

Steady Growth & Sustainable Profit



The 43rd

6 months ended
May 2023

Financial results briefing materials

July 14, 2023



HEIWA REAL ESTATE REIT, Inc.

8966

▶ I Trajectory for stable growth of HEIWA REAL ESTATE REIT Inc.	...	P.2
▶ II Overview of the 43 rd Fiscal Period (ended in May 2023)	...	P.4
▶ III NEXT VISION	...	P.10
▶ IV Status of operations	...	P.13
Status of portfolio	...	P.14
External growth	...	P.15
The Heiwa Real Estate Group's strong management of the Investment Corporation	...	P.20
Internal growth	...	P.21
Historical unrealized gain/loss	...	P.28
Financial strategies	...	P.29
Sustainability initiatives	...	P.31
Leaders of the Asset Management Company (Real Estate Investment Department)	...	P.37
Corporate philosophy of the Asset Management Company	...	P.38
▶ V Appendix	...	P.39

43

I . Trajectory for stable growth of HEIWA REAL ESTATE REIT Inc.

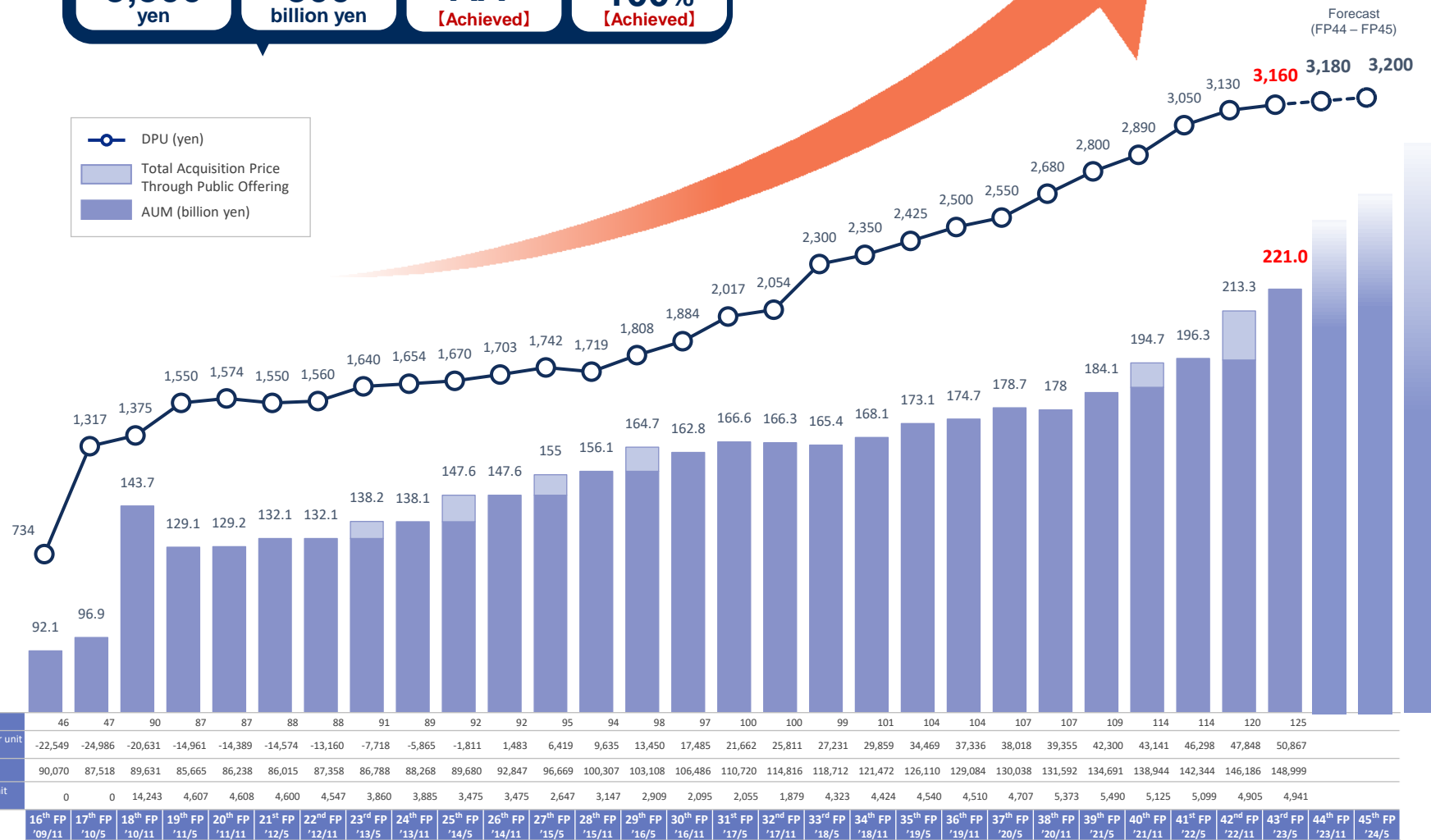
NEXT VISION

DPU
3,300
yen

AUM
300
billion yen

Rating
AA-
[Achieved]

Renewable
Power
100%
[Achieved]



43

II. Overview of the 43rd Fiscal Period (ended in May 2023)

External growth

► Capital gains on property sales were posted, owing to the acquisition of properties and portfolio replacement

We acquired one office and five residential buildings, while the transfer by split of GRACE BUILDING SENGAKUJIMAE was completed at the beginning of the fiscal period under review. The size of assets under management ("AUM size")

at the end of the fiscal period expanded to 221.0 billion yen, and capital gains on property sales of 0.55 billion yen was posted. Capital gains on property sales were reported for the 12th consecutive fiscal period.

Acquisition price

8.32 billion yen

AUM

221.0 billion yen

Gain on property sales

0.55 billion yen

► Public offering and portfolio replacement

For the third consecutive year, capital was increased through a public offering and third-party allotment at the beginning of the 44th fiscal period. The total amount procured was 5.19 billion yen, and two office buildings were acquired for 5.02 billion yen. Both properties were developed by Heiwa Real Estate in the Kitahama area of Osaka-city, and the acquisitions were achieved by utilizing the sponsor pipeline.

In addition, it was decided to transfer one single-type residence building in central Tokyo. The transfer is expected to generate capital gains on property sales of 0.60 billion yen in the 44th fiscal period.

As a result of these initiatives, the AUM size will expand to 225.2 billion yen.

Internal growth

► Occupancy rate of offices and residences was high

The average occupancy rate of the overall portfolio during the period was 97.9%, the highest since the 36th fiscal period (November 2019), before the COVID-19 pandemic. The average occupancy rates of offices and residences remained high, at 99.1% and 97.1%, respectively.

► Upward rent revisions progressed significantly

Upward revisions were applied to office and residential buildings for both new rents and rents at the time of contract renewal. Increases in the fiscal period were 8.9 million yen for office buildings, the highest since the COVID-19 pandemic, and 12.0 million yen for residential buildings, which was a high level.

Status of portfolio		Overall	Office	Residence
Occupancy Rate (%)	End of the period	97.6	99.1	96.7
	Period average	97.9	99.1	97.1
NOI Yield (%)		5.1	5.0	5.3
NOI yield after depreciation (%)		4.2	4.2	4.2

Occupancy rate

97.9%

NOI yield
after depreciation

4.2%

(Note 1) NOI Yield = Actual NOI (Annualized) ÷ (beginning of BV + end of BV) ÷ 2)

(Note 2) NOI yield after depreciation = Actual Rental business profit (annualized) / (beginning of BV + end of BV) ÷ 2)

Financial operation

► Longer financing period

Against the backdrop of a favorable lending environment, financing periods were extended during the fiscal period through new borrowings and refinancing as well as through the first green bond issuance. The average procurement period was the longest ever, at 7.3 years, while procurement costs registered a record low level on a period-on-period basis.

► Conservatively control LTV

At the end of the fiscal period under review, appraisal LTV was 40.6%. It is expected to decline to 39.5% after the first public offering in the 44th period.

► Issuance of green bonds

The Investment Corporation issued its very first green bonds at the beginning of the fiscal period under review.

As funds to acquire green assets, it procured 2.0 billion yen by issuing 10-year bonds.

► Inviting the participation of a new lender

The Minato Bank, Ltd. was invited to participate, and the number of lending financial institutions increased to 19.

Avg. Interest rate

0.735%

Avg. Loan Term

7.3 years

Appraisal-based LTV

39.5%

* Estimated LTV after public offering

Investor's value

► Improvement of distributions

The distribution per unit was raised 30 yen from the previous fiscal period, to 3,160 yen, increasing for the 15th consecutive period, supported by robust portfolio management and capital gains through portfolio replacement.

► Ample internal reserves

Internal reserves increased from the previous fiscal period, attributable to the posting of capital gains on property sales. Investor returns continue, backed by dividend growth and internal reserve control.

► NAV increased

Appraisal value increased, reflecting a fall in the cap rate. NAV per unit hit a record high.

DPU

3,160 yen

Internal reserves

5.50 billion yen

NAV per unit

148,999 yen

Sustainability

► Green Finance Framework established, and green bonds procured at the beginning of the 43rd fiscal period

► Asset Management Company established a policy of implementing the policy of the Investment Corporation with a focus on promoting diversity, equity and inclusion (DEI).

Distribution per unit was 3,160 yen, representing an increase for the 15th consecutive period. Internal reserves increased, attributable to posting of capital gains on property sales.

- Profits from existing properties rental business increased, reflecting steady progress in occupancy rates of office and residential buildings and upward rent revisions.
- Although net income decreased slightly due to the fixed asset tax of properties acquired during the previous fiscal period and an increase in the selling, general and administrative expenses associated with external growth, distribution per unit was raised by 30 yen from the previous fiscal period to 3,160 yen, reflecting the posting of capital gains through continuous portfolio replacement, and 83 million yen was added to internal reserves.

	42 nd FP Actual Performance	43 rd FP Actual Performance	43 rd FP Forecasts	Variance 42 nd FP	Variance 43 rd FP forecasts
Operating revenue	7,836	8,049	8,035	213	14
(Gain on sales of real estate properties)	(549)	(553)	(551)	(3)	(2)
Operating expenses	3,818	4,034	4,048	216	-14
Operating income	4,018	4,015	3,986	-2	28
Non-operating income	1	9	6	7	3
Non-operating expenses	453	465	467	11	-2
Ordinary income	3,566	3,559	3,524	-7	34
Net income	3,565	3,558	3,524	-7	34
EPU*	3,201 yen	3,195 yen	3,164 yen	-6 yen	30 yen
Reversal of RTA*	44	44	44	0	0
Internal Reserve	124	83	49	-40	34
DPU*	3,130 yen	3,160 yen	3,160 yen	30 yen	0 yen
Total investment units issued and outstanding	1,113,733	1,113,733	1,113,733	0	0

(Note) Forecasts for the 43rd Fiscal Period are forecast figures announced on May 22, 2023

(Note) EPU means net income per investment unit.

(Note) RTA means reserve for temporary difference adjustment.

(Note) DPU means distribution per investment unit.

Major Factors of Variance (43 rd FP Actual vs 42 nd FP Actual)		(Unit: million yen)	Amount
-----------------------------------------------------------------------------------------	--	---------------------	--------

Operating revenue	Changes in operating revenues of existing properties		
	•Office (rent income: 7, utilities: 60, Cancellation penalty: 15, etc.)		84
	•Residence (rent income: 18, renewal fees, key money: 26, etc.)		44
	Asset Replacement and Acquisition of new properties		
	•Increase in operating revenues due to properties acquisition	111	
Operating expenses	•Decrease in operating revenues due to properties sale	-30	
	Increase of gain on sale	3	
	Changes in operating expenses of existing properties		
Operating expenses	•Office (utilities: 67, Brokerage fee: -11, Depreciation: 5, etc.)		70
	•Residence (maintenance and repair fees: 29, utilities: 8, depreciation: -6, etc.)		37
	Asset replacement and Acquisition of new properties		
	•Increase in operating revenues due to properties acquisition	75	
	•Decrease in operating revenues due to properties sale	-14	
Non-operating income and expenses	SGA(Increase in Non-deductible consumption tax, AM fee and ESG related expenses)	46	
	Increase in insurance money, Increase in financial cost (Acquisition of asset)	-4	

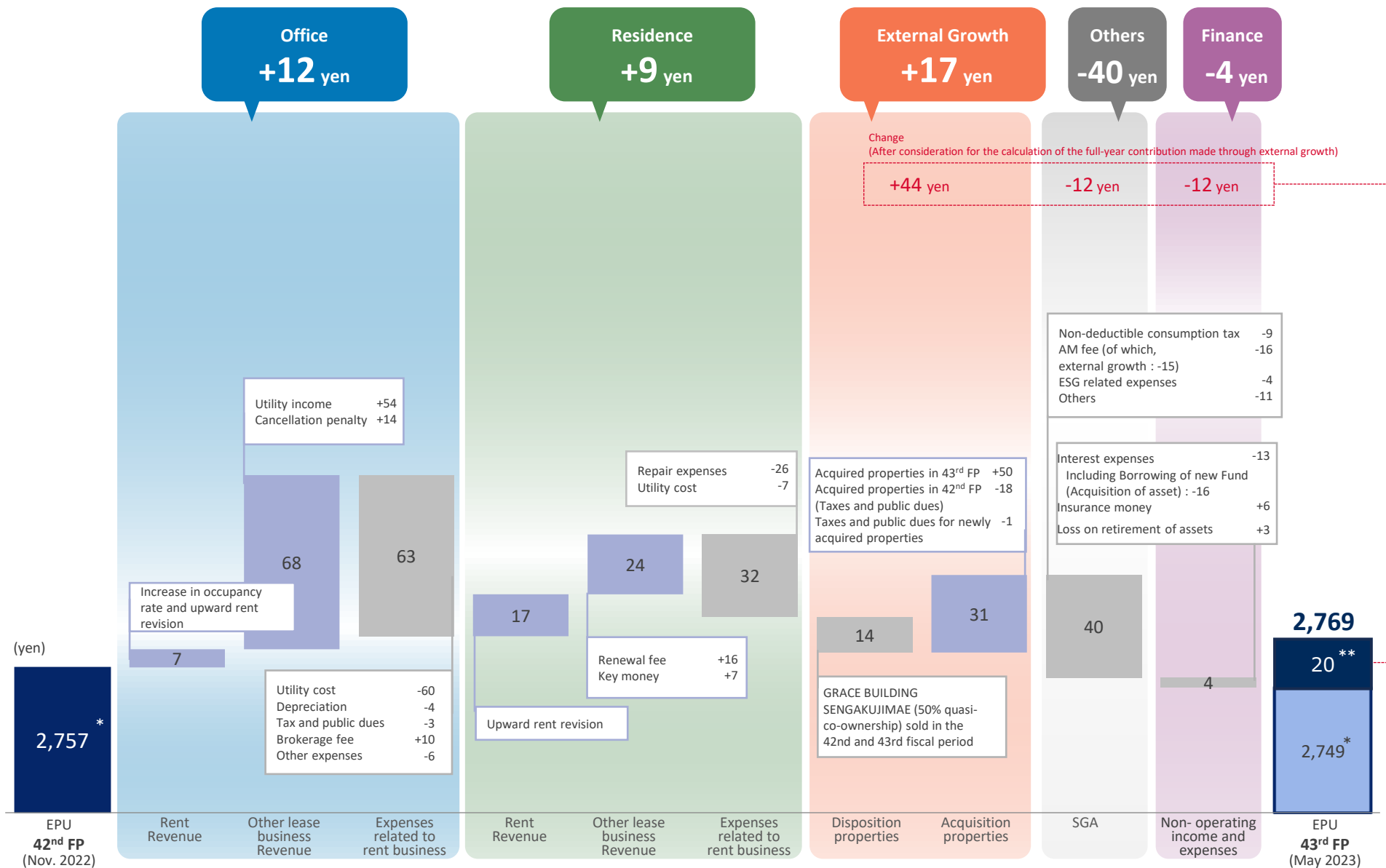
Profits from existing properties rental business increased +20

Major Factors of Variance (43 rd FP Actual vs 43 rd FP Forecasts)		Amount
--------------------------------------------------------------------------------------------	--	--------

Operating revenue	Increase of rent income	4
	(of which, existing properties(office: 2, residence: 2), Property Acquisition and Disposition: -1)	
	Increase of other income etc.	8
Operating expenses	(of which, existing properties(office: -4, residence: 11))	
	Decrease of rent expenses	-25
	(of which, existing properties(office: -4, residence: -20))	
Non-operating income and expenses	SGA(Increase in Non-deductible consumption tax and AM fee))	11
	Increase in insurance money, etc	5

Property acquisition: Refer to Shinsaibashi FRONT BUILDING, SAKAE CENTER BUILDING, IWAMOTOCHO TWIN BUILDING, IWAMOTOCHO TWIN SAKAE BUILDING, HF KAWAGUCHIEKIMAE RESIDENCE, HF HIGASHIOGU RESIDENCE were acquired in the 42nd fiscal period and HF IMAIKE-MINAMI RESIDENCE, HF FUSHIMI RESIDENCE, HF NAKANO-SAKAUE RESIDENCE, HF UENO RESIDENCE EAST, HF OMORIMACHI RESIDENCE, STAGE NISHIKI were acquired in the 43rd fiscal period.

Property sale: Refer to GRACE BUILDING SENGAKUJIMAE (50% quasi-co-ownership) sold in the 42nd and 43rd fiscal period.



* This amount includes the impact of an increase in the number of issued investment units due to the public offering.

**Profit and losses, SGA expenses and financial expenses in the rental business related to properties acquired in the previous fiscal period and the fiscal period under review are taken into consideration for the calculation of the full-year contribution made through external growth.

Public offering was implemented in the 44th Fiscal Period, and gain on transfer of property is expected to be posted as a result of asset replacement. Distribution per unit is expected to be 3,180 yen in the 44th Fiscal Period due to the progress in external growth and ample internal reserves. Distribution per unit for the 45th Fiscal Period is expected to be 3,200 yen, an increase compared to the 44th Fiscal Period.

- Gains on transfer of property will continue to be posted as a result of asset replacement. A gain on transfer of approximately 0.6 billion yen will be posted in the 44th period due to the transfer of one residential property.
- Distributions per unit are expected to increase to 3,180 yen in the 44th period and 3,200 yen in the 45th period from the previous fiscal periods, respectively, reflecting the continuous posting of unrealized gains and the utilization of ample internal reserves.
- The portfolio will maintain high average occupancy rates. Occupancy rates are expected to remain at high levels exceeding 97%.

