

January 28, 2020

Real Estate Investment Trust Securities Issuer
 Sekisui House Reit, Inc.
 Representative: Junichi Inoue, Executive Director
 (Securities Code: 3309)

Asset Management Company
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Notice Concerning Acquisition of Trust Beneficiary Interest in Domestic Real Estate
(Esty Maison Shizuoka Takajo)

Sekisui House Reit, Inc. ("SHR") hereby announces that Sekisui House Asset Management, Ltd., to which SHR entrusts management of its assets ("SHAM") decided today for SHR to acquire the following asset (the "Asset to be Acquired") as described below.

Since the counterparty to the acquisition of the asset falls under the category of interested persons, etc. as provided in the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended) (the "Investment Trusts Act"), and under the category of interested parties as provided in SHAM's internal rules: Rules for Transactions with Interested Parties, SHAM has obtained, in accordance with the Rules for Transactions with Interested Parties, the consent of SHR based on approval at the meeting of the board of directors of SHR held today.

1. Summary of the Asset to be Acquired

The asset SHR decided to acquire this time is a rental apartment owned by Sekiwa Real Estate Chubu, Ltd. ("Sekiwa Chubu"), which is a wholly-owned subsidiary of the sponsor of SHR, Sekisui House, Ltd. ("Sekisui House"). This acquisition is a part of the growth strategy to make the most of the real estate development and operation capabilities, etc. of the Sekisui House Group (Note) that has vast experience in the development and operation of residential and commercial properties.

(Note) "Sekisui House Group" refers to a group of companies comprised of Sekisui House and its consolidated subsidiaries and its affiliates accounted for by the equity method.

Property name (Note 1)	Type of use	Location	Planned acquisition price (Note 2)	Seller
Esty Maison Shizuoka Takajo	Residence	Shizuoka-shi, Shizuoka	660 million yen	Sekiwa Real Estate Chubu, Ltd.

- a. Type of specified asset : Trust beneficiary interest in trust asset which is comprised of domestic real estate
- b. Sale and purchase contract date : January 28, 2020
- c. Brokerage : Not applicable
- d. Planned acquisition date : January 31, 2020
- e. Acquisition financing : Loan (Note 3) and cash on hand
- f. Settlement method : Payment of entire amount at time of delivery

- (Note 1) The property referred to as “Esty Maison Shizuoka Takajo” is presently named as “Marymount Place Shizuoka Takajo”. However, once SHR has completed the acquisition of the property and provided tenants with sufficient notice of the change, SHR will officially change the brand name of the property to “Esty Maison”. For this reason, the name after the change is stated in this document. The same shall apply hereafter.
- (Note 2) The “planned acquisition price” is the sale and purchase price stated in the sale and purchase agreement (excluding consumption tax and local consumption tax and commission and other various expenses; rounded down to the nearest million yen). The same shall apply hereinafter.
- (Note 3) For the details of the loan, please refer to the press release “Notice Concerning Borrowing of Funds” separately announced by SHR today.

2. Reason for the Acquisition

Based on SHR’s basic policy to provide high-quality social capital and maximize unitholder value by conducting asset management that pursues stable earnings over the medium to long term and steady growth of its investment assets, SHR conducts the acquisition of the Asset to be Acquired with the aim of enhancing portfolio of residential properties and further strengthening our earnings foundation in major cities nationwide in accordance with the investment target and investment policy stipulated in its Articles of Incorporation. The characteristics of the Asset to be Acquired taken into consideration upon deciding on the acquisition are as follows:

a. Location characteristics

This property is located about 10 minutes on foot from Shizuoka Station, where the JR Tokaido Shinkansen and the JR Tokaido Main Line are available, and about 5 minutes on foot from Shin-Shizuoka Station on Shizuoka Shimizu Line, Shizuoka Railway, where the bus routes are complete, making it convenient to travel to places inside and outside Shizuoka City, and has a quiet dwelling environment. On the other hand, it has a high proximity to central commercial districts formed toward the north side of Shizuoka Station and around Shin-Shizuoka Station, and supermarkets, convenience stores, and large-sized commercial facilities are located in the vicinity, making it very convenient to live.

In the early Edo period, Aoi-ku, Shizuoka-shi, where the property is located, was founded by Ieyasu Tokugawa and had a capital function that surpassed that of Edo. In the Meiji period, it was developed as a prefectural government base and as one of the nation's most bustling and stately areas in terms of commerce and economy. Currently, central urban areas are being developed to create attractive urban spaces. For example, urban redevelopment projects aimed at enhancing urban functions through the advanced use of land are being implemented as areas that play a central role in designated cities where the administrative and economic core functions of Shizuoka prefecture are concentrated.

b. Property characteristics

The property has twelve floors above ground and 45 units of 1LDK mainly, and demand is expected to be focused on single persons and DINKS. All-electric units, independent washbasins, autolocks, delivery boxes and other facilities are equipped to meet the needs of tenants who emphasize convenience of living.

