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For Immediate Release

Real Estate Investment Trust Securities Issuer:
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Notice Concerning Completion of Acquisition of Asset

NIPPON REIT Investment Corporation ("NIPPON REIT") announces that it has today completed the acquisition of following asset, as announced in the press release "Notice Concerning Acquisition and Leasing of Asset" dated December 13, 2018.

1. Overview of acquisition

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|-----------------------|---------------------------------------|
| (1) Acquired asset | : Real estate trust beneficiary right |
| (2) Asset name | : Wald Park Minamioi("the Property") |
| (3) Asset area | : Shinagawa-ku, Tokyo |
| (4) Asset type | : Residence |
| (5) Acquisition price | : 715 million yen (Note 1) |
| (6) Acquisition date | : January 31, 2019 |
| (7) Seller | : Not disclosed (Note 2) |

(Note 1) "Acquisition price" is the acquisition price of the acquired asset stipulated in the agreement to purchase the real estate beneficiary right. Furthermore the 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 2) Not disclosed because consent has not been obtained from the seller.

2. Outline of Appraisal Report

Since the sales contract for acquisition of the Property falls under forward commitment(Note 1), Sojitz REIT advisors K.K.("SRA"), which is asset management company of NIPPON REIT, acquired a new appraisal report of the Property with price as of December 31,2018, in accordance with "The rule concerning Forward Commitment(Note 2)" stipulated by SRA, before acquiring the Property. Outline of the appraisal report is as follows.

(Note 1) Forward commitment means a sales contract that is scheduled to be settled or delivered after one month or more has passed since the conclusion of the contract, and other similar contracts.

(Note 2) Under the rule, SRA stipulates that SRA acquires a new appraisal report of the Property that concluded forward commitment every fiscal year and discloses the results.

Outline of Appraisal Report

Property name	Wald Park Minamioi
Appraisal value	735 million yen
Appraiser	Japan Valuers Co., Ltd.
Date of value	December 31, 2018

(thousand yen)		
	Details	Outline
Appraisal value by capitalization method	735,000	Based on a trial calculation using the DCF and direct capitalization methods. Each item related to net income is assumed by adding the individuality of the subject property, reflecting the actual real estate market situation.
Appraisal value using the direct capitalization method	750,000	
Operating income	36,792	
Potential gross income	38,305	By taking into account the current level and market rents
Total of vacancy losses, etc.	1,513	By taking into account the current occupancy rate and market occupancy rate levels, among other factors.
Operating expenses	6,609	
Building management fees	972	Based on the judgment that the appraisal value for the 11 th year under the DCF method is at a standard level.
Utilities	462	Based on the judgment that the appraisal value for the 11 th year under the DCF method is at a standard level.
Repair and maintenance costs	581	Based on the judgment that the appraisal value for the 11 th year under the DCF method is at a standard level.
Property management fees	715	Based on the judgment that the appraisal value based on actual records is at a standard level.
Leasing expenses	1,894	Based on the judgment that the appraisal value based on actual records is at a standard level.
Taxes	1,528	Land: Based on the judgment that the appraisal value for the 11 th year under the DCF method is at a standard level. Building and depreciable assets: Based on the judgment that the appraisal value for the first year under the DCF method is at a standard level.
Insurance	25	Based on the judgment that the appraisal value for the first year under the DCF method is at a standard level.
Others	423	Based on the judgment that the appraisal value based on actual records is at a standard level.
Net operating income	30,183	
Non-operating income	35	Based on the judgment that the management yield of 1% is at a standard level.
Capital expenditure	967	Based on the judgment that the appraisal value for the 11 th year under the DCF method is at a standard level.
Net income	29,251	
Capitalization rate	3.9%	Assessed by adding outlooks for net income and forecasts for fluctuations in sales prices that are not included in the discount rate, based on the analysis of discount rates in the DCF method, and in addition, by reference to yields in the examples of transactions of similar properties.
Appraisal value using the discount cash flow method	720,000	
Discount rate	3.7%	The discount rate in this calculation was assessed as follows by simultaneously using "a. a calculation method by adding the individuality of properties to the yields of financial assets" and "b. a calculation method through comparisons with the examples of transactions of similar properties," and in addition, by reference to "c. the results of a survey of real estate investors."
Terminal rate	4.1%	The relevant risks in a comparison with the capitalization rate were determined, factoring in the characteristics of the real estate market and the potential of the subject property, among other factors.

Appraisal value by cost method	396,000	
Proportion of land	88.9%	
Proportion of building	11.1%	

Other matters to which the appraiser paid attention in appraisal	Judged that the Appraisal value by capitalization method is the most persuasive, considering that the Property is real estate for rent and this appraisal value should be a price representing the investment profitable value to be shown to investors etc.
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3. Other

Please refer to the “Notice Concerning Acquisition and Leasing of Asset” dated December 13, 2018 for details.

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

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