(Unit : million yen)

	43 rd FP Actual (a)	44 th FP Forecasts (b)	45 th FP Forecasts (c)	Variance (b-a)	Variance (c-b)	Major Factors of Variance	Variance (b-a)	Variance (c-b)
Operating revenue	8,049	8,263	7,698	213	-565	Office		
(Gain on sales of real estate properties)	(553)	(602)	(0)	(48)	(-602)	• Existing properties	-45	18
Operating expenses	4,034	4,133	4,148	99	14	• Changes in operating revenues due to acquired properties	177	1
Operating income	4,015	4,129	3,549	114	-579	Residence		
Non-operating income	9	0	0	-8	0	• Existing properties	-35	31
Non-operating expenses	465	497	501	32	3	• Changes in operating revenues due to asset replacement	67	-14
Ordinary income	3,559	3,631	3,048	72	-583	Increase or decrease of gain on sale	48	-602
Net income	3,558	3,631	3,048	72	-583	Office		
EPU*	3,195 yen	3,157 yen	2,650 yen	-38 yen	-507 yen	• Existing properties	-24	31
Reversal of RTA*	44	45	631	1	585	• Changes in operating expenses due to acquired properties	98	16
Internal Reserve	83	20	0	-63	-20	Residence		
DPU*	3,160 yen	3,180 yen	3,200 yen	20 yen	20 yen	• Existing properties	-24	0
Total investment units issued and outstanding	1,113,733	1,149,933	1,149,933	36,200	0	• Changes in operating expenses due to asset replacement	26	-5
						SGA (ESG related expenses, AM fee, etc.)	23	-28
						Non-operating income		
						Insurance money, etc	-8	0
						Non-operating expenses		
						Financial cost	23	9
						Others (Amortization of investment unit issuance expenses, Loss on retirement of assets)	9	-6
						Key Assumption for forecasts		
						43 rd FP (Actual)		
						44 th FP (Forecast)		
						45 th FP (Forecast)		
						Occupancy Rate		
						Portfolio	97.9%	97.6%
						Office	99.1%	98.8%
						Residence	97.1%	96.8%
						Portfolio	5.1%	4.9%
						Office	5.0%	4.8%
						Residence	5.3%	4.9%
						NOI Yield		
						Portfolio	97.9%	97.6%
						Office	99.1%	98.8%
						Residence	97.1%	96.8%
						Portfolio	5.1%	4.9%
						Office	5.0%	4.8%
						Residence	5.3%	4.9%

(Note) EPU means net income per investment unit.

(Note) RTA means reserve for temporary difference adjustment.

(Note) DPU means distribution per investment unit.

(Note) Forecasted figures were announced on July 14, 2023.

These forecasted figures are calculated based on certain assumptions made as of this date, and actual net income and dividends may vary in accordance with changes in conditions.

This forecast should not be construed as a guarantee of the dividend amount.

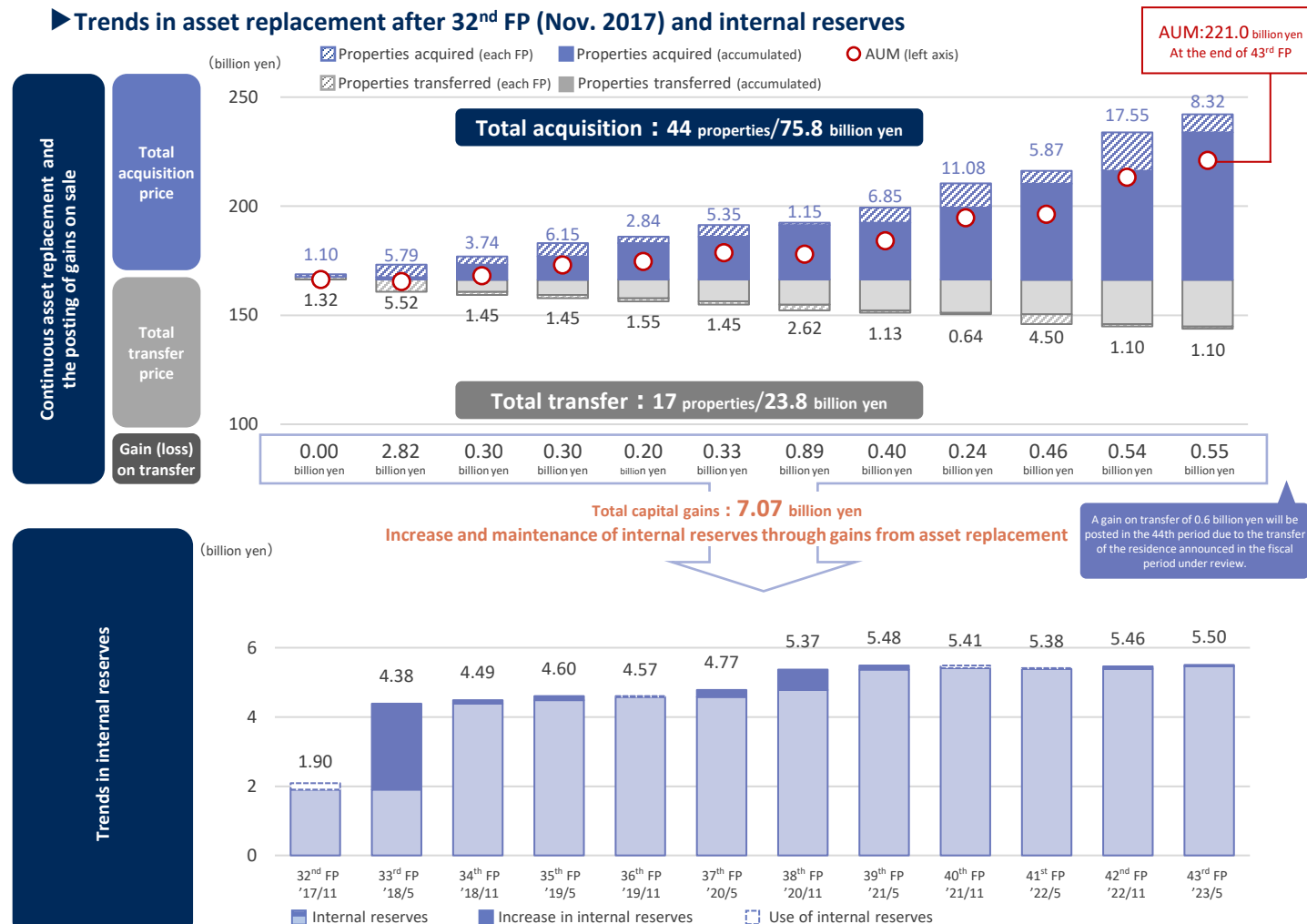
Internal Reserves

5,503
million yen

Continued portfolio replacement, posting of a gain on property sales, and the reinforcement of internal reserve

- Achieved improved portfolio quality and the realization of unrealized gains, while expanding the AUM size through continuous portfolio replacement.
- Ample internal reserves were secured by posting capital gains on property sales for 12 consecutive fiscal periods (including public disclosure basis). **Internal reserves expanded to 5.5 billion yen** as of the end of the fiscal period under review, securing funds for stable distributions over the long term.
- Internal reserves can be expanded 6.18 billion yen.**

► Trends in asset replacement after 32nd FP (Nov. 2017) and internal reserves



Considerable scope left for expansion of internal reserves

REITs generally do not have internal reserves because they pay almost all of their profits as distributions. However, the Investment Corporation has the tools to accumulate these due to the history of past mergers.

Mismatch between amount of portfolio assets for tax purposes and amount of portfolio assets for accounting purposes

6.18
billion yen

Maximum
11.6
billion yen

Internal reserve
(as of the end of 43rd FP)

5.50
billion yen

There is a mismatch between the amount of assets received as a result of the merger with JSR for tax purposes and the amount of assets received as a result of said merger for accounting purposes. With respect to capital gains arising as a result of the property sales, it is possible to utilize the mismatch in the amounts for tax purposes and accounting purposes to generate internal reserves of up to 6.18 billion yen.

43

III. NEXT VISION



Steady Growth & Sustainable Profit

NEXT VISION

Stage to increase the liquidity of investment units

The overseas economy continues to be uncertain due to the Ukraine situation as well as financial instability, especially in Europe and the United States. On the other hand, the domestic Japanese economy remains solid, reflecting signs of the containment of COVID-19, coupled with recoveries in the number of foreign tourists visiting Japan and consumer spending, despite the rising cost of living. Due to the recent external environment, further progress has been made in the management of the Investment Corporation's portfolio, which showed strong risk tolerance amid the COVID-19 pandemic. Consequently, steady progress is being made toward the achievement of the new medium- to long-term goals announced in July 2021.

As the rating was raised to AA- (stable), an increase in the appeal of the Investment Corporation to a range of investors, including foreign investors, the Bank of Japan, and regional financial institutions, a rise in the liquidity of investment units, and positive effects on the investment unit price can be expected in the future. The Investment Corporation will take advantage of the situation and will **increase distributions and investor value**.

DPU

3,300 yen

GOAL

45 th FP (forecast)	3,200
44 th FP (forecast)	3,180
43 rd FP	3,160
42 nd FP	3,130
41 st FP	3,050
40 th FP	2,890
39 th FP	2,800

<Targets and policies >

- ✓ Acquire resources for growth with large rent gap, etc. still remaining
- ✓ Use internal reserves and achieve DPU in excess of EPU
- ✓ Maintain DPU forecasts despite short-term fluctuation in performance

AUM

300 billion yen

GOAL

After PO in 44 th FP	225.2
43 rd FP	221.0
42 nd FP	213.3
41 st FP	196.3
40 th FP	194.7
39 th FP	184.1

<Targets and policies >

- ✓ Aim to acquire 15 billion yen to 20 billion yen's worth of properties annually
- ✓ Continue to strengthen sponsor pipeline
- ✓ Procure funds flexibly, taking advantage of high liquidity on hand and a low LTV ratio and using the primary market

Rating

AA-

Achieved

43 rd FP	AA-(stable)
42 nd FP	AA-(stable)
41 st FP	A+(positive)
40 th FP	A+(positive)
39 th FP	A+(stable)

<Targets and policies >

- ✓ Upgraded to AA- by expanding assets under management and improving financial position
- ✓ Reduce financing cost as a result of upgrading
- ✓ Expect inclusion in the investment universe of the Bank of Japan and regional financial institutions as a result of upgrading
- ✓ Target expansion in demand for investment units and improvement of liquidity

Shift to renewable energy (Note)

100%

Achieved

43 rd FP	100%
42 nd FP	100%
41 st FP	100%
40 th FP	100%
39 th FP	0%

<Targets and policies >

- ✓ Contribute to reduction in climate change risk
- ✓ Switch power used in all properties owned by the Investment Corporation to power from renewable energy
- ✓ Aim to switch the power used at newly acquired properties acquired within a year of acquisition

(Note) The ratio of renewable power is the ratio at all properties except properties where a management association manages power, such as properties whose ownership is shared and properties owned by unit owners, and properties where contracts with tenants are unusual. The individually owned portions of residential properties and properties acquired within a year of acquisition are excluded.

External Growth

■ Continued healthy and steady external growth

- Carefully selective investment in properties that will contribute to the improvement of portfolio quality and profitability, without being swayed by an overheated market.
- Employ diverse methods to expand opportunities for acquisition by collaborating with sponsors in development, etc.
- Utilize free cash and borrowing capacity to flexibly acquire properties.

■ Continuous replacement strategies

- In order to improve portfolio quality and profitability, replacement from low profitability properties, small-scale residences, etc. to blue-chip offices and residences

■ Increase investment opportunities and establish a portfolio that will remain competitive on a medium- to long-term basis.

- Review the current portfolio framework consisting of offices and residences and consider investing in properties expected to generate a stable income on a medium- to long-term basis, such as urban retail properties
- Work on investment targets expected to see growing demand going forward from the perspective of responding to changes in tenant demand and social needs.

Expected impact on DPU

+167 yen

Internal Growth

■ Maintain and improve high occupancy rate

- Collaborate with sponsors and PM in initiatives to create tenant demand by implementing appropriate and timely leasing measures.
- Prevent tenants from leaving through high quality operation and management, and CS measures.
- Shorten downtime.

■ Initiatives for increasing rents

- Promote rent increases (revisions) when tenancy changes or when lease is renewed.

■ Implement strategic CAPEX investment

- Systematically implement added value renovations resulting in upward rent revisions and improved CS.

■ Continue to increase subsidiary revenue and make cost reductions

+155 yen

Financial Operation

■ Create a solid financial structure

- Create a solid financial structure that is not vulnerable to fluctuations in market interest rates, by extending loan periods, diversifying debt maturities, and fixing interest rates on borrowings.
- Aim for the reduction of financing costs by taking advantage of the high creditworthiness of the AA rating and the expansion of unitholders making long-term stable investments.

■ Control of LTV

- Seek continuous expansion of portfolio and earnings through the stable acquisition of properties not influenced by the financial environment by property controlling LTV.

■ Diversify methods of procuring funds

- Create access to various kinds of funds, such as equity procurement through public offering, creation of a lender formation comprising a wide range of industries, issuing of investment corporation bonds, commitment lines, and commitment-type term loans.

■ Reduce financial costs

-20 yen

Investor Return

■ Return of ample internal reserves

- Internal reserves of 5.48 billion yen in total will be used as the funds for future distribution payments.

■ Using cash on hand

- By using cash on hand for the acquisition of properties and the repayment of debts, the ordinary distribution level will be improved. Acquire own investment units when a surplus fund is sufficient and their acquisition is judged to produce large effects.

■ Increase liquidity

- Inclusion in the Global Index and the improvement to a AA rating were achieved. Aim to improve the liquidity of investment units by seeking the expansion of the size of assets.

■ Realization of unrealized gains

- Realize ample unrealized gains through the replacement of assets to improve portfolio quality, and use the realized gains to increase internal reserves and improve distributions.

Internal reserves
balance **4,941 yen per unit**

ESG

■ Environment

- Work on saving energy at owned properties, greening them, reducing the use of fossil fuels and cutting greenhouse gas emissions.
- The power used at all properties will change to power from renewable energy.

■ Social

- Advance activities for promoting and popularizing J-REIT in collaboration with industrial organizations.
- Advance activities for promoting and popularizing J-REIT in collaboration with industrial organizations.

■ Governance

- Support investment decisions and corporate governance from objective viewpoints by appointing experts as outside directors.
- Maintain asset management motivation at high levels through same-boat investment consisting of three tiers: sponsors, the Asset Management Company and employees.
- Increase the percentage of performance-linked fees through changes made to the structure of asset management fees.

Forecast DPU

44th FP : **3,180 yen/unit**

45th FP : **3,200 yen/unit**

NEXT VISION

DPU : **3,300 yen/unit**

AUM : **300 billion yen**

43

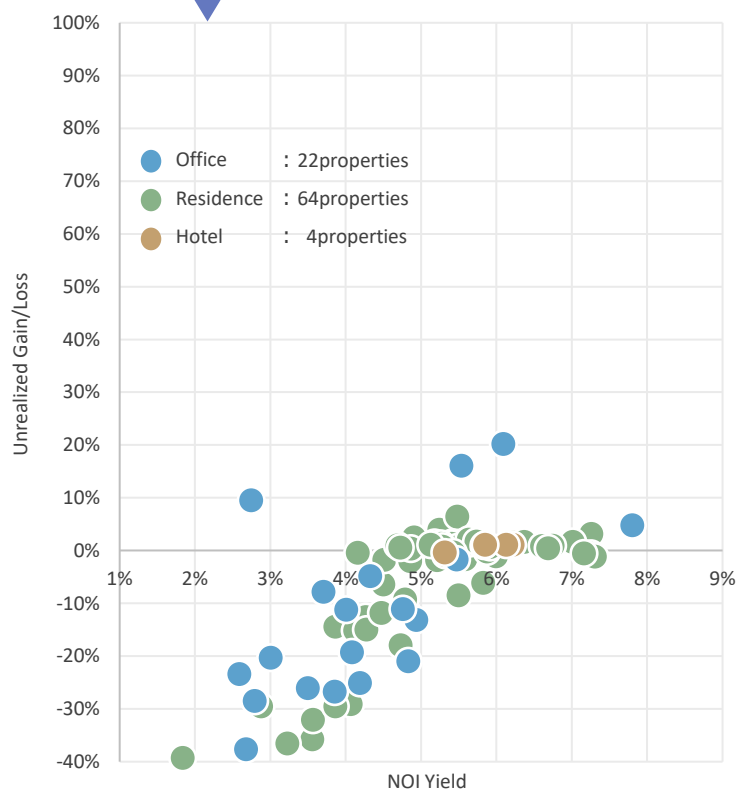
IV. Status of operations



Portfolio quality has been significantly improved through strategic asset replacement, internal growth, and higher appraisal value

► Performance in the 19th FP (after merger with JSR, 31 May 2011)

NOI (million yen) : 3,164
 NOI Yield : 4.6%
 Unrealized Gain/Loss: -8.1%



Reconstruction of portfolio

Utilization of sponsor pipeline,
 continuous property acquisition
 and active portfolio replacement
 Acquired Properties: 62
 Transferred properties: 28

Improved earning power

Rise of occupancy rate
 Upward rent revisions
 Cost reductions

Improvement of real estate market conditions

Decreased Cap Rate
 Improved appraisal value

► Performance in the 43rd FP

NOI (million yen) : 5,382
 NOI Yield : 5.1%
 Unrealized Gain/Loss: +26.5%



(Note) This investment corporation absorbed Japan Single-residence REIT Inc. (JSR) on October 1, 2010, in the 18th period (Fiscal Period Nov. 2010). As the figure on the left shows, profitability on the ordinary base, including the taxes and public dues of properties succeeded from JSR, NOI interest yield and unrealized profit and loss rate were calculated using the data of the 19th period (Fiscal Period May 2011).

(Note) For Shinsaibashi FRONT Building, SAKAE CENTER BUILDING, IWAMOTOCHO TWIN BUILDING, IWAMOTOCHO TWIN SAKAE BUILDING, HF KAWAGUCHIEKIMAE RESIDENCE and HF HIGASHIOGU RESIDENCE, which are acquired in the 42nd Fiscal Period, and HF IMAIKE-MINAMI RESIDENCE, HF FUSHIMI RESIDENCE, HF NAKANO-SAKAUE RESIDENCE, HF UENO RESIDENCE EAST, HF OMORIMACHI RESIDENCE, STAGE NISHIKI were acquired in the 43rd fiscal period, the present operation results by the investment corporation cannot be calculated accurately because of the short period of operation, and the taxes and public dues have not yet been recorded. Accordingly, the values calculated by dividing the appraisal NOI as of the time when a decision on acquisition was made by the acquisition price are presented to show the NOI interest yield on an ordinary basis in the above graph.

Implementation of a sustainable external growth cycle through public offerings and utilization of borrowing capacity

► Overview of the acquisition and asset replacement



Asset to be Transferred in the 44th FP



Strategy for asset replacement

Key factors considered in the selection of assets to be transferred by the Investment Corporation

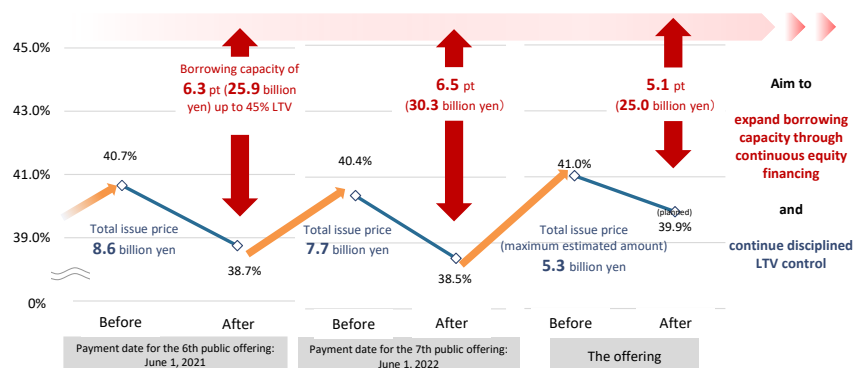
- Assets with high potential for unrealized gains
- Assets with inferior future profitability relative to the portfolio
- Small residence
- Assets that encompass a variety of potential risks

Continuous external growth through asset replacement

- Improvement of portfolio quality through continuous asset replacement
- Return profits from the gain on transfer and control of internal reserve balance, while promoting the continuous acquisition of assets using the funds from the transfer

► LTV control

- Continue to acquire properties flexibly by utilizing borrowing capacity
- To establish disciplined financial management and a flexible property acquisition structure by controlling the LTV level while expanding borrowing capacity through continuous equity financing



Source : " Additional Documentation for Press Release "Notice Concerning the Issuance of New Investment Units and Secondary Offering of Investment Units" as of May 22, 2023

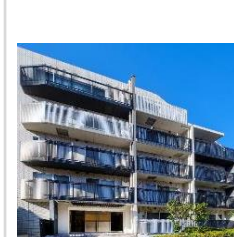
Further external growth through utilization of Asset Management Company's independent channels and sponsor pipeline.