3. Description of the Asset to be Acquired

Overview of specified asset		
Property name		Esty Maison Shizuoka Takajo
Planned acquisition date		January 31, 2020
Type of specified asset		Trust beneficiary interest (planned)
Trustee		Mitsubishi UFJ Trust and Banking Corporation (planned)
Period of trust contract		From January 31, 2020 to January 31, 2030 (planned)
Planned acquisition price		660 million yen
Appraisal value (Date of value)		661 million yen (January 1, 2020)
Appraiser		Daiwa Real Estate Appraisal Co., Ltd.
Location		2-14-8 Takajo, Aoi-ku, Shizuoka-shi, Shizuoka
Land	Lot	2-14-4 Takajo, Aoi-ku, Shizuoka-shi, Shizuoka
	Site area	510.55 m ²
	Use district	Commercial district
	Building coverage ratio	80%
	Floor area ratio	400%
	Type of ownership	Proprietorship
Building	Use	Apartment complex
	Construction completion	February 2006
	Structure / Floors	RC/12F
	Total floor area	1,938.36 m ²
	Type of ownership	Proprietorship
Collateral		None
Status of leasing and management		
Leasable area		1,731.52 m ² (number of leasable residential units: 45)
Leased area		1,611.04 m ² (number of leased residential units: 42)
Occupancy rate		93.0%
Number of tenants		1
Monthly rent		3,753 thousand yen
Leasehold and security deposits		4,869 thousand yen
Property management company		Sekiwa Real Estate Chubu, Ltd. (planned)
Master lease company		Sekiwa Real Estate Chubu, Ltd. (planned)
Master lease type		Fixed-rent type
Contract period		From January 31, 2020 to January 31, 2025 (planned)
Outline of building engineering report		
Building replacement cost		475 million yen
Repair expenses	Emergency repair	-
	Short-term repair	-
	Long-term repair	5,433 thousand yen
Investigator		SOMPO Risk Management Inc.

Outline of earthquake PML report	
PML value	18.17%
Investigator	SOMPO Risk Management Inc.
Designer, constructor, building inspector	
Building designer	Yoshicon Inc.
Structure designer	Yoshicon Inc.
Constructor	NIPPO CORPORATION
Building inspector	JAPAN ERI CO., LTD.
Matters of special note	
None	

[Explanation of “3. Description of the Asset to be Acquired”]

- (1) “Type of specified asset” is the type of right to be acquired by SHR.
- (2) “Trustee” is the party that is to become the trustee after the acquisition by SHR.
- (3) “Period of trust contract” indicates the scheduled trust term as of today.
- (4) “Appraisal value (Date of value)” is the appraisal value and date of value stated in the real estate appraisal report prepared by the appraiser that SHR and SHAM have entrusted with appraisal of investment real estate, where the appraisal value is rounded down to the nearest million yen.
- (5) “Location” is the indication of residential address. Residential address is based on the notice delivered by municipalities, the written property outline or written explanation of important matters. Furthermore, if there is no implementation of indication of residential address or no indication of residential address in the written property outline and written explanation of important matters, “Location” is the content of “Location of the building” section in the registry (including registration information; the same shall apply hereinafter) or the indication method used in practice as the location.
- (6) “Lot” and “Site area” are the parcel number (in cases where there are several, then one of them) and the sum total of parcel area based on that stated in the registry.
- (7) “Use district” is the type of use district listed in Article 8, Paragraph 1, Item 1 of the City Planning Act (Act No. 100 of 1968, including amendments thereto) (the “City Planning Act”).
- (8) “Building coverage ratio,” which is the ratio of the building area of the building to the site area as provided in Article 53 of the Building Standards Act (Act No. 201 of 1950, including amendments thereto) (the “Building Standards Act”), is the percentage figure provided in accordance with the Building Standards Act, the City Planning Act and other related laws and regulations.
- (9) “Floor area ratio,” which is the ratio of the total floor area of the building to the site area as provided in Article 52 of the Building Standards Act, is the percentage figure provided in accordance with the Building Standards Act, the City Planning Act and other related laws and regulations.
- (10) For “Land,” “Type of ownership” is the category of such ownership (such as fee simple or compartmentalized ownership), regarding the right held or to be held by SHR for real estate in the case of real estate directly held or to be held by SHR, and the right held or to be held by the trustee of the real estate trust for real estate in trust in the case of a trust beneficiary interest held or to be held by SHR.
- (11) “Use” is the major type indicated in the registry.
- (12) “Construction completion” is based on that stated in the registry.
- (13) “Structure / Floors” is based on that stated in the registry. Furthermore, the following abbreviations are used in “Structure / Floors.”
RC: Reinforced concrete structure; SRC: Steel reinforced concrete structure; S: Steel-framed structure
- (14) “Total floor area” is the sum total of floor area of the building or building in trust (excluding annex buildings, etc.) indicated in the registry.
- (15) For “Building,” “Type of ownership” is the classification of the type of ownership, such as ownership right and compartmentalized ownership interest held or to be held by SHR for real estate in the case of real estate directly held or to be held by SHR, and is the classification of the type of ownership, such as ownership right and compartmentalized ownership interest held or to be held by the trustee of the real estate trust for real estate in trust in the case of a trust beneficiary interest held or to be held by SHR. Compartmentalized ownership interest refers to the ownership right to the exclusively-owned portions of a building under compartmentalized ownership interest.
- (16) “Collateral” outlines the collateral borne by SHR after acquisition, if any.
- (17) “Leasable area” refers to the floor area which is considered to be available for leasing based on the lease agreements or building drawings, etc., effective as of the end of December 2019, rounded down to the second decimal place, unless otherwise noted.
- (18) “Leased area” is the sum total of the leased area indicated in the lease agreements effective as of the end of December 2019 or the leased area based on building drawings, etc.
- (19) “Occupancy rate” is the ratio of leased area to leasable area rounded to the first decimal place.
- (20) “Number of tenants” is the total number of tenants based on the content of the lease agreement to be newly concluded with the tenants at

the time of acquisition of the Asset to be Acquired. However, the total number is stated as “1” on the assumption that all end tenants have agreed to the master lease company being the lessor since a new master lease agreement is planned to be concluded between the trustee and the master lease company. Please refer to (24) below for the definition of “master lease company” and “master lease agreement”

