Otakibashi Pacifica Building	Shinjuku Ward, Tokyo	March 12, 2015	3,350	1.4
C-2	Komyoike Act	Sakai, Osaka	February12, 2015	2,063	0.8
C-3	BECOME SAKAE	Nagoya, Aichi	July 3, 2018	4,770	1.9
Retail subtotal 3 properties				10,183	4.1
Total 87 properties				247,998	100

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

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

Disclaimer: This press release is a document for making a public announcement concerning acquisition and leasing of asset, and has not been prepared for the purpose of solicitation for investment. Investors should ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as any amendments thereto (if any), prepared by NIPPON REIT before they invest. Investors who make any investment do so at their own risk and discretion.