43rd FP HF IMAIKE-MINAMI RESIDENCE
**Asset Management
Company network**


Location	Nagoya City, Aichi
Total floor space	(EAST bldg.) 1,580.08 m ² (WEST bldg.) 494.35 m ²
Acquisition date	January 30, 2023
Construction completion date	(EAST bldg.) November 8, 2006 (WEST bldg.) November 2, 2006
Construction completion date	860 million yen
Appraisal value (Note)	942 million yen
NOI yield (Note)	4.9%
NOI yield after depreciation (Note)	3.8%

43rd FP HF FUSHIMI RESIDENCE
**Asset Management
Company network**


Location	Nagoya City, Aichi
Total floor space	1,713.50 m ²
Acquisition date	January 31, 2023
Construction completion date	August 10, 2006
Construction completion date	610 million yen
Appraisal value (Note)	690 million yen
NOI yield (Note)	5.1%
NOI yield after depreciation (Note)	4.0%

43rd FP HF NAKANO-SAKAUE RESIDENCE
**Asset Management
Company network**


Location	Nakano-ku, Tokyo
Total floor space	1,760.28 m ²
Acquisition date	March 1, 2023
Construction completion date	March 14, 2008
Construction completion date	1,050 million yen
Appraisal value (Note)	1,230 million yen
NOI yield (Note)	4.5%
NOI yield after depreciation (Note)	3.8%

43rd FP HF UENO RESIDENCE EAST
**Asset Management
Company network**


Location	Taito-ku, Tokyo
Total floor space	2,964.00 m ²
Acquisition date	February 28, 2023
Construction completion date	September 5, 2017
Construction completion date	2,500 million yen
Appraisal value (Note)	2,740 million yen
NOI yield (Note)	4.1%
NOI yield after depreciation (Note)	3.5%

43rd FP HF OMORIMACHI RESIDENCE
**Asset Management
Company network**


Location	Ota-ku, Tokyo
Total floor space	1,457.12 m ²
Acquisition date	April 27, 2023
Construction completion date	November 30, 2002
Construction completion date	1,200 million yen
Appraisal value (Note)	1,300 million yen
NOI yield (Note)	4.0%
NOI yield after depreciation (Note)	3.4%

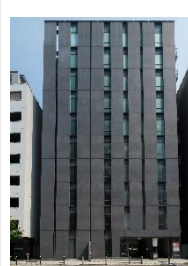
43rd FP STAGE NISHIKI
**Asset Management
Company network**


Location	Nagoya City, Aichi
Total floor space	4,590.29 m ²
Acquisition date	April 28, 2023
Construction completion date	September 25, 1991
Construction completion date	2,100 million yen
Appraisal value (Note)	2,400 million yen
NOI yield (Note)	5.5%
NOI yield after depreciation (Note)	5.1%

44th FP Kitahama 1-Chome Heiwa Building
**Sponsor's
Development**


Location	Osaka City, Osaka
Total floor space	4,106.49 m ²
Acquisition date	June 6, 2023
Construction completion date	February 28, 2015
Construction completion date	3,370 million yen
Appraisal value (Note)	3,495 million yen
NOI yield (Note)	4.3%
NOI yield after depreciation (Note)	3.3%

* Total floor space : Indicates the portion held by the Investment Corporation out of 5,475.33 m² per building.

44th FP Heiwa Real Estate Kitahama Building
**Sponsor's
Development**


Location	Osaka City, Osaka
Total floor space	2,315.59 m ²
Acquisition date	June 6, 2023
Construction completion date	October 1, 2011
Construction completion date	1,650 million yen
Appraisal value (Note)	1,770 million yen
NOI yield (Note)	4.5%
NOI yield after depreciation (Note)	3.7%

- Two office buildings in the Kitahama area of Osaka, a financial district to which Heiwa Real Estate has been continuously committed, were acquired through the sponsor pipeline.
- The two properties offer excellent convenience in transportation, as direct access through an underpass is available to Kitahama Station of the Osaka Metro Sakaisuji Line and the Keihan Railway's Keihan Main Line and Yodoyabashi Station of the Osaka Metro Midosuji Line.
- Their environmental performance is also excellent, and Kitahama 1-Chome Heiwa Building has acquired the highest rank of S in the CASBEE for Real Estate Certification.

(Note) The appraisal value obtained at the time of property acquisition is indicated as the appraisal value.

(Note) NOI yield = $\text{NOI} \div \text{Acquisition price}$ NOI yield after depreciation = $(\text{NOI} - \text{Depreciation}) \div \text{Acquisition price}$

The NOI shows net operating income for a one-year period, based on which income value was calculated with the direct capitalization method described in the appraisal report obtained as of the acquisition of the respective acquired assets. Depreciation is based on estimates made by the Investment Corporation according to the service life of assets.

Sponsor's Real Estate for Sale

- After the first public offering in the 44th period, two office buildings out of the real estate for sale held by the sponsor Heiwa Real Estate were acquired.
- The supply of real estate for sale kept by Heiwa Real Estate offers options to the Investment Corporation for external growth in the future.

Inventory of Properties for Sale

- We aim to generate earnings from the sale of profitable assets after maximizing their value, and through further development of the HF Residence series.
- A total of two buildings—Sapporo Hotel and Fukuoka Residence—were transferred from fixed assets (assets for leasing) to real estate for sale at the end of March 2023.

<Major assets held (As of the end of March 2023)>

* As of the end of March 2023, floor m² for the area owned by our group

	Location	Total floor area	Completion date	Acquisition date
Kayabacho Office	Chuo-ku, Tokyo	Approx. 3,500 m ²	September 1991	December 2013
Nagoya Sakae Office	Nagoya-shi	Approx. 9,500 m ²	March 2004	Same as on the left
Osaka Kitahama Office 1	Osaka-shi	Approx. 5,500 m ²	February 2015	Same as on the left
Osaka Kitahama Office 2	Osaka-shi	Approx. 2,500 m ²	October 2011	Same as on the left
Yokohama Office	Yokohama-shi	Approx. 3,000 m ²	February 1986	Same as on the left
Sapporo Hotel	Sapporo-shi	Approx. 46,000 m ²	April 1996	January 2019
Chiba Residence	Chiba-shi	Approx. 1,500 m ²	December 2018	July 2019
Ogu Residence	Arakawa-ku, Tokyo	Approx. 1,000 m ²	February 2017	April 2021
Fukuoka Residence	Fukuoka-shi	Approx. 2,500 m ²	January 2018	October 2021

Acquisitions made with proceeds from public offering at the beginning of the 44th fiscal period



Kitahama 1-Chome Heiwa Building
(quasi-co-ownership interest: 75%)



Heiwa Real Estate
Kitahama Building

Source : "Financial Results Briefing Material" by HEIWA REAL ESTATE

▶ Building a pipeline using general land leasehold rights

Heiwa Real Estate, the sponsor of the Investment Corporation, is actively developing residential properties using general land leasehold rights. The first building was completed in 2015 and it continues to develop new properties. Eight buildings have been completed to date, and the Investment Corporation has acquired all eight properties by the 42nd Fiscal Period (November 30, 2022). One additional property involved in the development by Heiwa Real Estate was completed in June 2023, and another property is under development by Heiwa Real Estate.



(Note) HF KITASENJU RESIDENCE is a property in which Heiwa Real Estate was involved by providing its relationship and know-how when a third party other than Heiwa Real Estate developed the property, and although Heiwa Real Estate does not own the property as of the date of this document, a purchase agreement for the property has been concluded with the third party.

▶ Overcoming the disadvantages of general land leasehold through cooperation with sponsors. Also build a scheme to maximize the benefits of general land leasehold.

Advantages

- Property acquisition cost is less expensive than ownership (higher yields)
- In the case of a general land leasehold, there is basically no obligation to return the leased land when a building exists.
- No diminishing investment value in the case of a general land leasehold
- Enable differentiation from competitors' properties through improved building specifications using land prices lower than ownership

Maximize the benefits of working with sponsors



- High sourcing capacity based on cooperation between the two
- Dedicated personnel assigned to build good relationships with landowners
- Development plan meeting the needs of the Investment Corporation
- Strong development capabilities backed by a diverse history

Disadvantages

- Complicated rights relations
- Low liquidity
- Fewer investment opportunities

Overcome some of the disadvantages of general land leaseholds

- Renewing and strengthening long-term, stable relationships with business partners such as temples and asset management companies
- Careful selection of locations to reduce liquidity risk
- Purchase under advantageous conditions due to few competitors

The Investment Corporation's superior pipeline

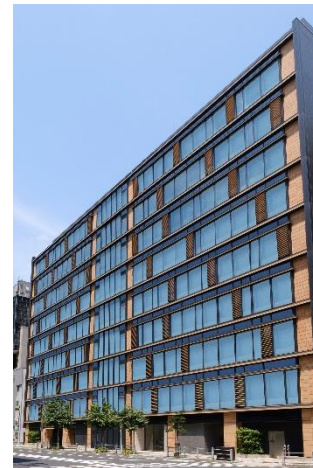
► Increase in portfolio value due to additional acquisition of properties for co-ownership and sectional ownership

The Investment Corporation is adding properties for co-ownership and sectional ownership as part of its portfolio. This gives a benefit of providing a high yield and large unrealized profit by reflecting in the transaction price while sacrificing certain liquidity. The Investment Corporation aims to eliminate this disadvantage by wholly owning properties through careful consultations with other holders of sectional ownership.

Purposes and effects of additional acquisition

- 1 Enables acquisition at undervalued prices excluding market competition
- 2 Raises portfolio profitability through high yields
- 3 Raises liquidity through total ownership
- 4 Adds value through total ownership and increases unrealized gains
- 5 Accelerates decision making and implementation of business strategy through total ownership
- 6 Facilitates improved efficiency in management and operation and reduced expenses through total ownership

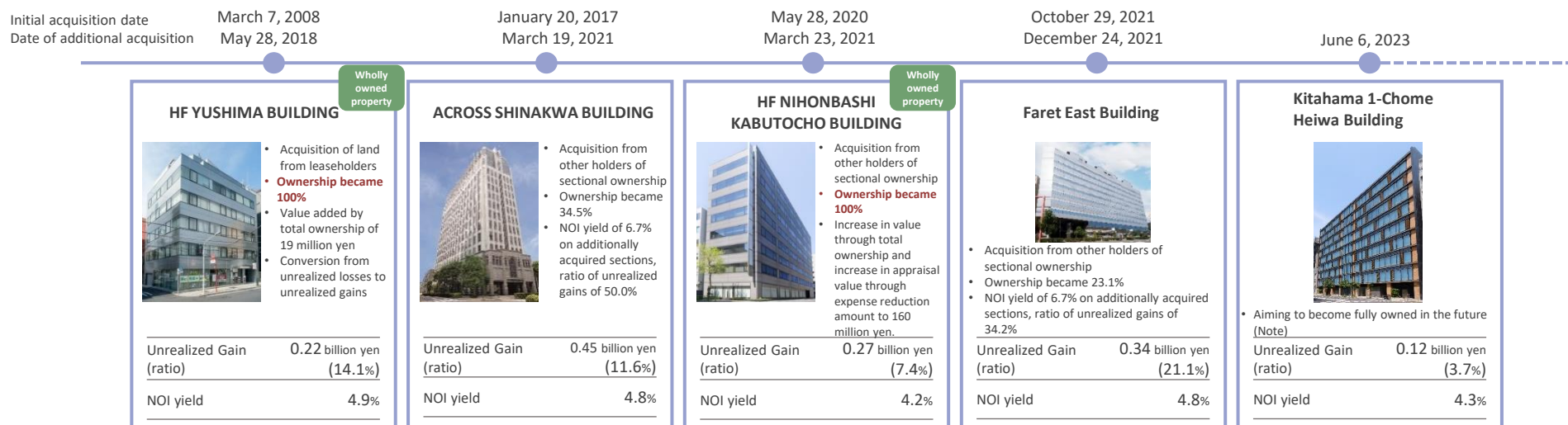
► Recent case : Kitahama 1-Chome Heiwa Building



Points of acquisition

- Acquired 75% of quasi co-ownership interest in June 2023
- Excellent transportation convenience with direct access to Kitahama Station on the Osaka Metro Sakaisuji Line and Keihan Railway's Keihan Main Line, as well as Yodoyabashi Station on the Osaka Metro Midosuji Line, which is connected by an underground passageway

NOI yield (NOI yield after depreciation)	4.3% (3.3%)
Appraisal value (Proposed acquisition price)	3.49 billion yen (3.37 billion yen)
Unrealized Gain (Unrealized Gain Ratio)	0.12 billion yen (3.7%)



(Note) The future full ownership of the Kitahama 1-chome Heiwa Building is only a goal of the Investment Corporation as of the date of this document, and there are no specific plans to fully own the building as of the date of this document.

► The sponsor's vision for the medium-term management plan

Redevelopment Business

- Nihonbashi Kabutocho and Kayabacho revitalization
- Progress in commercializing Sapporo redevelopment

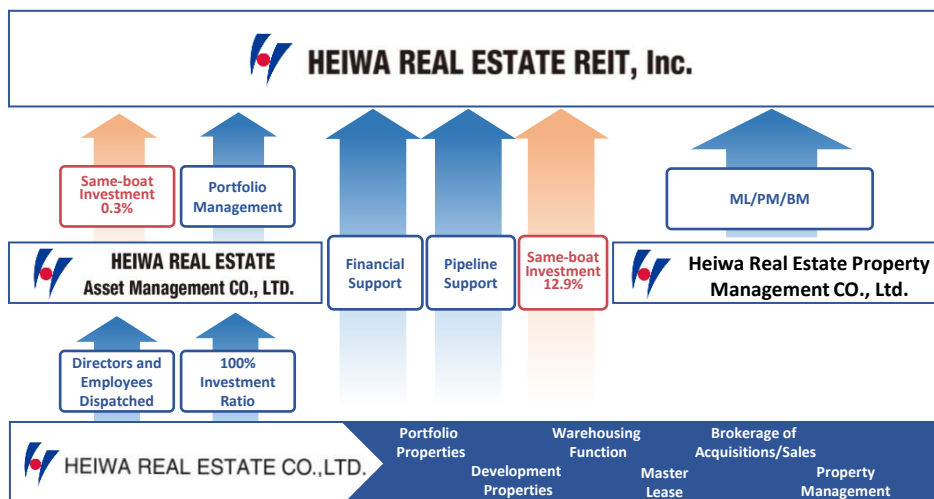
Building Business

- Pursuing external and internal growth
- Sustainable building operations to improve environmental specifications and disaster preparedness
- Generating earnings from inventory sales

Asset Management Business








- Growing asset management earnings
Aim to grow Heiwa Real Estate Group earnings, including asset management fees, by supporting growth of HEIWA REAL ESTATE REIT, Inc.

► Support by Heiwa Real Estate group



► Replacement of properties held by sponsors and properties held by the Investment Corporation

- Replaced assets with Heiwa Real Estate assets. Sold the MITA HEIWA BUILDING (leasehold land) to a sponsor at a price above its appraisal value and purchased four properties held by the sponsor as fixed assets (one office and three residential buildings).
- In the public offering implemented at the beginning of the 42nd fiscal period, as part of this asset replacement, the Investment Corporation transferred Grace Building Sengakujimae to the sponsor while acquiring Sakae Center Building from the sponsor, which the sponsor transferred from fixed assets to real estate for sale at the end of the fiscal year ended March 2021.

	Acquisition				Disposition	The asset to be acquired	The assets to be transferred
							
Property name	HAMACHO HEIWA BUILDING	HF MITA RESIDENCE II	HF MONZEN-NAKACHO RESIDENCE	HF MINAMI-SUNAMACHI RESIDENCE	MITA HEIWA BUILDING (land)	SAKAE CENTER BUILDING	GRACE BUILDING SENGAKUJIMAE
Acquisition/Transfer price	3,100 million yen	1,210 million yen	945 million yen	900 million yen	2,910 million yen	4,000 million yen	2,219 million yen
Appraisal Value	3,240 million yen	1,290 million yen	1,060 million yen	950 million yen	2,712 million yen	4,390 million yen	1,670 million yen
Construction Date	Sep. 1993	Jun. 2006	Feb. 2008	Aug. 2007	-	March 1995	Jun. 1994

Note: Replacement arrows indicate the transfer of assets between the Disposition and The assets to be transferred columns.

► Three-tiered same-boat investment

■ Same-boat investment by the sponsor

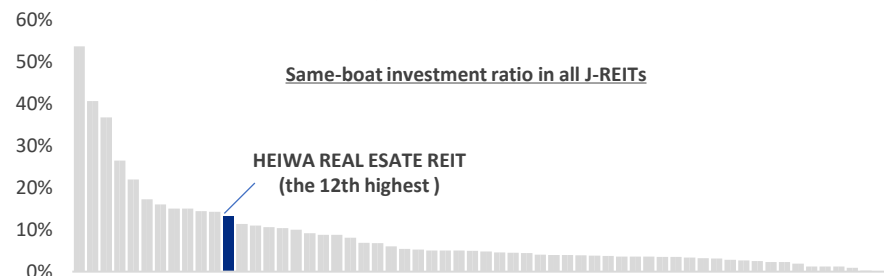
The Sponsor Heiwa Real Estate holds 148,645 units of the Investment Corporation's investment units as of July 14, 2023. The Sponsor responsibly supports the Investment Corporation's operations.

■ Same-boat investment by the asset management company

Heiwa Real Estate Asset Management, the asset management company, holds 3,334 investment units of the Investment Company as of the date of this document, which is considered an incentive to invest in assets from the same perspective as the unitholders.

■ Same-boat investment by employees

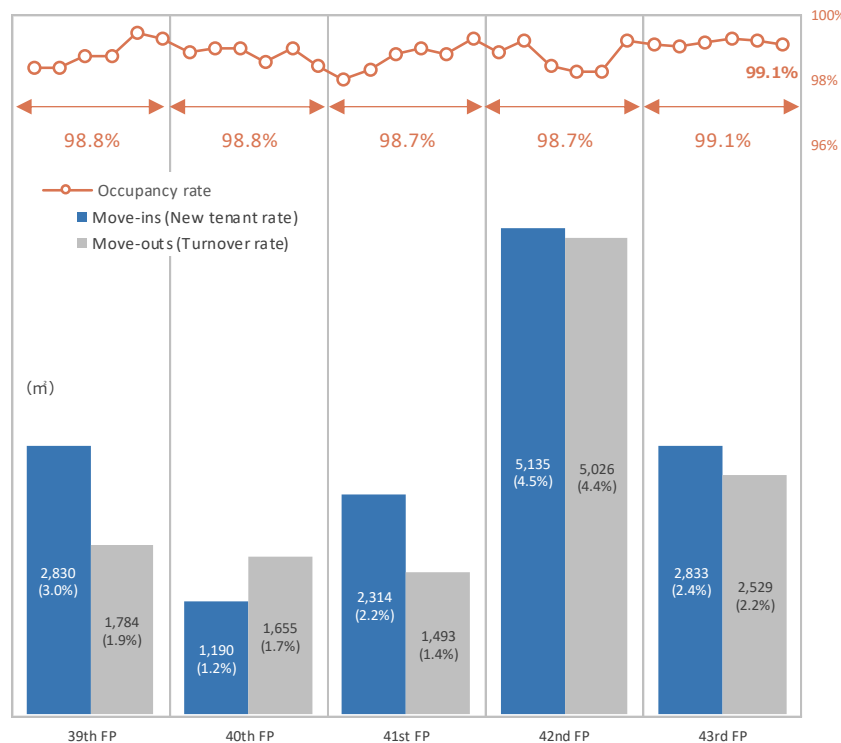
The asset management company has introduced an investment unit purchase system for its executives using a cumulative investment plan. This is believed to be an incentive for the executives to invest in assets from the same perspective as the unitholders.