- (21) “Monthly rent” is the monthly rent for the Asset to be Acquired (excludes usage fee for parking lot, garage or signboard, etc. but includes common area fees. The same shall apply hereinafter), rounded down to the nearest thousand yen, based on the content of the lease agreement to be newly concluded with the tenants at the time of acquisition of the Asset to be Acquired.
- (22) “Leasehold and security deposits” is the amount of the leasehold stipulated in the lease agreement to be newly concluded with the tenants at the time of acquisition of the Assets to be acquired, rounded down to the nearest thousand yen.
- (23) “Property management company” is the company to be entrusted with property management services after the acquisition by SHR.
- (24) “Master lease company” is the company that is to become the master lease company by concluding a master lease agreement with the trustee after the acquisition by SHR. Furthermore, “master lease agreement” is a lease agreement of a building concluded in bulk in the purpose of the lessee subleasing the building to third parties. The same applies hereinafter.
- (25) “Master lease type” is the type of master lease agreement that is to become effective after the acquisition by SHR. “Fixed-rent type” is a master lease in which the rent that the master lessee pays is a fixed amount regardless of the rent that the sublessee pays to the master lessee. “Pass-through type” is a master lease in which the rent that the master lessee pays is always the same amount as the rent that the end-tenant pays to the master lessee.
- (26) “Contract period” is the period from the planned acquisition date to the termination date of the lease agreement based on the content of the lease agreement to be concluded with tenant at the time of acquisition of the Asset to be Acquired.
- (27) “Building replacement cost” is based on the building engineering report, excluding consumption tax, rounded down to the nearest million yen.
- (28) “Repair expenses” are based on that stated in the building engineering reports. “Short-term repair” is the investigator’s estimate of the repair and renewal expenses required within one year at the time of investigation. “Long-term repair” is the investigator’s estimate of the annual average amount of the repair and renewal expenses for 12 years at the time of investigation.
- (29) “PML value” is based on the statement in the seismic risk evaluation report by SOMPO Risk Management Inc. or the building engineering report stating PML calculated by SOMPO Risk Management Inc. for the Asset to be Acquired. The concerned statement is no more than an indication of the opinion of the reporting party, and SHR does not guarantee the accuracy of the content thereof.
Furthermore, “PML” refers to a “probable maximum loss” due to an earthquake. Although there is no consistent strict definition, in this press release, “PML value” expresses the extent of damage that may be suffered due to an earthquake which is assumed to occur in 50 years (the general use period of the building) and cause a loss of 10% exceedance probability as a percentage (%) of the amount of probable loss corresponding to the 90% non-exceedance probability against the replacement cost. However, the amount of probable loss is limited to that for direct loss on the building (structure, finishing and building equipment) only that are caused by earthquake ground motion, and does not include damage to equipment, furniture, fixtures, etc., loss caused by post-earthquake water or fire disasters, compensation for disaster victims, operating loss due to interruption of business operations and other secondary damages.
- (30) “Matters of special note” is the matters considered important in relation to rights, use, etc. of the Asset to be Acquired, and the matters considered important in consideration of the degree of impact on the valuation, profitability and liquidity of the Asset to be Acquired including the following matters.
 - a. Key limitations or restrictions by laws and regulations
 - b. Key burdens or limitations pertaining to rights, etc. (including establishment of security interest)
 - c. Key structures, etc. crossing the boundary between the real estate or real estate in trust and the adjacent land or issues with boundary confirmation, etc., as well as agreements, etc. thereof, if any
 - d. Key matters agreed upon or agreements, etc. with co-owners or compartmentalized ownership holders

4. Profile of Seller

Name	Sekiwa Real Estate Chubu, Ltd.
Address	4-24-16 Meieki, Nakamura-ku, Nagoya-shi, Aichi
Representative	Teruo Ono, President & Representative Director
Business activities	Sale and leasing of real estates
Capital	1,368 million yen (as of the end of January 2019)
Established	February 1981
Net asset	37,635 million yen (as of the end of January 2019)
Gross asset	55,749 million yen (as of the end of January 2019)
Major shareholder (shareholding ratio)	Sekisui House, Ltd. (wholly-owning parent company)
Relationship with SHR and SHAM	
Capital relationship	Sekiwa Chubu is a subsidiary, wherein Sekisui House (which owns 100% of the total issued shares of SHAM) owns 100% of the voting rights. Sekiwa Chubu falls within the definitions of the Interested Person as stipulated in Investment Trusts Act and an Interested Party as stipulated in SHAM's internal rules: Rules for Transactions with Interested Parties.
Personal relationship	No notable personal relationship
Business relationship	Sekiwa Chubu has concluded an agreement concerning preferential negotiation right in order to establish the pipeline for property information centering on residence, with SHR and SHAM. Furthermore, Sekiwa Chubu is the seller of a part of the owned properties of SHR and SHR has entered into master lease agreement and property management agreement with Sekiwa Chubu for a part of owned properties of SHR.
Related party	Sekiwa Chubu is a subsidiary of Sekisui House that is the parent company of SHAM, and falls within the definition of a related party.