The average occupancy rate was 99.1%. The vacancy duration was shortest after the COVID-19 pandemic.

- The average occupancy rate during the period remained high at **99.1%**.
- The vacancy period was 1.3 months, the shortest level since the 36th period (fiscal period ended November 30, 2019). Demand for small to medium-size office buildings managed by the Investment Corporation has been robust.

► Status of monthly occupancy rates and office moving in/out

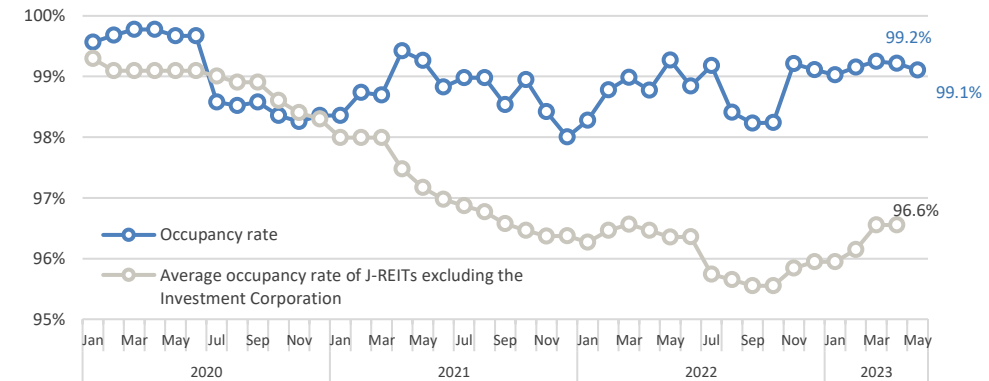


(months)				
Average free rent duration	1.6	2.3	3.1	4.1
Average vacancy duration	3.0	1.8	7.6	2.2
Total	4.6	4.0	10.7	6.3

(Note) Vacancy durations and free rent periods are calculated by dividing the amounts given by monthly rents, including common-area charges.

(Note) Excluding vacancy period of warehouse

► Occupancy rate after the COVID-19 pandemic

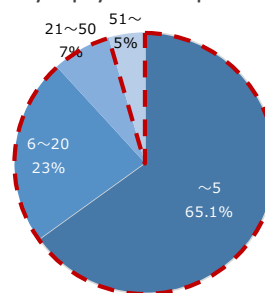


(Source : Prepared by Heiwa Real Estate Asset Management based on The Investment Trusts Association's data.)

(Note) The occupancy rate up to May 2023 is shown for the Investment Corporation, and up to April 2023 is shown for J-REITs.

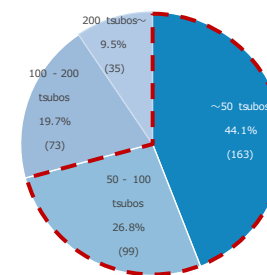
► Advantages of the office portfolio (Thick demand base for small and medium-sized offices)

Number of companies by employee size in Japan



Percentage of companies with 50 or fewer employees
95.5%

Diversification of the Investment Corporation by leased floor area



The Investment Corporation has **70.8%** of tenants with less than 100 tsubo.

The percentage of companies with 50 or fewer employees accounts for 95.5%, and small- and medium-sized offices, which are the Investment Corporation's main investment targets, have a thick layer of demand.

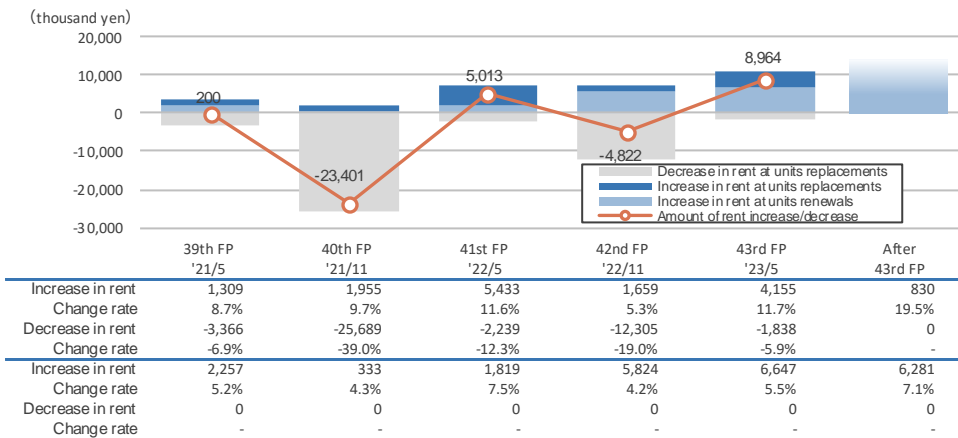
Source: Compiled by the Asset Management Company based on "2021 Basic Survey of Small and Medium Enterprises" by the Ministry of Economy, Trade and Industry

(Note) Diversification of the Investment Corporation by leased floor area is as of the end of May 2023. Percentage of leased area is based on the number of tenants.

Upward rent revisions were achieved both for new and rents at the time of contract renewal. The rent gap remained high.

- Rents were revised upward both at the time of tenant replacements and contract renewal, and an increase in rent is approximately 9 million yen per fiscal period.
- Since there is the rent gap below the market rents, rent increases have already been achieved in the 44th fiscal period.

Rent trends

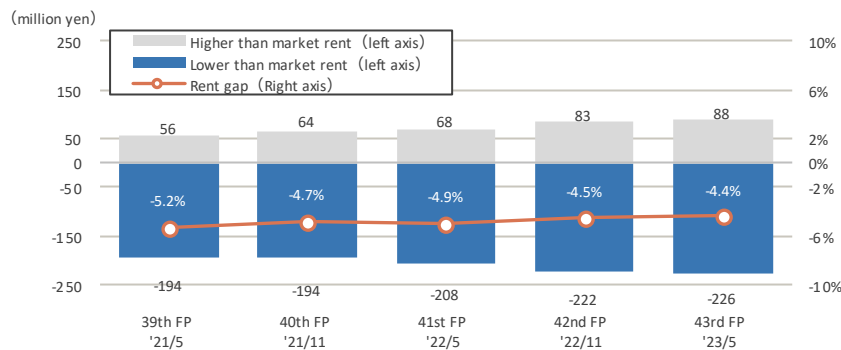


(Note) Excluding sections for which a lease agreement was concluded and moving-in was determined before the Investment Corporation purchased the property and sections which were vacant when the Investment Corporation purchased the property.

(Note) Data stated for the 44th and subsequent fiscal periods are data that have been agreed on as of July 14, 2023. Items not confirmed or calculated at the point stated above, including the number of tenants, are not stated.

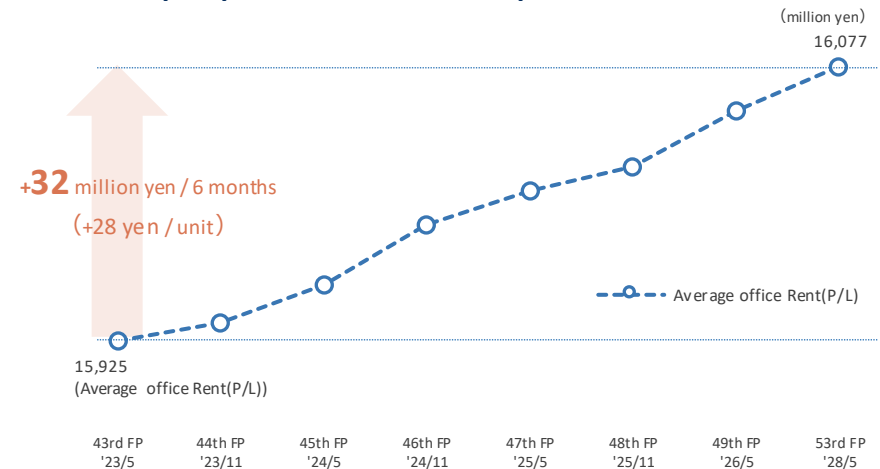
(Note) Excludes temporary reduction revision due to COVID-19.

Rent gap trends



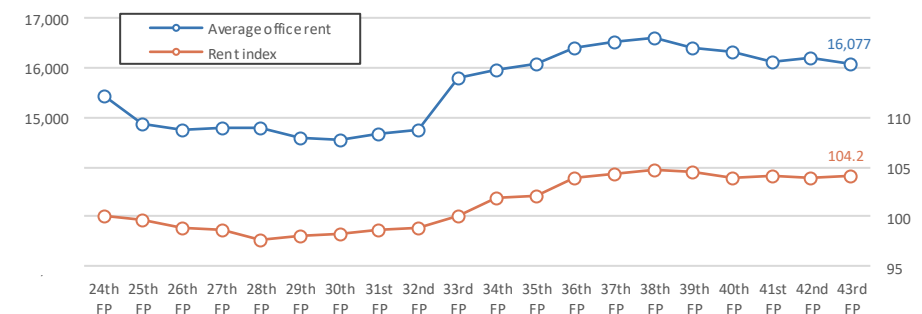
(Note) Excludes KAYABACHO HEIWA BUILDING and NISSO 5 BUILDING.

Average rent unit price at the end of the 43rd fiscal period and prospects for P/L rent unit price



(Note) The impact on DPU is calculated using the number of investment units issued after the public offering at the beginning of the 44th FP, 1,149,933.




Change in office average rents and rent index



Following the acquisition of properties with rent gaps, increased rents were quickly achieved.

- Acquired properties with a high rent gap compared to the office portfolio average from the 40th period (November 30, 2021) onward to expand the scope for future internal growth.
- Achieved increased rents recently, following the acquisition of more than one property.





► Rent gap ratio and rent increase for office properties acquired in or after the 40th Fiscal Period

Properties	Rent gap ratio (as of the end of the Fiscal Period in which each acquisition date falls)	Rent increase
 Kitahama 1-Chome Heiwa Building	-21.6% (As of March 31, 2023) Acquired on June 6, 2023	Rent revision 48 tsubo 4.4%
		Rent revision 30 tsubo 3.4%
		Rent revision 48 tsubo 6.7%
		Rent revision 48 tsubo 6.3%
 Heiwa Real Estate Kitahama Building	-21.8% (As of March 31, 2023) Acquired on June 6, 2023	Rent revision 23 tsubo 6.7%
		Rent revision 48 tsubo 3.3%
		Tenant replacement 25 tsubo 28.6%
 SAKAE CENTER BUILDING	-9.2% 42nd Fiscal Period (November 30, 2022)	Rent revision 48 tsubo 10.0%
		Rent revision 42 tsubo 4.5%
		Rent revision 70 tsubo 4.5%
		Rent revision 84 tsubo 9.1%
		Rent revision 16 tsubo 5.0%

(Note) The above table shows only those projects for which contracts have been concluded as of July 14, 2023.
 (Note) There was a case of lowered rent at the time of tenant replacement in SAKAE CENTER BUILDING.

► Office Portfolio Rent Gap by renewal periods (per unit)

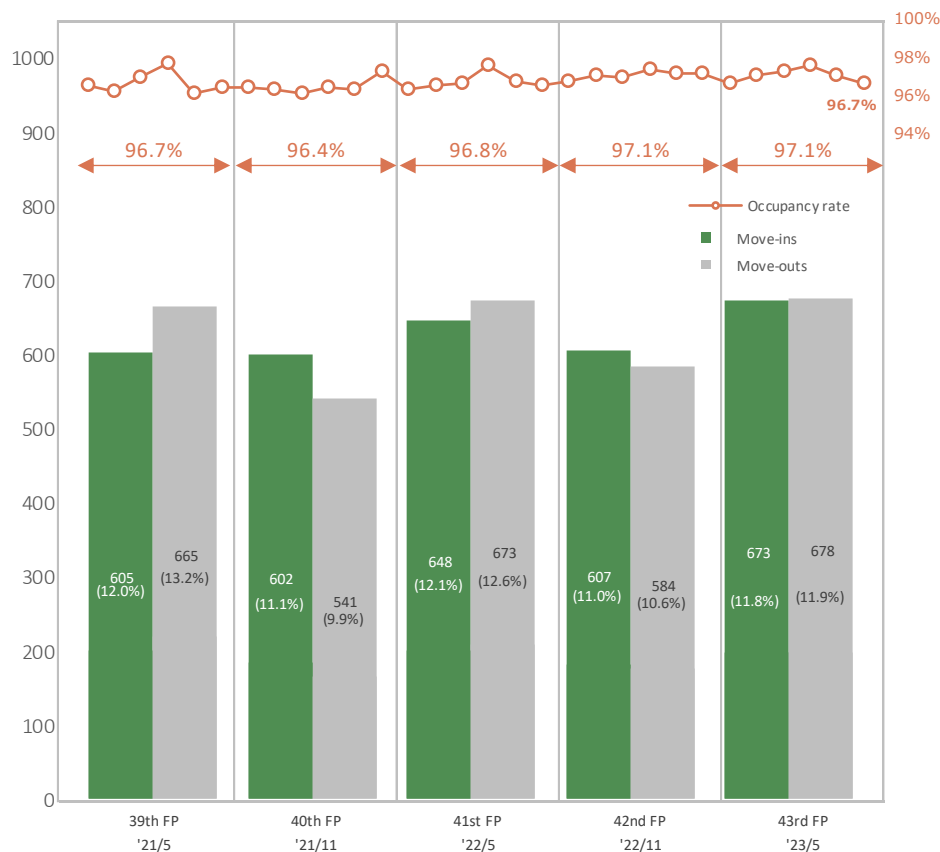
	44 th FP	45 th FP	46 th FP	47 th FP
Lower than market rent	-38 yen	-34 yen	-48 yen	-42 yen
Higher than market rent	23 yen	12 yen	31 yen	8 yen
Total	-14 yen	-22 yen	-16 yen	-34 yen

Properties	Rent gap ratio (as of the end of the Fiscal Period in which each acquisition date falls)	Rent increase
 IWAMOTOCHO TWIN BUILDING (Right)	-11.1% 42nd Fiscal Period (November 30, 2022)	Rent revision 94 tsubo 3.6%
		Rent revision 94 tsubo 8.1%
 Faret East Building	-14.5% 41st Fiscal Period (May 31, 2022)	Tenant replacement 92 tsubo 13.4%
 HF ESKA BUILDING	-31.1% 41st Fiscal Period (May 31, 2022)	Rent revision 53 tsubo 22.2%
		Rent revision 84 tsubo 10.0%
		Rent revision 475 tsubo 8.3%
		Tenant replacement 112 tsubo 5.0%
		Tenant replacement 58 tsubo 20.0%
 OSAKI CN BUILDING	-9.9% 40th Fiscal Period (November 30, 2021)	Rent revision 237 tsubo 11.1%
		Rent revision 114 tsubo 11.1%
		Tenant replacement 125 tsubo 16.2%

The average occupancy rate during the period was 97.1%, exceeding 97% for the second consecutive fiscal period.

- The average occupancy rate during the period was **97.1%**, exceeding 97% for the second consecutive fiscal period.
- Leasing activities remained brisk because the average occupancy rate of the single type rooms rose to a 97% level.

► Monthly occupancy rates and trends of tenants turnover



Average leasing duration	30 days	56 days	38 days	42 days	33 days
Average restoration duration	19 days	17 days	20 days	19 days	20 days
Total	49 days	73 days	58 days	61 days	53 days

(Note) Average restoration duration is measured from the day of lease termination to the day of restoration work completion.

► Average occupancy rates by investment area

	No. of properties at the end of 42nd FP/Ratio of Total floor space	39th FP ('21/5)	40th FP ('21/11)	41st FP ('22/5)	42nd FP ('22/11)	43rd FP ('23/5)	At the end of 43rd FP
Sapporo	1 3.1%	96.6%	99.1%	98.3%	98.2%	99.0%	98.4%
Sendai	9 11.4%	96.5%	96.8%	97.8%	97.3%	96.3%	95.2%
Tokyo Metropolitan Area	59 63.7%	96.7%	96.2%	96.4%	97.1%	97.4%	97.1%
Tokyo Central 5 Wards	18 20.4%	96.0%	95.5%	95.8%	96.5%	96.7%	96.2%
Tokyo23 Wards	32 31.9%	97.3%	96.6%	96.6%	97.4%	97.6%	97.5%
Tokyo Metro. Area	9 11.4%	97.2%	97.0%	97.4%	97.4%	98.0%	97.6%
Nagoya	5 6.4%	97.1%	96.9%	96.2%	95.8%	94.6%	94.9%
Kyoto	3 3.0%	96.4%	96.5%	97.3%	98.0%	97.1%	97.7%
Osaka	3 2.2%	96.6%	95.5%	96.7%	96.2%	96.4%	96.6%
Fukuoka	5 10.2%	96.4%	96.4%	97.1%	96.9%	97.2%	96.1%

► Occupancy rates by room type (at the end of period)

	Ownership Ratio at the end of 43rd FP	39th FP ('21/5)	40th FP ('21/11)	41st FP ('22/5)	42nd FP ('22/11)	43rd FP ('23/5)	43rd FP Average Occupancy Rate
Single Type (Under 40㎡)	81.3%	96.5%	97.0%	96.5%	96.8%	96.7%	97.0%
Compact Type (Between 40㎡ to 60㎡)	14.7%	96.2%	97.4%	96.1%	98.3%	96.5%	97.2%
Family Type (Above 60㎡)	4.0%	96.4%	99.0%	97.3%	97.7%	96.2%	96.8%
Total		96.4%	97.2%	96.5%	97.2%	96.6%	97.0%

(Note) Ownership ratio is calculated based on the number of rentable units

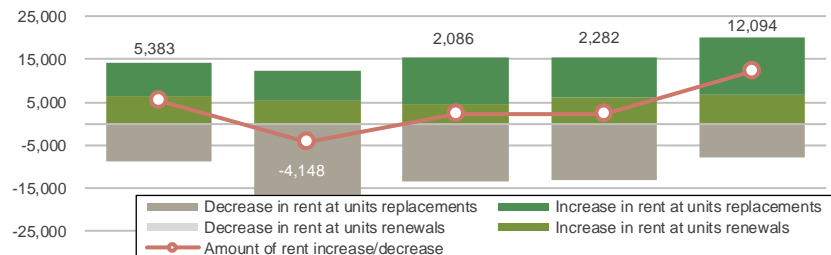
(Note) Excluding shops and office areas.