5. Status of Property Buyers, etc.

	Previous owner, etc.	Owner before last, etc.
Name	Sekiwa Real Estate Chubu, Ltd.	A party that does not have a relationship of special interest
Relationship with a party classified as having a relationship of special interest	Please refer to “4. Profile of Seller, Relationship with SHR and SHAM” above.	—
Background and reason for acquisition	Acquisition for investment management	—
Acquisition price	Omitted since the property has been owned for over 1 year	—
Time of acquisition	April 24, 2015	—

6. Transactions with Interested Persons, etc.

As described above, Sekiwa Chubu, the seller of the Asset to be Acquired, falls within the definitions of the Interested Person, etc. and the Interested Party under the Rules for Transactions with Interested Parties (which is SHAM’s internal rule). Given this, upon the execution of the agreement for the transfer of trust beneficiary interests concerning the Asset to be Acquired with Sekiwa Chubu, SHR’s consent has been obtained upon approval of SHR’s board of directors after preliminary review and approval by compliance officer, deliberation and decision or resolution by SHAM’s investment committee, compliance committee and board of directors, in accordance with the aforementioned Rules for Transactions with Interested Parties.

SHR concluded the building lease agreement concerning the Asset to be Acquired wherein Sekiwa Chubu is the lessee (master lease company) and outsources the property management business to Sekiwa Chubu. For the leasing of these buildings and the outsourcing of businesses, the decision-making procedures (including SHR’s consent based on the approval of the SHR’s board of directors held on today) stipulated in the Rules for Transactions with Interested Parties have been taken by SHAM as well.

7. Future Outlook

As the impact of the acquisition of the Asset to be Acquired on the operating result of SHR is small, SHR will not make any revisions to its forecast of operating results for fiscal periods ending April 30, 2020 and October 31, 2020 stated in the “Financial Report for the Fiscal Period Ended October 31, 2019” announced on December 13, 2019.

8. Summary of Appraisal Report of Acquired Asset

Property name	Esty Maison Shizuoka Takajo
Appraisal value	661,000,000 yen
Name of appraisal firm	Daiwa Real Estate Appraisal Co., Ltd.
Date of value	January 1, 2020

(thousand yen)

Item	Details	Description, etc.
Income approach value	661,000	Utilizing income approach as revenue price will be set to a more persuasive level based on DCF method factoring in fluctuations in net income, the revenue price will be set to a more persuasive level, verifying the revenue price based on direct capitalization method.
Value based on direct capitalization method	667,000	—
Operating revenue	51,545	—
Gross potential income	54,301	Valued based on the standardized assumed revenues that took into account of competitiveness in the medium to long term regarding to rental revenue, common area fees and parking income. Key money income and renewal income assessed considering turnover rate and vacancy rate based on the leasing casad, etc. As for utility pole income and internet income, recorded based on the actual amount.
Vacancy loss, etc.	2,755	Valued based on the vacancy rate acknowledged as stable in the medium to long term.
Operating expenses	14,024	—
Maintenance and management fee	4,050	Based on the maintenance and management fee of similar properties, utilized the planned contract value as it is set to a reasonable level.
Utilities expenses	1,256	Valued based on utilities expenses of similar properties and past figures.
Repair expenses	2,178	Utilized the average of repair expenses for medium to long term in the engineering report as it is set to a reasonable level. Regarding to cost of tenant replacement, assessed considering turnover rate and vacancy rate, and recorded it.
Property management fee	1,517	Valued by reference to property management fees of similar properties.
Tenant leasing cost, etc.	1,486	Posted to the replacement portion based on the assumed replacement rate after considering tenant recruitment expenses, etc. assessed based on the level of similar real estate.
Property taxes	3,121	Assessed and recorded with reference to the actual amount, taking into account the level of burden and trends in land prices.
Insurance premium	65	Assessed based on the estimated amount with reference to the insurance premium of similar properties.
Other expenses	350	Assessed and recorded miscellaneous expenses, contingency, etc.
Net operating income (NOI)	37,520	—
Gain on management of income from lump-sum payment	38	Assessed using the investment return of 1.0%.
Capital expenditures	4,197	Posted on the repair expenses for medium to long term in the Engineering Report considering with the CM fee, after verifying the level of renewal cost of similar properties.
Net cash flow (NCF)	33,362	—
Capitalization rate	5.0%	Valued based on the capitalization rate on appraisal reports of J-REIT properties within the same market area, reflecting the

			spread depending on the property conditions such as locational condition of the property, the property grade, age and facilities level and other conditions such as gap between current rental revenues and market rental revenues, property rights and other conditions in agreements.
	Value of earnings calculated by discounted cash flow (DCF) method	658,000	—
	Discount rate	4.8%	Valued based on the methods of comparing with transaction of similar properties and of making adjustment to rates of other financial assets by considering individual factors of the property and interviews from investors.
	Terminal capitalization rate	5.2%	Valued by reference to general prediction with respect to future economic growth rate and property-price trend, making adjustment based on trends of investment yield, risk of the property as investment target and property-price trend, taking into account the capitalization rate of similar transactions. Furthermore, giving consideration to future uncertainty such as possibility of increased capital expenditure due to aging of the property, change of market trend and loss of liquidity because of passage of time.
	Cost method value	782,000	—
	Ratio of land	61.0%	—
	Ratio of building	39.0%	—

Items considered upon determining appraisal value	Utilizing revenue price in reference to cost method value as revenue price is set to a more persuasive level for it reflects actual market trend and conducts of market participants.
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Note: As the amounts are given in units of thousand yen, the amounts may not add up to the figures for operating revenue, operating expenses and other items.