Upward revision continued in total of unit replacements and unit renewals for 3 consecutive years

- Rents were revised upward both at the time of tenant replacements and contract renewal, and an increase in rent is approximately 12 million yen per fiscal period.
- Since there is the rent gap below the market rents, room for internal growth expanded.

Rent trends

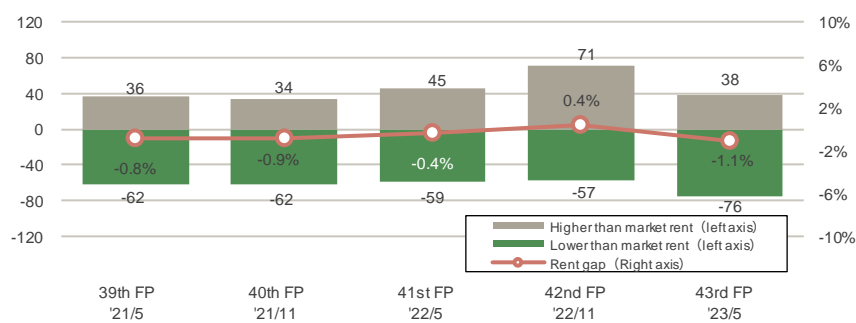
(thousand yen)



(Note) Excluding shops and office areas.

Rent gap trends

(million yen)



(Note) Excluding shops and office areas.

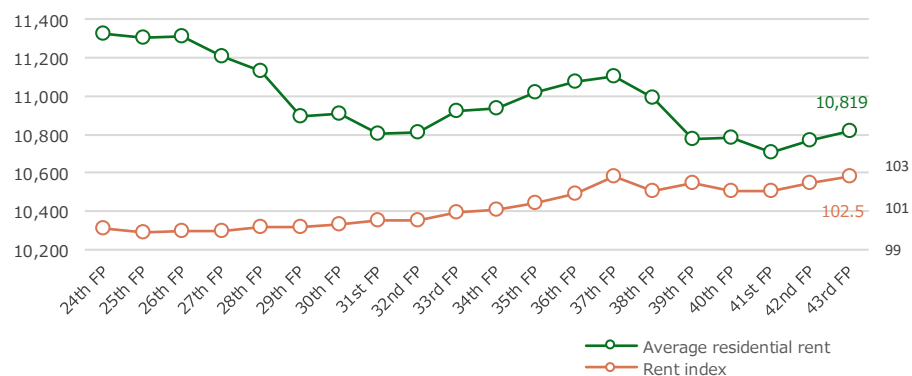
Trends in key money, renewal fees and credit loss rate

	39th FP ('21/5)	40th FP ('21/11)	41st FP ('22/5)	42nd FP ('22/11)	43rd FP ('23/5)
Number of units	278	226	278	208	325
Key money (Receiving ratio)	46.0%	37.6%	42.9%	34.3%	48.3%
Number of months	1.1	1.0	1.0	1.0	1.0
Number of units	920	772	955	797	1,011
Rental fees (Renewal ratio)	79.9%	80.4%	82.8%	75.2%	78.4%
Number of months	0.9	0.9	0.9	0.9	0.9
Credit loss rate	0.0%	0.0%	0.0%	0.0%	0.0%

(Note) The credit loss ratio is calculated by dividing the amount of credit losses in residence by the rental business income in residences. There is no credit loss in offices.

(Note) Excluding shops and office areas.

Change in residence average rents and rent index



Free internet

Made capital investment to raise tenant satisfaction.

83 properties /85 properties completed

(Note) The two properties without free internet are HF ICHIKAWA RESIDENCE (single-building rental) and HF NAKANO-SAKAUE RESIDENCE (Phase 44 construction scheduled to be implemented).



Free Internet

Profitability enhancement with subsidiary revenues

- With the aim of enhancing the profitability of the Investment Corporation, measures such as renting parking lots of certain properties to outside parties and installing antennas on the roof were taken.

Parking lot rental : 5,766 thousand yen per fiscal period
Roof-top antenna installation : 15,654 thousand yen per fiscal period

(Note) Parking lot rental to external parties is based on confirmation with relevant public authorities, and roof-top antenna installation is based on structural computation.

Equipment and utilities required for residences and the number of properties finished with them

(as of 31 May 2023)

Properties for singles (75 properties)		Rank Order	Properties for families (10 properties)	
Free Internet	73/75 properties completed	1 st	Free Internet	10/10 properties completed
Automatic lock system at entrance	75/75 properties completed	2 nd	Bath reheating function	10/10 properties completed
High-speed Internet	75/75 properties completed	3 rd	Automatic lock system at entrance	10/10 properties completed
Unattended delivery boxes	73/75 properties completed	4 th	High-speed Internet	10/10 properties completed
Bathroom dryer vent	54/75 properties completed	5 th	Modular kitchen	10/10 properties completed
Stand-alone vanity	36/75 properties completed	6 th	Unattended delivery boxes	10/10 properties completed
Modular kitchen	74/75 properties completed	7 th	Bathroom dryer vent	9/10 properties completed
Garbage disposal space that can be used 24 hours a day	75/75 properties completed	8 th	Garage (outside and inside)	9/10 properties completed
Security camera	75/75 properties completed	9 th	Home security	2/9 properties completed
Bath reheating function	19/75 properties completed	10 th	Garbage disposal space that can be used 24 hours a day	10/10 properties completed

Initiatives to identify and maximize tenant demand

- Started placing signs with 2D barcodes at property entrances to direct prospective tenants to the property's website.
- Using a smartphone, the 2D barcode enables access to the property's website to check property information on the spot.



Image (smartphone screen)



Setting up shared outlets for electric bicycles and electric scooters

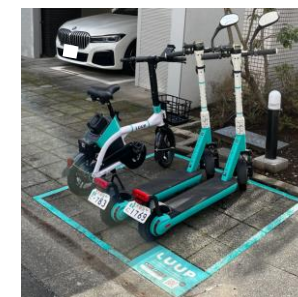
- Some properties have installed shared outlets for charging electric bicycles and electric scooters. This has improved convenience and the satisfaction of the tenants and area residents and also contributes to the environment because these transportation devices have lower CO2 emissions.



全世代が利用できる機体の開発により、すべての人が移動と交流を通じて生き生きと暮らせる社会をつくる

これまでの交通手段でカバーできていなかったラストワンマイルの移動を支えるインフラをつくり、誰でも、いつでも、楽しく移動できる。住みやすい街づくりに貢献する

ガソリンを使わず、CO2排出量の少ない移動手段を提供し、脱炭素社会の実現を加速させる



Renovation works: To strengthen the market competitiveness and to improve the asset value of properties

- We work to enhance the asset value of properties by carrying out repair work on external walls and common use areas, restoring weak points, and improving aesthetics.
- In private areas, not only restoration work but also renovation work is carried out in certain residences for the purpose of strengthening the competitiveness of the properties and improving rents.

HF MITA RESIDENCE II Renovation of outward wall and common areas



HF FUKUOKA RESIDENCE EAST Renovation of outward wall and common areas



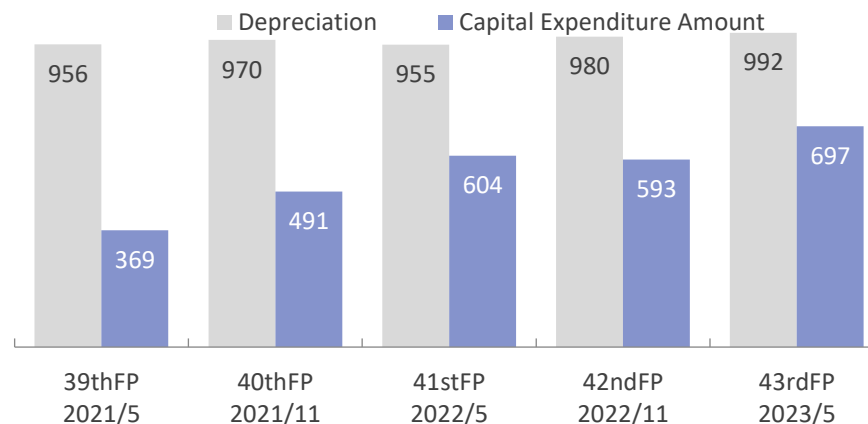
HF NIHONBASHI KABUTOCHO BUILDING

Renovation of common areas



History of capital expenditure

(million yen)



Unrealized gains increased, cap rate continued to fall, centered on residences

- Unrealized gain grew **3,362 million yen** to 56,653 million yen due to the increased appraisal value of existing properties and the acquisition of new properties with unrealized gains. The unrealized gain rate stayed high at **26.5%**.
- The cap rate of 14 office buildings and 43 residence buildings decreased. **The appraisal value and unrealize gain continue to improve.**

Appraisal Value

270,811
million yen

Unrealized Gain

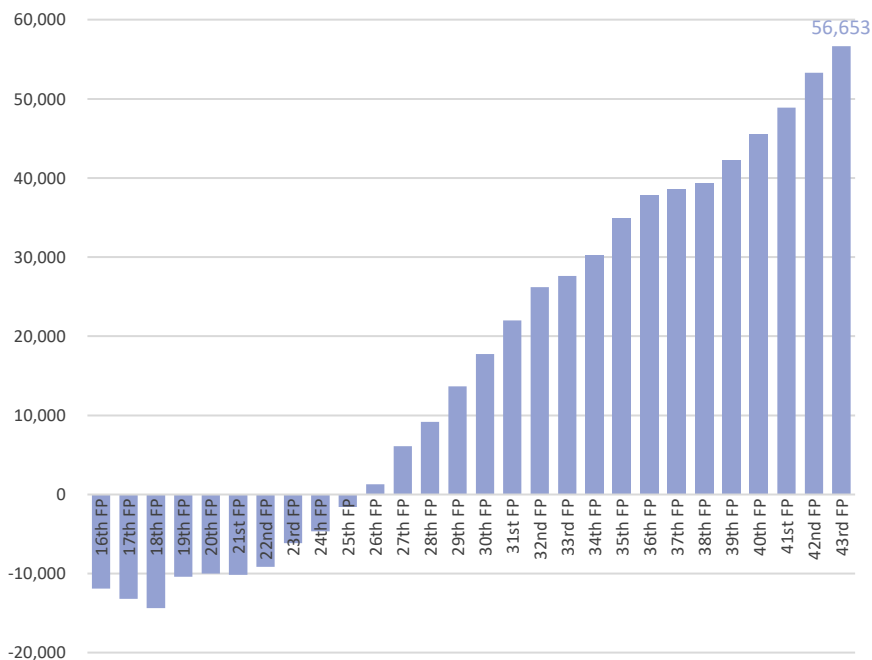
56,653
million yen

Unrealized Gain Ratio

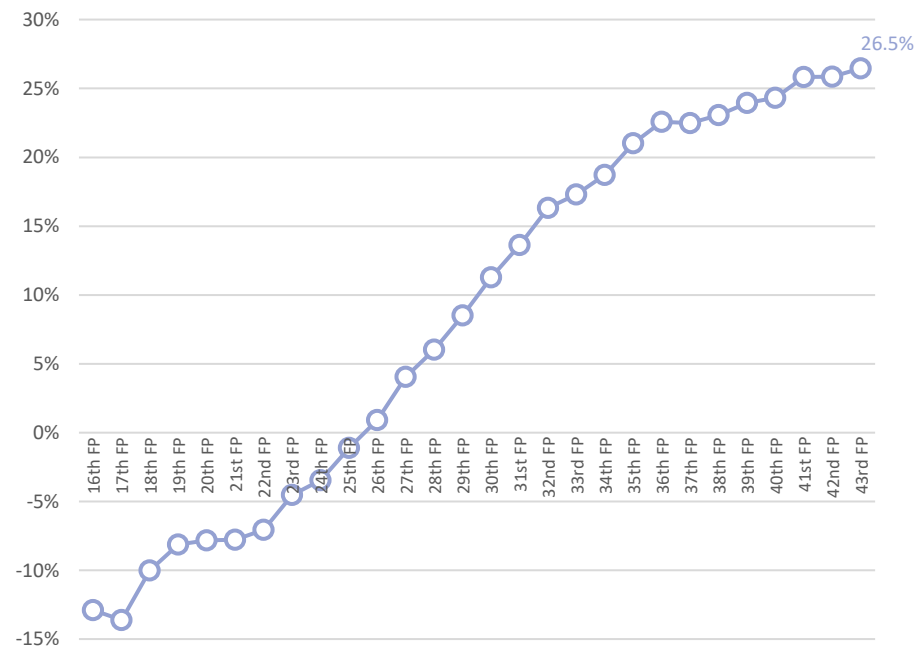
26.5%

History of unrealized gain/loss

(million yen)



History of unrealized gain/loss ratio



Longer procurement period, and progress made in controlling LTV owing to the public offering.

- Owing to the public offering, LTV is expected to be lowered to **45.9%** from 47.3%, appraisal LTV will likely be lower at **39.5%** from 40.6% at the end of 43rd FP and borrowing capability of **27.4 billion yen** (Appraisal LTV=45%) has been secured.
- The year-end average procurement period was extended from 7.1 years to **7.3 years**, while procurement cost registered a record low level on a period-over-period basis.
- Liquidity on hand of 15.0 billion yen was secured.

► Summary of interest-bearing liabilities

Average Interest Rate	Long-term Interest-bearing Debt Ratio	LTV ^(note 1)	Credit Commitment Lines	Internal Reserve
0.735%	99.8%	47.3%	7.0 billion yen	5.5 billion yen
Average Loan Term / Remaining Term to Maturity	Fixed Ratio (Long-term interest-bearing debt)	Appraisal-based LTV ^(note 2)	Cash on Hand	Issuer Rating
7.3 year / 4.2 year	70.2%	40.6%	8.0 billion yen	AA- (stable)

(note 1) LTV = Interest-bearing liabilities as of FP End / Total Assets as of FP End

(note 2) Appraisal-based LTV = Interest-bearing liabilities as of FP End / Appraised Value as of FP End

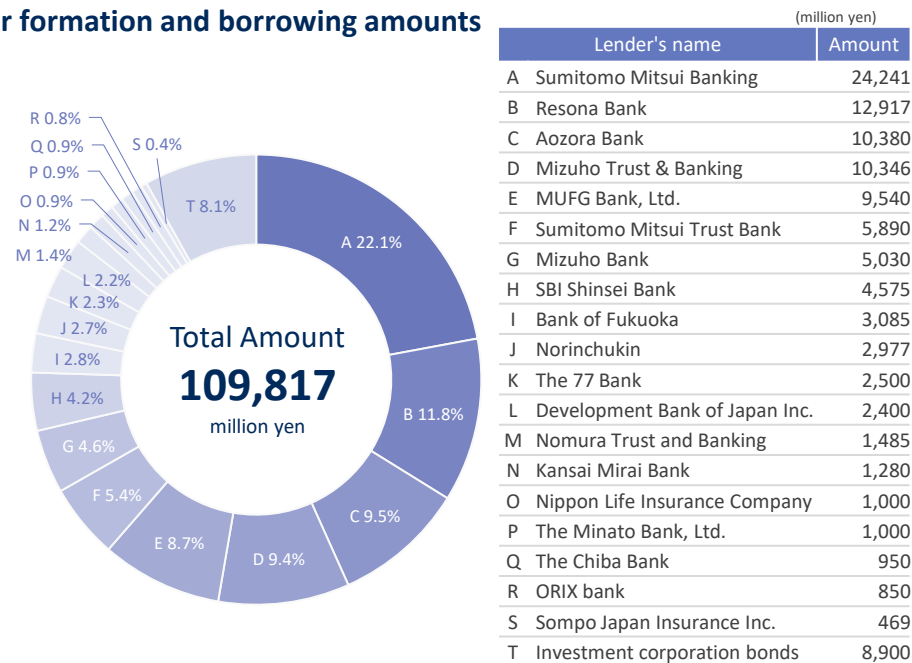
► Financing status of 43rd FP

Term Loan	Loan Amount (million yen)	Interest Rate	Borrowing Date	Maturity Date	Term (year)
65-①	800	3M Tibor+0.450%	2023/1/30	2030/1/30	7
65-②	800	3M Tibor+0.480%	2023/1/30	2031/11/28	8.8
66-①	1,090	3M Tibor+0.440%	2023/2/28	2030/5/31	7.3
66-②	1,500	3M Tibor+0.440%	2023/2/28	2030/5/31	7.3
67	1,090	3M Tibor+0.460%	2023/3/1	2032/5/31	9.2
68	1,000	3M Tibor+0.470%	2023/3/31	2033/5/31	10.2
69	1,280	1M Tibor+0.200%	2023/4/27	2023/10/31	0.5
70	2,200	3M Tibor+0.620%	2023/4/28	2031/5/31	8.1
71A	100	1M Tibor+0.200%	2023/5/31	2024/5/31	1
71B	900	3M Tibor+0.310%	2023/5/31	2026/5/29	3
71C	300	3M Tibor+0.410%	2023/5/31	2027/10/29	4.4
71D	500	0.71% (Fixed)	2023/5/31	2027/10/29	4.4
71E	2,980	3M Tibor+0.560%	2023/5/31	2030/5/31	7
71F	1,000	1.05% (Fixed)	2023/5/31	2030/5/31	7
Total/Average	15,540	0.573% (note)	-	-	6.7

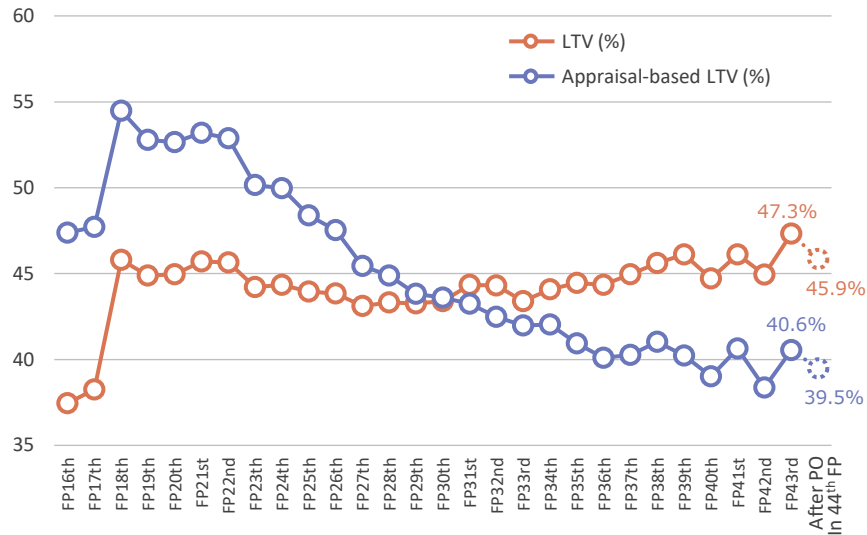
(note) The average interest rate is calculated using the base rate at the end of May 2023.