***Comparison with average rent unit price for the lease agreement**

Average rent unit price for the appraisal price	2,479 yen/m ² (8,200 yen/ <i>tsubo</i>)
Average rent unit price for lease agreements	2,167 yen/m ² (7,168 yen/ <i>tsubo</i>)

(Note 1) "Average rent unit price for the appraisal price" is the average rent unit price based on the "rental income inclusive of common area fee" in the direct capitalization method described in the appraisal report.

(Note 2) "Average rent unit price for lease agreements" is the average rent unit price based on the monthly rent in "3. Description of the Asset to be Acquired" above.

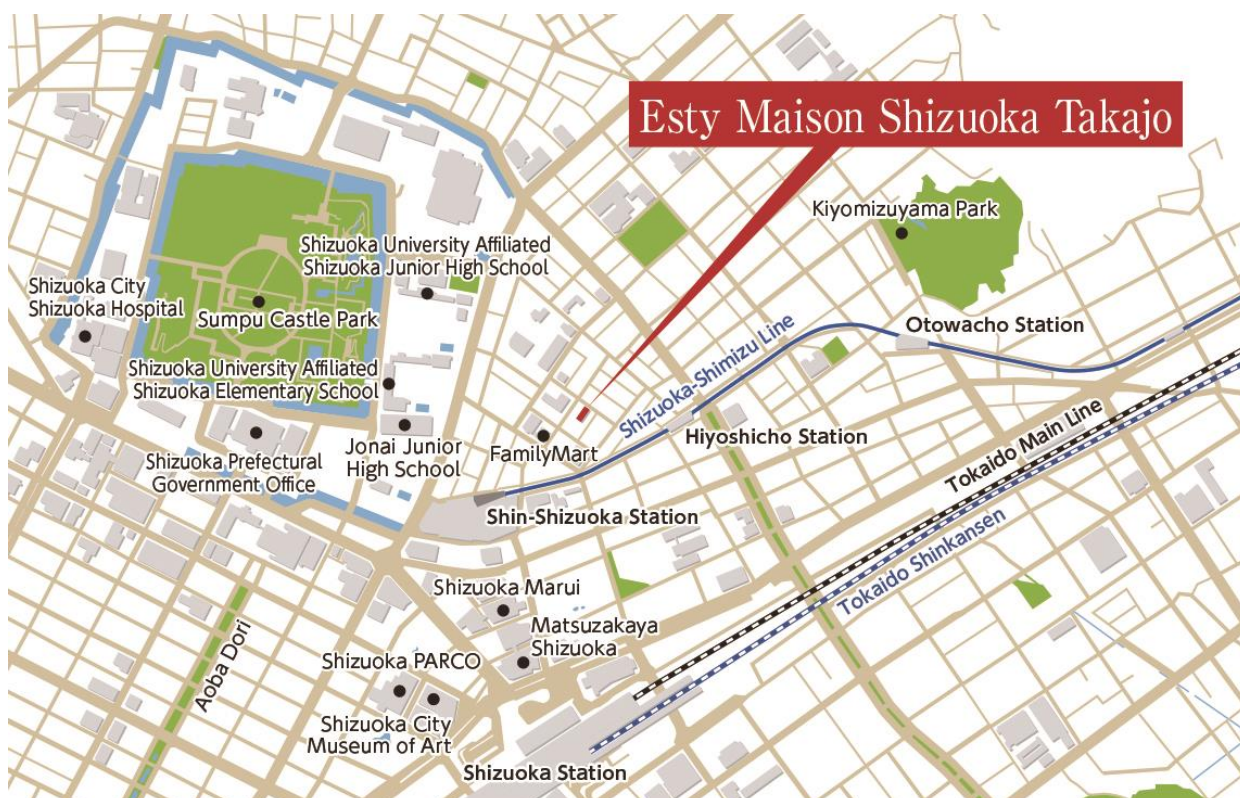
*Sekisui House Reit, Inc. website: <http://sekisuihouse-reit.co.jp/en/>

<Attachments>

Reference Material 1: Photograph of the Property and Map of the Surrounding Area of the Asset to be Acquired

Reference Material 2: Portfolio List after the acquisition of Asset to be Acquired

Reference Material 1: Photograph of the Property and Map of the Surrounding Area of the Asset to be Acquired



Reference Material 2: Portfolio List after the acquisition of Asset to be Acquired