Bond Name	Issue amount (million yen)	Interest rate	Issue Date	Redemption Date	Term (year)
Unsecured Investment Corporation Bonds No. 7 (Green Bonds)	2,000	0.88% (Fixed)	Dec 12, 2022	Dec 10, 2032	10.0

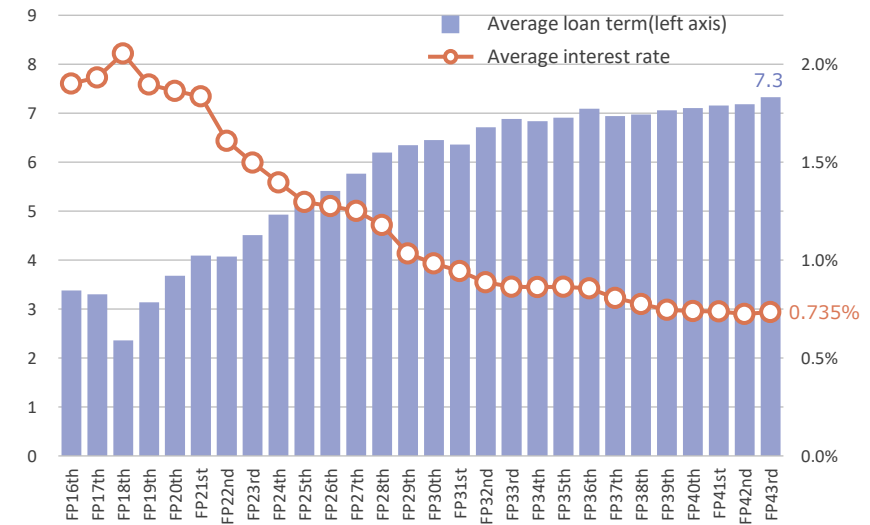
► Lender formation and borrowing amounts



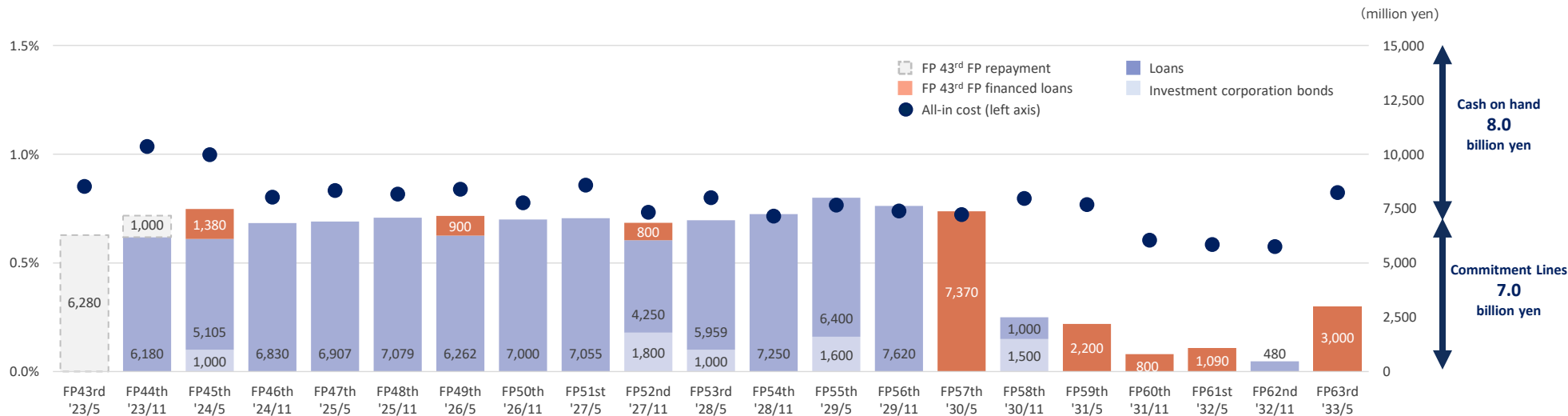
► Change in loan to value(LTV) and appraisal-based LTV



► Change in average loan maturity and average interest rate



► Loan maturity diversification, cash on hand and credit commitment lines



Sustainability

Initiatives of Heiwa Real Estate group



The Group promotes engagement with all stakeholders in order to mutually strengthen bonds with everyone who has a stake in its business. At the same time, the Group endeavors to improve urban environments, bring value to communities and help people benefit economically with a view to help make society more sustainable.

The Investment Corporation and the Asset Management Company also strive to gain the trust of their stakeholders.

Sustainability

Enhancement of the ESG website
Preparation of the ESG Report

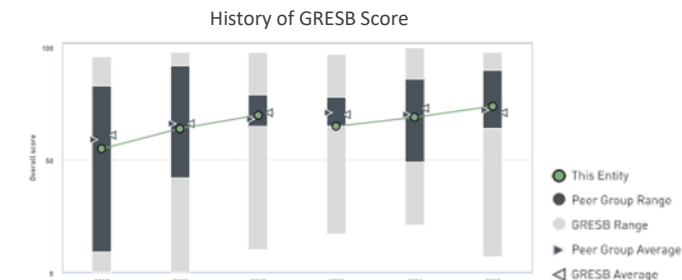
The Investment Corporation's ESG-related initiatives have been strengthened. To organize them in a systematic manner and introduce them in a way that is easy to understand, the ESG-related website has been refurbished and ESG report is published annually. We would like to help various stakeholders deepen their understanding about our activities by providing detailed disclosures as well as expanding our range of initiatives.

<https://www.heiwa-re.co.jp/en/sustainability/index.html>

Sustainability



The obtainment of a 3-star rating in GRESB Real Estate Assessment for the first time



GRESB is a benchmark that measures the sustainability of real estate companies and funds from the perspective of environmental, social and governance (ESG) criteria.

The Investment Corporation received for the sixth consecutive year “Green Star”, which is awarded to participants who are highly rated for their actions to address environmental consideration and sustainability in terms of both “Management & Policy” and “Implementation & Measurement” in the GRESB Real Estate Assessment in 2020. Figure on the right is an extract of GRESB Standing Investment Benchmark Report from GRESB 2020.

The score has been continuously improving except in FY2020 when the evaluation standard changed significantly. Consequently, the Investment Corporation obtained a 3-star rating for the first time in the 2022 GRESB Real Estate Assessment. In addition, the Investment Corporation received the highest “A Level” for the GRESB Public Disclosure, which measures the quality of ESG information disclosure.

Sustainability

Acquisition of assurance reports of an independent third party



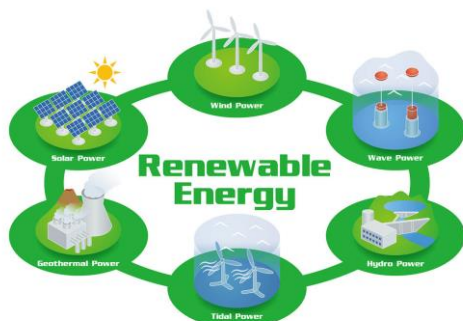
The Investment Corporation receives assurance reports of an independent third party based on its guarantee services, in order to ensure the reliability of environmental performance data (energy consumption, greenhouse gases (GHG) emission (Scope 1 & 2), water consumption.)

Environment

Shift to renewable energy

The Investment Corporation will change the power used in all properties (note) that it owns to power from renewable energy. The general shift to power plans conforming to the RE (Renewable Energy) 100 standards was completed at 117 properties of all 118 properties subject to the shift by the end of the fiscal period under review.

This procedure is expected to reduce 7,998 t-CO₂, or 98.3% of greenhouse gas (GHG) emissions at the subject property in 2022. The Investment Corporation will continue to apply the shift to properties that will be acquired going forward, thereby aiming to contribute to the realization of a low-carbon society as a member of society.



Source : The Agency for Natural Resources and Energy of the Ministry of Economy, Trade and Industry

GHG Reductions achieved

Reduction of CO₂ emissions through shift to renewable energy-based power

GHG emissions reductions in 2022 (note)
-7,998t

(98.3% of GHG emissions at the subject property)

Environment

Promotion of wall greening

The Investment Corporation has promoted wall greening. By arranging plants not only in the tree planting spaces outside the building but also on the walls of the entrance and communal areas, the Investment Corporation has taken steps to reduce carbon dioxide and provide comfortable and healthy office spaces.



OSAKI CN BUILDING



HF HAMAMATSUCHO BUILDING



KOJIMACHI HF BUILDING

Environment

Conduct TCFD scenario analysis

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Heiwa Real Estate Asset Management Co., Ltd., the Asset Management Company of the Investment Corporation, announced its support for the proposals of the TCFD and joined the TCFD Consortium in December 2021.

In July 2022, we analyzed the degree of impact of climate change risks and opportunities by classifying them into the 1.5 °C and 4 °C scenarios, and determined the importance of risks in the management of the Investment Corporation's portfolio based on the seriousness of their impact on business.

For more information, please see the following website.

<https://www.heiwa-re.co.jp/en/sustainability/environment/climate.html>

Environment

Eco-friendly initiatives: FSC paper and glassine

Glassine, FSC-certified paper and Vegetable Ink

This Investment Corporation has been sending distribution payment statements and the asset management report to investors after the settlement of accounts for each fiscal period. FSC-certified paper and Vegetable ink are used for those documents, and glassine is used for the window section of an envelope used for mailing them. FSC is an abbreviation of the Forest Stewardship Council, an international organization. FSC has established standards for cutting down trees necessary for economic activity, while curbing deforestation and preserving forest resources for future generations. The Investment Corporation uses FSC-certified products to eliminate the risk of being involved in environmental destruction and contribute to preserving forest resources. Glassine is a translucent paper material. Unlike the window section made of plastic, a glassine window section does not need to be separated from paper for disposal. The whole envelope can be recycled without the need for separation. It is an environmentally friendly product.



Source : FSC Japan



Source : Japan Printing Ink Makers Association



Environment

Environmental certificates - Total floor area ratio 23.9%

(overlaps eliminated, 24.6% as of June 6, 2023)

	Number of Properties	Coverage Rate	Total Floor Space (m ²)	Coverage Rate
DBJ Green Building	5	4.0%	43,939	11.4%
CASBEE	12	9.6%	60,294	15.6%
BELS(Building Energy-efficiency Labeling System)	2	1.6%	10,201	2.6%
SMBC Sustainable Building Assessment Loan System	1	0.8%	13,160	3.4%
Total Certified Properties	17	13.6%	92,286	23.9%

Environment

Eco-friendly initiatives

Efforts are being made to reduce the volume of fossil fuel used. A switchover to LED lamps is in progress for curbing the use of electricity in rooms for rent, common space at office properties and common space at residential properties. The switchover was completed at 117 properties of all 125 properties owned, excluding properties that have been acquired recently. Equipment that consumes less energy will be introduced during air-conditioner replacement.



HF KOMAZAWA-KOEN RESIDENCE TOWER



HF SAKURADORI BUILDING

Environment

Electronic prospectus

To reduce environmental impact, we implemented a paperless offering by delivering the prospectus electronically.



- Intended to reduce the environmental impact by reducing the amount of paper, ink, etc. used.
- Reduced approx. 770,000 sheets of A4 paper, the number of sheets that would have been used during the public offering. In terms of trees, this saves 59.2 trees as resources for the future.
- Intended to make it easier to read by providing the main body of the electronic prospectus in color.

Environment

Social

Installation of digital signage

The Investment Corporation has installed digital signage in the common areas of some properties to communicate information about the surrounding facilities and initiatives addressing environmental issues to increase the environmental awareness of the tenants and users of the buildings.



HF KOMAZAWA-KOEN RESIDENCE TOWER

Environment

Social

Installation of vending machines for disaster relief and donation

The Investment Corporation has installed vending machines for disaster relief and vending machines for donation in some properties. The vending machines for disaster relief can provide tenants with free drinks in a disaster by being released by resident managers. The vending machines for donation donate three yen per bottle purchased via the Volunteer Vender Association.



HF KOMAZAWA-KOEN RESIDENCE TOWER

Environment

Social

PET bottle cap collection campaign

The Asset Management Company has collected PET bottle caps and delivered them to a recycling company to cooperate in the reduction of CO2 emissions and the donation of vaccines. The recycling company changes PET-bottle caps into recycled materials and sells them. The profit on sale is donated to Japan Committee Vaccines for the World's Children, a certified NPO corporation.



Social

Community involvement

■Supplying drinking water at the time of disaster

The Investment Corporation has concluded an agreement on supplying drinking water at the time of disaster with Chuo-ku, Tokyo and a neighborhood disaster mitigation association. If drinking water is in short supply due to a major earthquake, the Investment Corporation will supply drinking water from a water receiving tank installed in HF HATCHOBORI BUILDING, through the Bureau of Waterworks.

*The right image is a photo of a page about the availability of drinking water at the time of disaster on the website of Chuo-ku, Tokyo. (Only available in Japanese)



■Cleaning around Kabuto-cho Kayaba-cho district

As a member of the local community, the executives and employees of the Asset Management Company engage in cleaning activities in the Kabuto-cho district, home to our sponsor company, Heiwa Real Estate Co., Ltd. We will cooperate with the local neighborhood association and other companies in the area to contribute to the local community.



■Sponsoring a jazz event

A jazz event was held at the Tokyo Stock Exchange (TSE Hall) on December 4, 2022. It was a live concert with the themes of “a fusion of music and financial services” and “the development of young musicians,” where young and talented musicians, who will carry on the future jazz culture, gathered and played together. It involved the local community and many residents participated. Continuing from last year, the Asset Management Company and Heiwa Real Estate, as the sponsor, also cooperated in the event.



Social

Governance

Diversity, Equity and Inclusion (DEI) Initiatives

the Asset Management Company and the Investment Corporation will formulate policies for promoting DEI, gain an understanding of the current status of DEI, and actively implement DEI initiatives, in order to put the Investment Corporation's Sustainability Policies into practice. Aiming to create an inclusive organizational culture, the Asset Management Company attracts and retains diverse human resources who reflect the diversity of the regions in which its offices are located. The Asset Management Company also believes it recognizes and addresses the structural barriers that hinder diversity, such as systems and corporate culture, enabling its employees to fulfill their potential. We are committed to DEI in our hiring, retention, training and promotion practices not only for officers and managers but for all employees.

Investment Corporation	
Lawyer	2
Certified public accountant	1
Asset Management Company (incl. duplication)	
Real estate notary	22
ARES Certified Master	17
Certified Building Administrator	15
CMA	3
Certified real estate consulting master	2
Class-1 Architect	1
Tax accountant	1
Real estate appraiser (incl. external committee member)	1
Lawyer (incl. external committee member)	1

Social

Framework for employee motivation

■Health support

Asset Management Company develops working environments that will enable its employees to work with security and peace of mind in the long term.

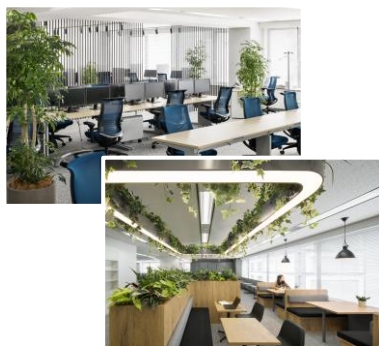
Asset Management Company has been recognized as a 2023 Certified Health and Productivity Management Outstanding Organization under the Certified Health & Productivity Management Organization Recognition Program, under which the Ministry of Economy, Trade and Industry (METI) and the Nippon Kenko Kaigi recognize outstanding organizations engaged in health management initiatives. This is the fifth consecutive certification since FY2019. In addition, the company received Gold Certification as a Healthy Company by the Tokyo Federation of the National Federation of Health Insurance Societies. Moving forward, we will continue working to promote health management as we pursue further operational achievements.



■Improvement of work environment

The Asset Management Company relocated its office and introduced telecommuting for the purpose of improving work environment.

It will raise operation efficiency and promote communication by gathering work spaces on a single floor, enable flexible working styles by introducing, hotdesking, telecommuting, and a workflow system, and promote paperless operations. Placement of a refreshing space allows a switch between work and rest in the office, helping employees reduce stress from their duties.



■Development of human resources and support for qualification acquisition

With the goal of providing customers with implementing operations in a fair and integrated manner, the Asset Management Company has been working to raise employees' awareness of compliance by implementing compliance-oriented training periodically. In addition, the Company includes compliance-related items in its remuneration program as one of its personnel evaluation points.

To increase employees' expertise, the Company also supports their efforts to participate in external training programs and acquire a range of qualifications related to their operations.

■Work-life balance

Asset Management Company encourages a balance between work and private life for each executive and employee by introducing programs such as childcare leave equally available to men and women, reduced working hours, long-term care leave, consecutive leave (five consecutive business days), promotion of paid leave (at least 70% of annual vacation days), paid leave on an hourly basis, flextime working, and telecommuting.

■List of employee programs

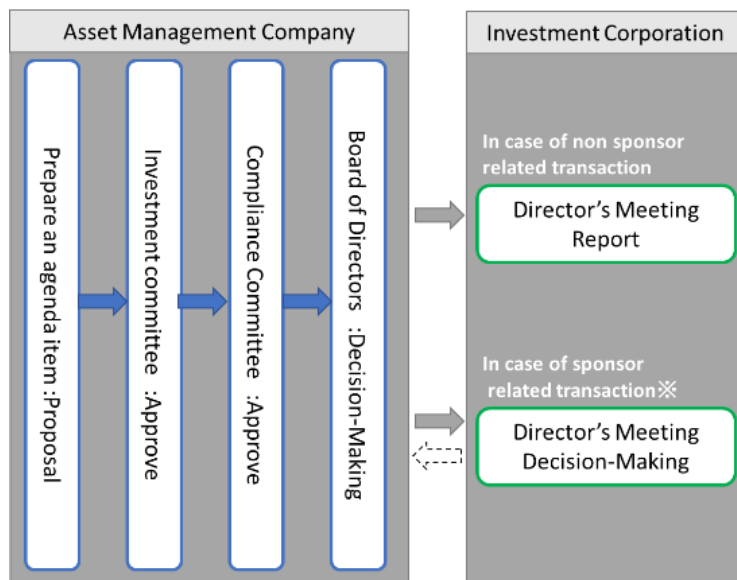
	Employees (no contractual terms)	Employees (with contractual terms)	Contract employees		Employees (no contractual terms)	Employees (with contractual terms)	Contract employees
Gender-equal childcare leave	○	○	○	Caregiving leave	○	○	○
Child nursing care leave	○	○	○	Reserved paid leave	○	○	○
Short working hour system	○	○	○	Hourly paid leave	○	○	○
Maternity leave	○	○	○	Summer vacation system	○	○	○
Plus one leave system	○	○	○	Flextime	○	○	○
Telecommuti ng	○	○	○	Financial aid for regular medical checkups and health screening	○	○	○
Financial aid for medical checkups and PET scan of dependent spouse	○	○	○	Occupational health physician	○	○	○
Stress checks	○	○	○	Defined contribution pension plan	○	○	
Cafeteria plan	○	○	○	Cumulative investment unit investment program	○	○	○

Governance

Corporate governance

The organization of this investment corporation consists of one executive officer with no conflicted interest in Investment Corporation and Asset Management company, two auditors, a board of officers comprising all the executive officers and auditors and the accounting auditor in addition to the general meeting of investors comprising the investors.

■ Process for making decisions regarding acquisition or sale of assets



For certain transactions with interested parties as set forth in the regulations of the Investment Corporation, it is necessary for the board of directors to make a resolution followed by a discussion and a final decision by the director's meeting of the Investment Corporation.

However, in the case of transactions with interested parties that are larger than a certain scale, it is necessary to obtain the prior agreement of the director's meeting of the Investment Corporation before a resolution is passed by the board of directors.

■ Use of outside experts in internal audits (Asset Management Company)

The Asset Management Company conducts its internal audits jointly with outside experts. It ensures objectivity in audits and responds to new or complex risks.

Governance

Principles for customer-oriented business conduct



HEIWA REAL ESTATE Asset Management CO., LTD. adopted "the Principles for Customer-Oriented Business Conduct" announced on March 30, 2017 by the Financial Services Agency.

Positioning the Investment Corporation and its unitholders as customers, the Company prepared and announced the policy for implementing customer-oriented operations in its asset management. It has been disclosing the implementation of the policy as necessary.

For details, please refer to the following URL.
<https://www.heiwa-am.co.jp/en/policy/>

Governance

Introduction of managing officer system

The asset management company introduced an executive officer system. To respond quickly to an operating environment that changes rapidly from one day to the next and to increase business scale and expand business more robustly, the Asset Management Company will assign the right people as executive-level employees to expedite business execution.

Overview of managing officer system

1. A resolution of the Board of Directors shall be required to appoint or remove Managing Officers.
2. Directors may concurrently serve as Managing Officers
3. The term of office of Managing Officers shall expire at the meeting of the Board of Directors convened directly after the Ordinary General Meeting of Shareholders to be held for the last fiscal year ending within two years after assumption of office. However, this shall not preclude the possibility of reappointment.
4. The relationship between Managing Officers and the Asset Management Company shall be set out in an Engagement Agreement.

Masaharu

Miyo

General Manager,
Real Estate Investment Department

Career

Joined Japan Single-residence Asset Management Corp. in April 2007. Transferred to Heiwa Real Estate Asset Management in October 2010 following the merger of the investment corporation operated by Japan Single-residence Asset Management Corp. and the Investment Corporation. Since joining the Investment Corporation, he has been engaged in trading and management activities. He was seconded to Heiwa Real Estate Asset Management Co., Ltd. twice, in November 2016 and February 2020. He was engaged in property trading and brokerage services, and at the same time worked as a core member in the development of general land lease rights. Current position since July 2022.

Let us put maximum effort into the most ordinary tasks and sincere communication!

Since the change of its sponsor to Heiwa Real Estate, the Investment Corporation has acquired properties amounting to 135.0 billion yen and transferred properties amounting to 47.7 billion yen with the aim of improving its portfolio and promoting external growth. There are two areas that we are working on continuously to ensure sustained external growth. One is building a pipeline through the development of general land lease rights, leveraging support from the sponsor Heiwa Real Estate. (Please refer to “External growth: Acquisition strategies that eliminate competition^① on page 18.) To fulfill one of its roles in the development of general land lease rights, the Real Estate Investment Department engages in the provision of building plans and expertise on income and expenditure in development activities, etc. With these initiatives, we have been able to acquire eight properties for residential building development using general land lease rights, and there are two ongoing projects that are the prime pipeline of the Investment Corporation. Second, we act with full awareness of the need to expand our information sources, maintain speed, avoid competition, and look for rent gaps. In practical terms, we have made investment decisions with greater speed and accuracy compared with our competitors, mainly by organizing complicated rights, and by checking location, building potential and the presence or absence of rent gaps. In this manner, we have taken action to earn the trust and confidence of sellers, intermediary companies, and other stakeholders. Based on these accumulated efforts, the number of projects on a bilateral basis has gradually been increasing, making it possible to avoid competition. These ideas and actions are very common and are a standard in the conduct of business, and we believe that it is important to continuing putting maximum effort into these ordinary tasks. Since the change of sponsor, of the properties acquired from external sources up to the time of writing, the ratio of acquisitions on a bilateral basis exceeded 90%, and we have built a number of acquisition channels. We are extremely grateful to those who were involved and who have built good relationships with us. Going forward, relying on the help from those we are fortunate enough to be connected to and the support from our sponsor, we will seek to ensure steady and sound external growth, return unrealized gains to unitholders, and maintain ample internal reserves, mainly by acquiring properties in a timely manner and replacing assets.

Advancing the flexible acquisition of assets and portfolio replacement toward an AUM size of 300.0 billion yen

My major responsibilities are developing and executing plans for property acquisitions and portfolio replacement. Regarding suppliers of properties as the core of external growth, we will need to acquire many properties from external suppliers, as well as from our sponsor Heiwa Real Estate, in order to achieve the AUM size of 300.0 billion yen under NEXT VISION. In this context, building a variety of acquisition channels is a major topic for us, and we are working daily to collect property information in Tokyo and other regions and expand acquisition channels by meeting people with different attributes, including individuals, in addition to real estate agents. As a result of these efforts, we have acquired many properties directly from owners, without the intermediary of regional real estate agents. Going forward, we will proactively expand our acquisition channels. In June 2021, the year when I joined the Investment Corporation, it implemented a public offering after a lapse of approximately five and a half years. Since then, it has implemented public offerings for three consecutive years. Each year in the immediately preceding three year period, eight to eleven properties are acquired amounting to 13.0 to 26.0 billion yen on an acquisition price basis. Real Estate Investment Department carefully examines income and expenditure and compliance-related matters during the decision-making process for the Investment Corporation's property acquisitions and transfers. Moreover, there are a number of matters to be negotiated with trust banks, property management companies and other stakeholders, which requires a considerable lag time before adjustments can be made. In this situation, our awareness of speed is the main factor behind constantly achieving acquisitions of properties by the Investment Corporation. What is supporting this speed is very much the concerted effort for property acquisition of all employees of the Asset Manager. For example, when there is a property with the potential for acquisition, the President and executive officers visit the site on the next day. Discussion about the property, including any concern, is sparked among officers and persons in charge from neutral points of view at various places inside the company. This facilitates information sharing, which expedites the decision-making of the Asset Manager. In a severe environment for property acquisition, this speed is a major strength compared to our competitors and is an excellent weapon for attaining an AUM size of 300 billion yen.

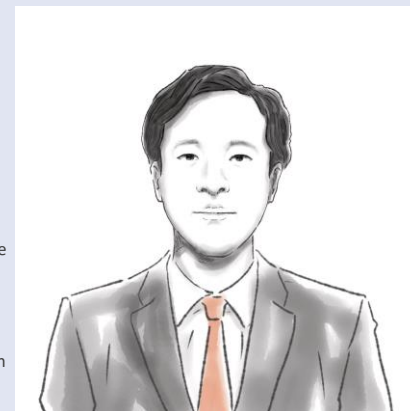
Ryota

Tamura

Manager,
Real Estate Investment Department

Career

He has experience in the real estate division of a life insurance company as well as back-office work and corporate sales. He was in charge of real estate trading, equity investment, etc. in the real estate division. He joined Heiwa Real Estate Asset Management in June 2021. Since then, he has been engaged in duties related to acquisitions and transfers of assets under management in the Real Estate Investment Department. Current position since June 2021.



Our Five Ideals

1. Steady Growth & Sustainable Profit

We aim to achieve steady growth of managed assets and generate returns sustainably.

2. Employee Health & Fulfillment in Life

We put the livelihoods and health of our employees and their families first and help them achieve personal fulfillment.

3. Contribution to Society

Through the provision of comfortable office and living spaces with an awareness for realizing a sustainable society under ESG management, we deliver a foundation for asset build-up and management for unitholders.

4. Strong Awareness of Compliance

We recognize that strong awareness of compliance is essential for corporate survival and we strive for operational transparency. We endeavor to earn trust from all our stakeholders.

5. Sharing of Information & Ideas

We create new value and seek to develop by being receptive to and sharing information.

III. Appendix

■ Assets		(unit: thousand yen)						
Category		Period	42nd Fiscal Period November 30, 2022		43rd Fiscal Period May 31, 2023		Variation	
		Amount	Share (%)	Amount	Share (%)	Amount	Change (%)	
(Assets)								
I								
	Cash and deposits	9,841,698		12,502,167		2,660,469		
	Cash and deposits in trust	3,822,174		3,829,697		7,523		
	Accounts receivable-trade	94,063		143,222		49,159		
	Prepaid expenses	142,422		134,783		-7,639		
	Consumption taxes receivable	9,775		-		9,775		
	Other	13,606		6,076		-7,530		
	Allowance for doubtful accounts	-117		-22		95		
	Current assets	13,923,623	6.3	16,615,924	7.2	2,692,301	19.3	
II								
1. Property, plant and equipment	Note 1							
	Buildings	15,383,649		17,001,036		1,617,387		
	Structures	50,110		53,286		3,176		
	Machinery and equipment	65,492		66,456		964		
	Tools, furniture and fixtures	137,823		149,450		11,627		
	Land	37,328,942		42,299,997		4,971,055		
	Buildings in trust	35,132,673		34,873,919		-258,754		
	Structures in trust	138,908		137,683		-1,225		
	Machinery and equipment in trust	347,031		342,509		-4,522		
	Tools, furniture and fixtures in trust	434,312		457,439		23,127		
	Land in trust	107,493,984		107,448,883		-45,101		
	Total property, plant and equipment	196,512,927	88.7	202,830,662	87.4	6,317,735	3.2	
2. Intangible assets								
	Leasehold right	6,766,382		8,855,074		2,088,692		
	Leasehold rights in trust	2,893,960		2,472,255		-421,705		
	Software	3,011		1,990		-1,021		
	Other	227		227		0		
	Total intangible assets	9,663,581	4.4	11,329,546	4.9	1,665,965	17.2	
3. Investments and other assets								
	Guarantee deposits	19,617		19,617		0		
	Long-term prepaid expenses	238,946		277,800		38,854		
	Derivatives	564,402		341,977		-222,425		
	Other	509,386		485,132		-24,254		
	Total investments and other assets	1,332,353	0.6	1,124,528	0.5	-207,825	-15.6	
	Total noncurrent assets	207,508,862	93.7	215,284,737	92.8	7,775,875	3.7	
III Deferred assets								
	Investment unit issuance expenses	63,888		47,765		-16,123		
	Investment corporation bonds issuance expenses	34,751		46,282		11,531		
	Total deferred assets	98,639		94,047	0.0	-4,592	-4.7	
Total assets		221,531,125	100.0	231,994,709	100.0	10,463,584	4.7	

* Figures below a thousand yen have been rounded off. Percentages are shown with figures rounded to the tenth place.

■ Liabilities and net assets				(unit: thousand yen)				
Category		Period	42nd Fiscal Period November 30, 2022		43rd Fiscal Period May 31, 2023		Variation	
		Amount	Share (%)	Amount	Share (%)	Amount	Change (%)	
(Liabilities)								
I Current Liabilities								
Accounts payable		630,465		805,257		174,792		
Current portion of investment corporation bonds		-		1,000,000		1,000,000		
Current portion of short-term loans payable		200,000		1,380,000		1180000		
Current portion of long-term loans payable		13,260,000		11,285,000		-1,975,000		
Accrued expenses		810,749		864,889		54,140		
Income taxes payable		518		594		76		
Accrued consumption taxes		-		122,813		122,813		
Advances received		1,258,496		1,265,390		6,894		
Other		86,678		21,758		-64,920		
Total current liabilities		16,246,908	7.3	16,745,704	7.2	498,796	3.1	
II Noncurrent liabilities								
Investment corporation Bonds		6,900,000		7,900,000		1000000		
Long-term loans payable		79,197,200		88,252,200		9,055,000		
Tenant leasehold and security deposits		963,976		1,048,937		84,961		
Tenant leasehold and security deposits in trust		5,215,652		5,183,977		-31,675		
Derivatives liabilities		-		52,346		52,346		
Total noncurrent liabilities		92,276,829	41.7	102,437,461	44.2	10,160,632	11.0	
Total liabilities		108,523,737	49.0	119,183,166	51.4	10,659,429	9.8	
(Net assets)								
I Unitholders' equity								
1. Unitholders' capital	Note 2	97,799,794	44.1	97,799,794	42.2	-	0.0	
2. Surplus								
Capital surplus		7,406,652	3.3	7,406,652	3.2	0		
Capital surplus deduction amount		-1,699,990		-1,699,990		0		
Capital surplus (net base)		5,706,661	2.6	5,706,661	2.5	0	0.0	
Voluntary retained earnings								
Reserve for reduction entry		415,683		470,630		54,947		
Reserve for temporary difference adjustment		1,841,253		1,796,704		-44,549		
Total Voluntary retained earnings		2,256,936	1.0	2,267,335	1.0	10,399	0.5	
Unappropriated retained earnings		6,692,914	3.0	6,755,071	2.9	62,157	0.9	
Total surplus		14,656,512	6.6	14,729,067	6.3	72,555	0.5	
Total unitholders' equity		112,456,307	50.8	112,528,862	48.5	72,555	0.1	
II Valuation and translation adjustments								
Deferred gains or losses on hedges		551,080		282,680		-268,400		
Total valuation and translation adjustments		551,080	0.2	282,680	0.1	-268,400	-48.7	
Total net assets	Note 3	113,007,387	51.0	112,811,543	48.6	-195,844	-0.2	
Total liabilities and net assets		221,531,125	100.0	231,994,709	100.0	10,463,584	4.7	

Note 1 The cumulated depreciation is directly subtracted from property, plant and equipment cumulated depreciation.

42nd Fiscal Period : 21,097,528 thousand yen 43rd Fiscal Period : 21,932,568 thousand yen

Note 2 Total outstanding investment units

42nd Fiscal Period : 1,113,733 units 43rd Fiscal Period : 1,113,733 units

Note 3 Net assets per investment unit

42nd Fiscal Period : 101,467 yen 43rd Fiscal Period : 101,291 yen

(unit: thousand yen)

(unit: thousand yen)

Category	Period		42nd Fiscal period		43rd Fiscal period		Variation	
			(Jun. 1, 2022-Nov 30, 2022)		(Dec. 1, 2023-May 31, 2023)			
			Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Operating revenue	Note 1							
Rent revenue-real estate			6,676,198		6,767,593			
Other lease business revenue			610,109		729,114			
Gain on sales of real estate properties			549,904	7,836,212	553,243	8,049,951	213,739	2.7
Operating expenses	Note 2							
Expenses related to rent business			2,936,675		3,106,478			
Asset management fee			675,020		695,743			
Asset custody fee			13,011		13,651			
Administrative service fees			28,050		30,086			
Directors' compensations			6,102		6,102			
Audit fee			12,000		12,000			
Other operating expenses			147,285	3,818,146	170,795	4,034,856	216,710	5.7
Operating income (loss)				4,018,065		4,015,094	-2,971	-0.1
Non-operating income								
Interest income			286		67			
Reversal of dividends payable			534		496			
Insurance income			910		5,594			
Other			153	1,884	3,042	9,200	7,316	388.3
Non-operating expenses								
Interest expenses			345,390		350,968			
Borrowing related expenses			52,699		53,980			
Interest expenses on corporate bonds			23,835		31,864			
Amortization of corporate bonds issuance costs			3,500		4,157			
Amortization of investment unit issuance expenses			16,123		16,123			
Other			11,923	453,472	8,057	465,150	11,678	2.6
Ordinary income (loss)				3,566,478		3,559,144	-7,334	-0.2
Income (Loss) before income taxes				3,566,478		3,559,144	-7,334	-0.2
Income taxes-current			605		605			
Income taxes				605		605	0	0
Net income (loss)				3,565,873		3,558,539	-7,334	-0.2
Retained earnings brought forward				3,127,041		3,196,531	69,490	
Unappropriated retained earnings (undisposed)				6,692,914		6,755,071	62,157	

* Figures below a thousand yen have been rounded off. Percentages are shown with figures rounded to the tenth place.

Note 1 The management days of each period are 183 days for the 42nd Fiscal Period and 182 days for the 43rd Fiscal Period.

Note 2 The depreciation costs of this total are 980,148 thousand yen for the 42nd Fiscal Period and 992,321 thousand yen for the 43rd Fiscal Period.

43rd FP ('23/5)	Office	Residence	Total
expenses	3,347,533	3,420,059	6,767,593
Other income	497,536	231,578	729,114
Rental business income total	3,845,070	3,651,637	7,496,707
PM fees	399,637	348,278	747,915
Public charges and taxes	284,632	192,489	477,121
Utilities	337,360	59,274	396,635
Maintenance and repair	77,276	217,033	294,309
Insurance fees	4,952	5,375	10,327
Trust fees	12,114	20,183	32,297
Other expenses	92,595	62,953	155,548
Rental business expenses total	1,208,568	905,587	2,114,156
NOI	2,636,501	2,746,049	5,382,551
Depreciation	403,908	588,413	992,321
Rental business profit	2,232,592	2,157,636	4,390,229

42nd FP ('22/11)	Office	Residence	Total
Rents and common	3,353,166	3,323,032	6,676,198
Other income	408,687	201,421	610,109
Rental business income total	3,761,853	3,524,454	7,286,308
PM fees	407,693	339,277	746,971
Public charges and taxes	263,509	189,004	452,513
Utilities	263,593	49,224	312,817
Maintenance and repair	65,847	184,158	250,005
Insurance fees	4,627	4,946	9,574
Trust fees	12,361	20,183	32,544
Other expenses	96,544	55,555	152,099
Rental business expenses total	1,114,177	842,350	1,956,527
NOI	2,647,676	2,682,103	5,329,780
Depreciation	398,616	581,531	980,148
Rental business profit	2,249,059	2,100,572	4,349,632

(As of November 30, 2022)

	Breakdown	Balance at Period End (million yen)	Interest Rate (%)	Borrowing Date	Repayment Date	Description
	Lender					
Short-term loan	Sumitomo Mitsui Banking Corporation	200	0.25545	May 31, 2022	May 31, 2023	Unsecured and Unguaranteed
	Subtotal	200				
Long-term loans, Investment Corporation Bonds payable Due within One Year	Resona Bank, Limited.	2,880	1.18750	May 29, 2015	May 31, 2023	Unsecured and Unguaranteed
	MUFG Bank, Ltd.					
	Mizuho Bank, Ltd.					
	Shinsei Bank, Limited.					
	Sumitomo Mitsui Banking Corporation	4,400	1.13300	October 29, 2015	October 31, 2023	
	Resona Bank, Limited.					
	Aozora Bank, Ltd.					
	MUFG Bank, Ltd.					
	Mizuho Trust & Banking Co., Ltd.	2,700	0.32500	October 31, 2019	May 31, 2023	
	Sumitomo Mitsui Trust Bank, Limited.					
	Mizuho Bank, Ltd.					
	Sumitomo Mitsui Banking Corporation					
	Resona Bank, Limited.	1,780	0.38200	October 30, 2020	October 31, 2023	
	MUFG Bank, Ltd.					
	Mizuho Trust & Banking Co., Ltd.					
Sumitomo Mitsui Banking Corporation	500	0.25545	December 23, 2021	December 30, 2022		
Sumitomo Mitsui Banking Corporation	1,000	0.25545	June 27, 2022	June 30, 2023		
	Subtotal	13,260				
Long-term loans payable	Sumitomo Mitsui Banking Corporation	4,880	1.20800	October 30, 2015	May 31, 2024	Unsecured and Unguaranteed
	Resona Bank, Limited.					
	MUFG Bank, Ltd.					
	Sumitomo Mitsui Banking Corporation	3,850	0.91770	May 31, 2016	October 31, 2024	
	Resona Bank, Limited.					
	MUFG Bank, Ltd.					
	Sumitomo Mitsui Trust Bank, Limited.	3,857	0.93670	October 31, 2016	May 31, 2025	
	Sumitomo Mitsui Banking Corporation					
	Resona Bank, Limited.					
	Aozora Bank, Ltd.	2,765	0.90850	May 31, 2017	November 28, 2025	
	MUFG Bank, Ltd.					
	Shinsei Bank, Limited.					
	Sumitomo Mitsui Banking Corporation	3,700	0.97750	October 31, 2017	May 31, 2026	
	Resona Bank, Limited.					
	Aozora Bank, Ltd.					
	Mizuho Bank, Ltd.	800	0.68740	December 15, 2017	October 31, 2024	
	Sumitomo Mitsui Banking Corporation	900	0.78630	March 28, 2018	May 31, 2025	
	Sumitomo Mitsui Banking Corporation	4,000	0.74700	May 31, 2018	November 30, 2026	
	Resona Bank, Limited.					
	Aozora Bank, Ltd.					
	MUFG Bank, Ltd.	1,750	0.76850	October 31, 2018	November 30, 2025	
	Sumitomo Mitsui Trust Bank, Limited.					
	The Bank of Fukuoka					
	The 77 Bank, Ltd.	1,000	0.63850	December 14, 2018	November 30, 2025	
	Sumitomo Mitsui Banking Corporation					
	Resona Bank, Limited.	700	0.63850	December 14, 2018	November 30, 2025	
	Aozora Bank, Ltd.					
	MUFG Bank, Ltd.					
	Mizuho Trust & Banking Co., Ltd.	2,562	0.60000	May 31, 2019	May 31, 2026	
	Sumitomo Mitsui Trust Bank, Limited.					
	Mizuho Bank, Ltd.					
The Bank of Fukuoka						
The Norinchukin Bank						
ORIX Bank Corporation						