Property number (Note 1)	Property name	Location	(Planned) Date of acquisition (Note 2)	(Planned) Acquisition price (Note 3) (million yen)	Investment ratio (Note 4) (%)
R-001	Esty Maison Ginza	Chuo-ku, Tokyo	May 1, 2018	6,540	1.2
R-002	Esty Maison Azabunagasaka	Minato-ku, Tokyo	May 1, 2018	1,790	0.3
R-003	Esty Maison Ebisu II	Shibuya-ku, Tokyo	May 1, 2018	2,040	0.4
R-004	Esty Maison Ebisu	Shibuya-ku, Tokyo	May 1, 2018	873	0.2
R-005	Esty Maison Kanda	Chiyoda-ku, Tokyo	May 1, 2018	1,610	0.3
R-006	Esty Maison Kitashinjuku	Shinjuku-ku, Tokyo	May 1, 2018	1,590	0.3
R-007	Esty Maison Asakusakomagata	Taito-ku, Tokyo	May 1, 2018	2,190	0.4
R-008	Esty Maison Kawasaki	Kawasaki-shi, Kanagawa	May 1, 2018	2,400	0.5
R-010	Esty Maison Kameido	Koto-ku, Tokyo	May 1, 2018	1,580	0.3
R-011	Esty Maison Meguro	Meguro-ku, Tokyo	May 1, 2018	1,060	0.2
R-012	Esty Maison Sugamo	Toshima-ku, Tokyo	May 1, 2018	1,630	0.3
R-013	Esty Maison Kyobashi	Osaka-shi, Osaka	May 1, 2018	2,970	0.6
R-014	Esty Maison Hakuraku	Yokohama-shi, Kanagawa	May 1, 2018	931	0.2
R-015	Esty Maison Minamihorie	Osaka-shi, Osaka	May 1, 2018	1,060	0.2
R-016	Esty Maison Gotanda	Shinagawa-ku, Tokyo	May 1, 2018	3,110	0.6
R-017	Esty Maison Oisendaizaka	Shinagawa-ku, Tokyo	May 1, 2018	2,720	0.5
R-018	Esty Maison Shinagawa Seaside	Shinagawa-ku, Tokyo	May 1, 2018	2,050	0.4
R-019	Esty Maison Minamiazabu	Minato-ku, Tokyo	May 1, 2018	1,250	0.2
R-020	Esty Maison Tsukamoto	Osaka-shi, Osaka	May 1, 2018	1,080	0.2
R-021	Esty Maison Kawasaki II	Kawasaki-shi, Kanagawa	May 1, 2018	1,910	0.4
R-022	Esty Maison Azabujuban	Minato-ku, Tokyo	May 1, 2018	2,690	0.5
R-023	Esty Maison Itabashihoncho	Itabashi-ku, Tokyo	May 1, 2018	937	0.2
R-024	Esty Maison Oizumigakuen	Nerima-ku, Tokyo	May 1, 2018	790	0.1
R-025	Esty Maison Higashishinagawa	Shinagawa-ku, Tokyo	May 1, 2018	2,390	0.5
R-026	Esty Maison Itabashikuyakushomae	Itabashi-ku, Tokyo	May 1, 2018	2,540	0.5
R-027	Esty Maison Musashikoyama	Shinagawa-ku, Tokyo	May 1, 2018	1,050	0.2
R-028	Esty Maison Sendagi	Bunkyo-ku, Tokyo	May 1, 2018	698	0.1
R-029	Esty Maison Yotsuyasakamachi	Shinjuku-ku, Tokyo	May 1, 2018	2,090	0.4
R-030	Esty Maison Hakatahigashi	Fukuoka-shi, Fukuoka	May 1, 2018	2,400	0.5
R-031	Esty Maison Kamigofuku	Fukuoka-shi, Fukuoka	May 1, 2018	821	0.2
R-032	Esty Maison Sangenjaya	Setagaya-ku, Tokyo	May 1, 2018	822	0.2
R-033	Prime Maison Musashinonomori	Kodaira-shi, Tokyo	May 1, 2018	1,850	0.4
R-034	Prime Maison Higashisakura	Nagoya-shi, Aichi	May 1, 2018	1,500	0.3
R-035	Prime Maison Kayabakoen	Nagoya-shi, Aichi	May 1, 2018	801	0.2
R-036	Esty Maison Sangenjaya II	Setagaya-ku, Tokyo	May 1, 2018	785	0.1
R-037	Esty Maison Itabashi C6	Itabashi-ku, Tokyo	May 1, 2018	2,560	0.5
R-038	MAST Hakata	Fukuoka-shi, Fukuoka	May 1, 2018	2,360	0.4
R-039	Esty Maison Kinshicho	Sumida-ku, Tokyo	May 1, 2018	1,260	0.2
R-040	Esty Maison Musashikoganei	Koganei-shi, Tokyo	May 1, 2018	1,790	0.3
R-041	Prime Maison Gokiso	Nagoya-shi, Aichi	May 1, 2018	1,950	0.4
R-042	Prime Maison Yuhigaoka	Osaka-shi, Osaka	May 1, 2018	909	0.2
R-043	Prime Maison Kitatanabe	Osaka-shi, Osaka	May 1, 2018	601	0.1
R-044	Prime Maison Momochihama	Fukuoka-shi, Fukuoka	May 1, 2018	1,940	0.4

Disclaimer: This translation is for informational purposes only. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail.

Property number (Note 1)	Property name	Location	(Planned) Date of acquisition (Note 2)	(Planned) Acquisition price (Note 3) (million yen)	Investment ratio (Note 4) (%)
R-045	Esty Maison Akihabara	Taito-ku, Tokyo	May 1, 2018	1,930	0.4
R-046	Esty Maison Sasazuka	Shibuya-ku, Tokyo	May 1, 2018	3,340	0.6
R-047	Prime Maison Ginza East	Chuo-ku, Tokyo	May 1, 2018	6,250	1.2
R-048	Prime Maison Takami	Nagoya-shi, Aichi	May 1, 2018	1,050	0.2
R-049	Prime Maison Yadamina	Nagoya-shi, Aichi	May 1, 2018	812	0.2
R-050	Prime Maison Teriha	Fukuoka-shi, Fukuoka	May 1, 2018	1,260	0.2
R-051	Esty Maison Higashishirakabe	Nagoya-shi, Aichi	May 1, 2018	1,580	0.3
R-052	Esty Maison Sengoku	Bunkyo-ku, Tokyo	May 1, 2018	1,360	0.3
R-053	Esty Maison Daizawa	Setagaya-ku, Tokyo	May 1, 2018	2,270	0.4
R-054	Esty Maison Togoshi	Shinagawa-ku, Tokyo	May 1, 2018	1,770	0.3
R-055	Esty Maison Nishitemma	Osaka-shi, Osaka	May 1, 2018	1,680	0.3
R-056	Esty Maison Shirokanedai	Shinagawa-ku, Tokyo	May 1, 2018	2,400	0.5
R-057	Esty Maison Higashishinjuku	Shinjuku-ku, Tokyo	May 1, 2018	1,680	0.3
R-058	Esty Maison Motoazabu	Minato-ku, Tokyo	May 1, 2018	1,540	0.3
R-059	Esty Maison Toritsudaigaku	Meguro-ku, Tokyo	May 1, 2018	861	0.2
R-060	Esty Maison Musashikoyama II	Shinagawa-ku, Tokyo	May 1, 2018	1,030	0.2
R-061	Esty Maison Nakano	Nakano-ku, Tokyo	May 1, 2018	1,870	0.4
R-062	Esty Maison Shinnakano	Nakano-ku, Tokyo	May 1, 2018	1,020	0.2
R-063	Esty Maison Nakanofujimicho	Nakano-ku, Tokyo	May 1, 2018	984	0.2
R-064	Esty Maison Tetsugakudo	Nakano-ku, Tokyo	May 1, 2018	1,160	0.2
R-065	Esty Maison Koenji	Suginami-ku, Tokyo	May 1, 2018	1,160	0.2
R-066	Esty Maison Oshiage	Sumida-ku, Tokyo	May 1, 2018	2,490	0.5
R-067	Esty Maison Akabane	Kita-ku, Tokyo	May 1, 2018	3,290	0.6
R-068	Esty Maison Oji	Kita-ku, Tokyo	May 1, 2018	1,650	0.3
R-069	Prime Maison Waseda	Shinjuku-ku, Tokyo	May 1, 2018	1,580	0.3
R-070	Prime Maison Hatchobori	Chuo-ku, Tokyo	May 1, 2018	1,460	0.3
R-071	Prime Maison Jimbocho	Chiyoda-ku, Tokyo	May 1, 2018	1,960	0.4
R-072	Prime Maison Gotenyama East	Shinagawa-ku, Tokyo	May 1, 2018	2,910	0.6
R-073	MAST LIFE Akihabara	Chiyoda-ku, Tokyo	May 1, 2018	555	0.1
R-074	Esty Maison Aoi	Nagoya-shi, Aichi	May 1, 2018	2,460	0.5
R-075	Esty Maison Yakuin	Fukuoka-shi, Fukuoka	May 1, 2018	2,430	0.5
R-076	Esty Maison Kinshicho II	Sumida-ku, Tokyo	May 1, 2018	8,250	1.6
R-077	Esty Maison Ojima	Koto-ku, Tokyo	May 1, 2018	8,630	1.6
R-078	Prime Maison Fujimidai	Nagoya-shi, Aichi	May 1, 2018	2,070	0.4
R-079	Esty Maison Tsurumai	Nagoya-shi, Aichi	May 1, 2018	4,490	0.9
R-080	Prime Maison Morishita	Koto-ku, Tokyo	May 1, 2018	1,930	0.4
R-081	Prime Maison Shinagawa	Shinagawa-ku, Tokyo	May 1, 2018	1,960	0.4
R-082	Prime Maison Odorikoen	Sapporo-shi, Hokkaido	May 1, 2018	3,160	0.6
R-083	Prime Maison Minami 2-jo	Sapporo-shi, Hokkaido	May 1, 2018	1,930	0.4
R-084	Prime Maison Kamokamogawa	Sapporo-shi, Hokkaido	May 1, 2018	1,250	0.2
R-085	Prime Maison Central Park	Fukuoka-shi, Fukuoka	May 1, 2018	2,309	0.4
R-086	MAST LIFE Yahiro	Sumida-ku, Tokyo	May 1, 2018	1,910	0.4
R-087	Prime Maison Ebisu	Shibuya-ku, Tokyo	May 1, 2018	4,360	0.8
R-088	Granmast Kanazawa Nishiizumi	Kanazawa-shi, Ishikawa	May 1, 2018	1,080	0.2

Property number (Note 1)	Property name	Location	(Planned) Date of acquisition (Note 2)	(Planned) Acquisition price (Note 3) (million yen)	Investment ratio (Note 4) (%)
R-089	Granmast Unomori	Yokkaichi-shi, Mie	May 1, 2018	830	0.2
R-090	Esty Maison Kohoku Tsunashima	Yokohama-shi, Kanagawa	May 1, 2018	2,750	0.5
R-091	MAST LIFE Hino	Hino-shi, Tokyo	May 1, 2018	1,390	0.3
R-092	Prime Maison Yokohama Nihon-Odori	Yokohama-shi, Kanagawa	May 1, 2018	4,870	0.9
R-093	Kobe Women's Student Housing	Kobe-shi, Hyogo	May 1, 2018	5,880	1.1
R-094	Prime Maison Shibuya	Shibuya-ku, Tokyo	May 1, 2018	2,430	0.5
R-095	Prime Maison Hatsudai	Shibuya-ku, Tokyo	May 1, 2018	3,010	0.6
R-096	Esty Maison Uemachidai	Osaka-shi, Osaka	May 1, 2018	1,040	0.2
R-097	Esty Maison Kobe-Sannomiya	Kobe-shi, Hyogo	May 1, 2018	971	0.2
R-098	Prime Maison Shirokane-Takanawa	Minato-ku, Tokyo	May 1, 2018	4,900	0.9
R-099	Prime Maison Ichigayayamabushicho	Shinjuku-ku, Tokyo	May 1, 2018	4,220	0.8
R-100	Esty Maison Morishita	Sumida-ku, Tokyo	May 1, 2018	655	0.1
R-101	Prime Maison Shirokanedai Tower	Shinagawa-ku, Tokyo	May 1, 2018	7,950	1.5
R-102	Prime Maison Otsuka	Toshima-ku, Tokyo	May 1, 2018	3,700	0.7
R-103	Prime Maison Asakusabashi	Taito-ku, Tokyo	May 1, 2018	1,680	0.3
R-104	Prime Maison Daikanyama	Meguro-ku, Tokyo	May 1, 2018	2,520	0.5
R-105	Prime Maison Gotenyama West	Shinagawa-ku, Tokyo	May 1, 2018	3,400	0.6
R-106	Esty Maison Toyosu Residence	Koto-ku, Tokyo	May 1, 2018	6,050	1.1
R-107	Esty Maison Kokura	Kitakyushu-shi, Fukuoka	November 29, 2018	1,040	0.2
R-108	MAST Ijiri	Fukuoka-shi, Fukuoka	January 31, 2019	390	0.1
R-109	Prime Maison Mitatsunamachi	Minato-ku, Tokyo	June 10, 2019	2,040	0.4
R-110	Prime Maison Hongo	Bunkyo-ku, Tokyo	June 10, 2019	2,600	0.5
R-111	Prime Maison Kuramae	Taito-ku, Tokyo	June 10, 2019	2,190	0.4
R-112	Esty Maison Yokohama-aobadai	Yokohama-shi, Kanagawa	June 10, 2019 September 27, 2019	3,020	0.6
R-113	Esty Maison Shizuoka Takajo	Shizuoka-shi, Shizuoka	January 31, 2020	660	0.1
Residential properties (Residences) – subtotal				247,225	46.8
O-001	Garden City Shinagawa Gotenyama	Shinagawa-ku, Tokyo	December 3, 2014 May 24, 2016 May 24, 2017 June 10, 2019	71,950	13.6
O-002	Gotenyama SH Building	Shinagawa-ku, Tokyo	December 3, 2014	51,500	9.8
O-003	Hommachi Minami Garden City	Osaka-shi, Osaka	December 3, 2014 June 10, 2019	44,000	8.3
O-004	Hommachi Garden City (Office building portion)	Osaka-shi, Osaka	May 19, 2015	38,600	7.3
O-005	HK Yodoyabashi Garden Avenue	Osaka-shi, Osaka	May 24, 2016	4,400	0.8
O-006	Hirokoji Garden Avenue	Nagoya-shi, Aichi	May 24, 2016	6,350	1.2
O-007	Akasaka Garden City	Minato-ku, Tokyo	June 10, 2019	28,700	5.4
Office buildings – subtotal				245,500	46.5
H-001	Hommachi Garden City (Hotel portion)	Osaka-shi, Osaka	May 24, 2017	17,200	3.3
H-002	The Ritz-Carlton, Kyoto	Kyoto-shi, Kyoto	January 31, 2019	17,800	3.4
Hotels – subtotal				35,000	6.6
Commercial properties (office buildings and hotels) – subtotal				280,500	53.2
SHR's portfolio (residential properties and commercial properties) – total				527,725	100.0

- (Note 1) "Property number" is the number assigned by property after classifying the properties held by SHR, and the letters R, O and H refer to residence, office building and hotel, respectively.
- (Note 2) "(Planned) Date of acquisition" of succeeded properties due to SHR's merger with Sekisui House Residential Investment Corporation ("SHI") (the "Investment Corporation Merger") with effective date of May 1, 2018, indicates to the effective date of the Investment Corporation Merger.
- (Note 3) "(Planned) Acquisition price" refers to the sale and purchase price set forth in the sale and purchase agreement for each property (excluding consumption tax and local consumption tax as well as commission and other various expenses; rounded down to the nearest million yen). Since, however, the assets under management succeeded from SHI as a result of the Investment Corporation Merger were accounted by the purchase method in which SHR was the acquiring corporation and SHI was the acquired corporation and the appraisal value obtained by SHR was the actual received amount by SHR, the valuation based on the appraisal by real estate appraiser as of April 30, 2018, the time of valuation, are shown in the "Acquisition price" columns. The amounts of such values are rounded down to the nearest million yen.
- (Note 4) "Investment ratio" shows the percentage of the (planned) acquisition price of each asset under management to the total (planned) acquisition price of the portfolio of SHR, which is rounded to the first decimal place. Accordingly, the sum of the investment ratios of the respective properties may differ from the figure shown in the "total" columns.