Breakdown		Balance at Period End (million yen)	Interest Rate (%)	Borrowing Date	Repayment Date	Description
	Lender					
Long-term loans payable	Aozora Bank, Ltd.	1,200	0.50500	October 31, 2019	May 30, 2025	Unsecured and Unguaranteed
	Sumitomo Mitsui Banking Corporation					
	Sumitomo Mitsui Banking Corporation					
	Resona Bank, Limited.					
	Aozora Bank, Ltd.	2,100	0.57700	October 31, 2019	November 30, 2026	
	MUFG Bank, Ltd.					
	Mizuho Trust & Banking Co., Ltd.					
	Sumitomo Mitsui Trust Bank, Limited.					
	Shinsei Bank, Limited.					
	Sumitomo Mitsui Banking Corporation	1,000	0.47100	March 31, 2020	October 31, 2024	
	Resona Bank, Limited.					
	Sumitomo Mitsui Banking Corporation	3,520	0.66475	March 31, 2020	May 31, 2027	
	Resona Bank, Limited.					
	Mizuho Trust & Banking Co., Ltd.					
	The 77 Bank, Ltd.	1,100	0.56475	April 24, 2020	May 31, 2027	
	Sumitomo Mitsui Banking Corporation					
	Resona Bank, Limited.					
	Aozora Bank, Ltd.	4,250	0.66900	October 30, 2020	October 29, 2027	
	Mizuho Trust & Banking Co., Ltd.					
	Sumitomo Mitsui Trust Bank, Limited.					
	The 77 Bank, Ltd.	1,000	0.68500	December 17, 2020	November 30, 2028	
	The Bank of Fukuoka, Ltd.	1,000	0.66500	May 24, 2021	November 30, 2028	
	Shinsei Bank, Limited	1,000	0.68500	May 24, 2021	May 31, 2029	
	MUFG Bank, Ltd.	225	0.37800	May 31, 2021	May 31, 2024	
	Sumitomo Mitsui Banking Corporation					
	Aozora Bank, Ltd.	3,559	0.65800	May 31, 2021	May 31, 2028	
	Mizuho Trust & Banking Co., Ltd.					
	Sumitomo Mitsui Trust Bank, Limited.					
	Development Bank of Japan	1,000	0.64125	May 31, 2021	May 31, 2028	
	Sumitomo Mitsui Banking Corporation					
	The Chiba Bank, Ltd.	400	0.40500	June 04, 2021	October 31, 2024	
	Mizuho Trust & Banking Co., Ltd.	1,390	0.55364	September 29, 2021	November 30, 2028	
	MUFG Bank, Ltd.					
	The Nomura Trust and Banking Co., Ltd.	780	0.36364	October 29, 2021	October 31, 2024	
	MUFG Bank, Ltd.	900	0.50364	October 29, 2021	November 30, 2026	
	Sumitomo Mitsui Banking Corporation					
	Resona Bank, Limited.					
	Aozora Bank, Ltd.	3,860	0.65364	October 29, 2021	October 31, 2028	
	Sumitomo Mitsui Trust Bank, Limited.					
	Mizuho Bank, Ltd.					
Shinsei Bank, Limited.						
Resona Bank, Limited.	1,000	0.67364	October 29, 2021	November 30, 2029		
Mizuho Trust & Banking Co., Ltd.	900	0.55364	December 22, 2021	May 31, 2029		
Nippon Life Insurance Company	1,000	0.70000	December 23, 2021	December 22, 2028		
Sumitomo Mitsui Trust Bank, Limited.	1,000	0.70364	December 23, 2021	November 29, 2030		
Mizuho Trust & Banking Co., Ltd.	600	0.57864	February 24, 2022	November 30, 2029		
Resona Bank, Limited.	700	0.60364	February 28, 2022	May 31, 2029		
Shinsei Bank, Limited.	1,200	0.57364	February 28, 2022	November 30, 2029		
Resona Bank, Limited.						
The Nomura Trust and Banking Co., Ltd.	950	0.37970	May 31, 2022	May 30, 2025		
MUFG Bank, Ltd.						
Sompo Japan Insurance Inc.	864	0.39864	May 31, 2022	November 28, 2025		
Sumitomo Mitsui Banking Corporation						
Resona Bank, Limited.						
Aozora Bank, Ltd.	2,435	0.50364	May 31, 2022	May 31, 2027		
The Bank of Fukuoka						
The Nomura Trust and Banking Co., Ltd.						
Sumitomo Mitsui Banking Corporation						
Aozora Bank, Ltd.	1,400	0.57364	May 31, 2022	May 31, 2028		
The Norinchukin Bank						
Sumitomo Mitsui Banking Corporation						
Mizuho Bank, Ltd.	2,300	0.65364	June 03, 2022	May 31, 2029		
Development Bank of Japan	500	0.85947	June 03, 2022	May 31, 2029		
Sumitomo Mitsui Banking Corporation						
Aozora Bank, Ltd.						
Mizuho Trust & Banking Co., Ltd.	3,920	0.61364	October 31, 2022	November 30, 2029		
The Bank of Fukuoka, Ltd.						
Development Bank of Japan	900	0.98483	October 31, 2022	November 30, 2029		
Kansai Mirai Bank, Limited	480	0.50364	October 31, 2022	November 30, 2032		
Subtotal		79,197				
Investment Corporation Bonds	Unsecured Investment Corporation Bond #2	1,800	0.65000	June 30, 2017	June 30, 2027	Unsecured and Unguaranteed
	Unsecured Investment Corporation Bond #3	1,000	0.70000	May 07, 2018	May 02, 2028	
	Unsecured Investment Corporation Bond #4	1,000	0.41000	June 04, 2019	May 31, 2024	
	Unsecured Investment Corporation Bond #5	1,600	0.82000	June 04, 2019	May 31, 2029	
	Unsecured Investment Corporation Bond #6	1,500	0.75000	November 25, 2020	November 25, 2030	
	Subtotal	6,900				
Total		99,557				



(Note) Excluding the properties that succeeded by the merger with Japan Shingle-Residence REIT Inc. on October 2, 2010

Since the change of sponsor to Heiwa Real Estate acquisition of **135.0 billion yen in total**

Asset Management Company

29 properties / 50.2 billion yen

Asset Management Company network



Assets replacement



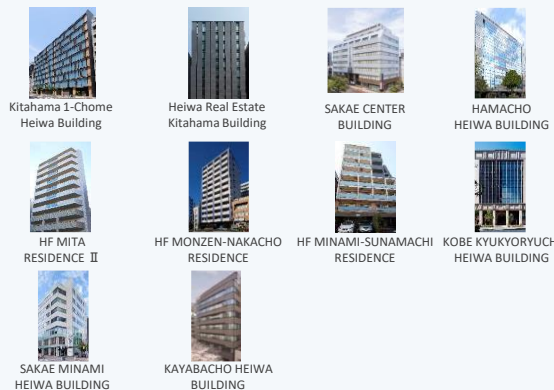
Additional acquisition



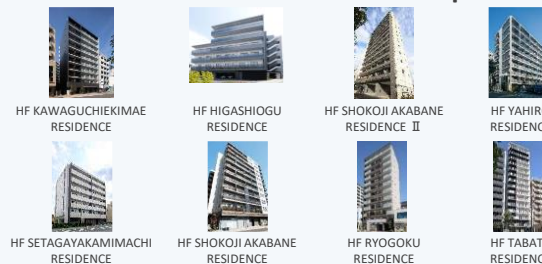
Sponsor

19 properties / 35.8 billion yen

Direct acquisition/asset replacement (sponsor)



General land leasehold development



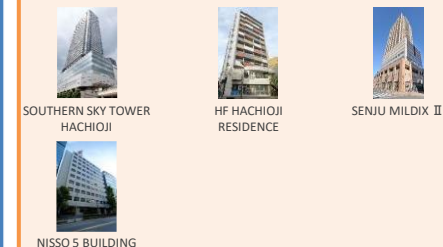
Warehousing

20 properties / 48.9 billion yen

Warehousing



Status succession

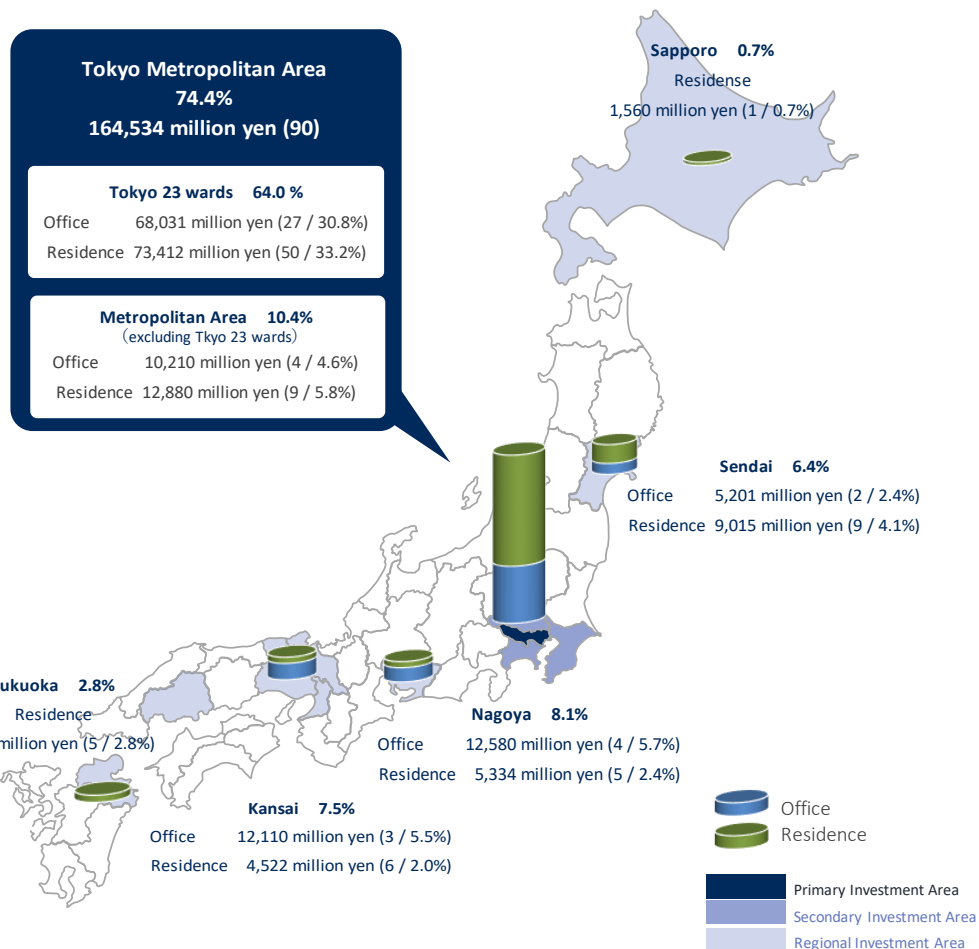


(Note) Although HIROKOJI AQUA PLACE and MITA HEIWA BUILDING (leasehold land) have been transferred as of the date of this document, they are included in the number and amount of properties in this document because they are properties acquired after the change of sponsor (photos of the properties are not shown). HIROKOJI AQUA PLACE is included in the number and amount of properties as warehousing and MITA HEIWA BUILDING (leasehold land) as sponsor.

(Note) Regarding the number of properties that fall under the category of asset management company, Faret East Building and HF NIHONBASHI KABUTOCHO BUILDING are calculated as one property each, including additional acquisition.

(Note) Properties already acquired in the 44th fiscal period (fiscal period ending November 31, 2023.) are included.

► Diversification of investment areas (as of May 31, 2023)

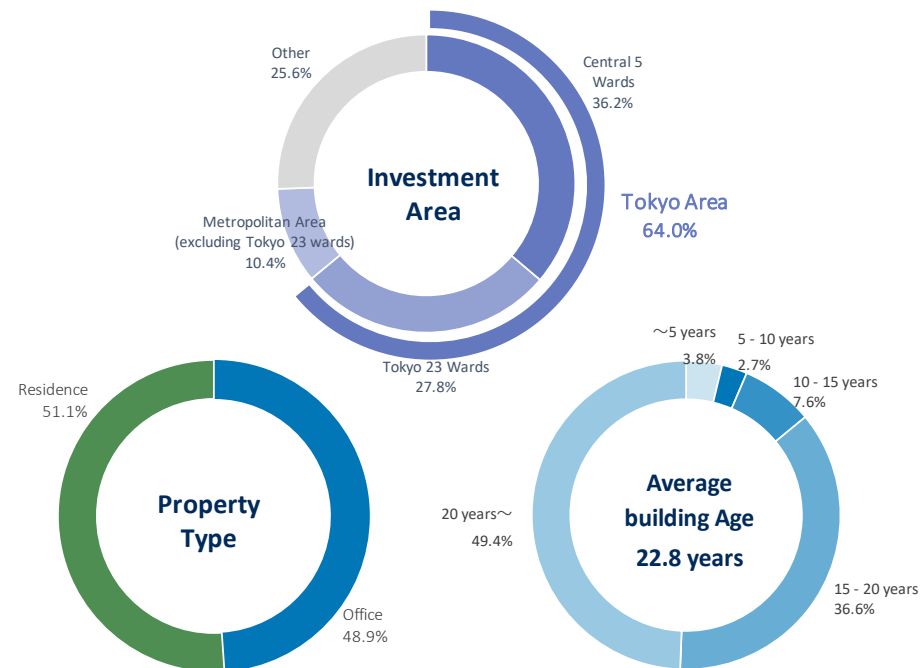


(Note) The figures in the graphs indicate the ratio of acquisition price of each item versus the total acquisition price of each category and are rounded to the second decimal place.

(Note) Percentages of "Diversification of the investment areas" are rounded to the second decimal place.

(Note) Figures in parenthesis are the number of properties and Percentage of acquisition price.

► Portfolio breakdown (as of May 31, 2023)



► Risk of large-scale earthquake and its countermeasures

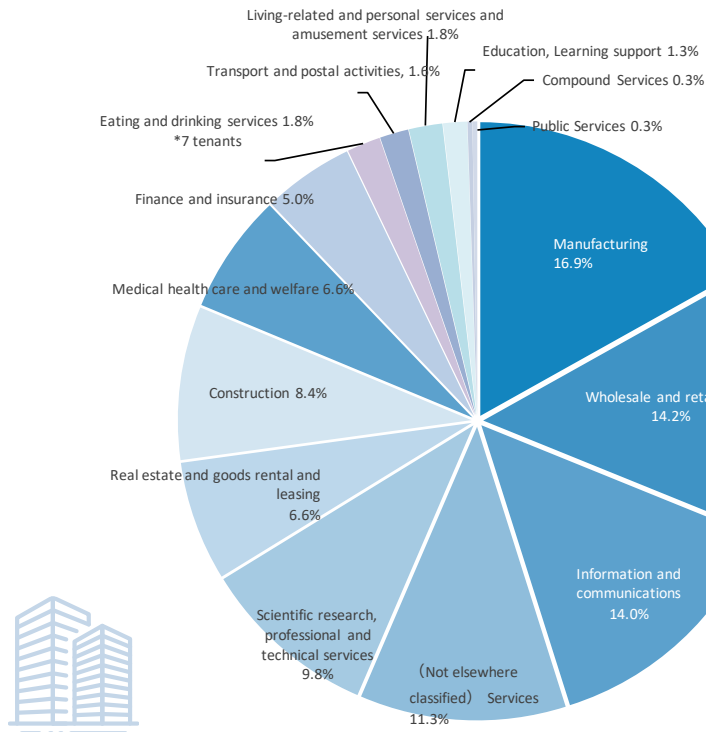
Portfolio PML : 4.0%

When we acquire a property, we measure the earthquake risk based on a PML* (Probable Maximum Loss) survey conducted by a specialist third-party institution. For properties with a high PML value, we purchase earthquake insurance and conduct seismic strengthening work. All the properties we currently own are equipped with seismic capacity equivalent to the new quake-resistance standards as a result of conducting reinforcement work for an office building of all 125 properties we own.

The PML of our portfolio is 4.0%, but the maximum probable loss calculated based on this value is 3,510 million yen. This indicates that even if the portfolio is subjected to an earthquake of historic magnitude, it remains able to deal with it sufficiently by funds in hand. Regarding the impact that the earthquake off Fukushima prefecture in March 2022 have had on the Investment Corporation's assets under management, 11 properties owned in Sendai City, Miyagi Prefecture, has not suffered any damage, etc. that would have significant impact on the status of management. Furthermore, the amount of damages we suffered from the north of Osaka earthquake in 2018 and the Kumamoto earthquake in 2016 was zero, and even in the Great East Japan Earthquake in 2011, we did not suffer any damages that posed a problem for the operation of our properties.

※PML refers to the maximum probable loss in an earthquake. It shows the percentage of the replacement cost represented by the maximum amount of damage a building will suffer from the largest earthquake that might be expected to occur once every 475 years.

► Distribution by tenant industry sector



► List of top end tenants

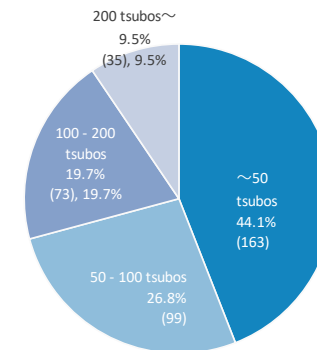
Ranking	Tenant	Property Name	Share of total rent
1	Company A	Kayabacho Heiwa Bldg.	2.9%
2	Company B	Shinsaibashi FRONT Bldg.	1.2%
3	Company C	NISSO 5 Bldg.	1.2%
4	Company D	ARK Mori Bldg.	1.2%
5	Company E	HF SAKURADORI Bldg.	1.0%
Total			7.5%

(Note) The figures are calculated based on the data as of May 31, 2023

Distribution by Tenant Leasing Area

Total Number of tenants
370

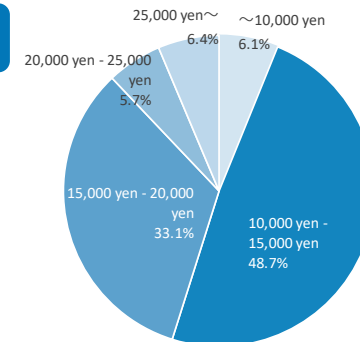
(Note) Figures in parenthesis indicate the number of office tenants by area.



Distribution by Rent (per tsubo)

Average Rent of tenants
16,077 yen

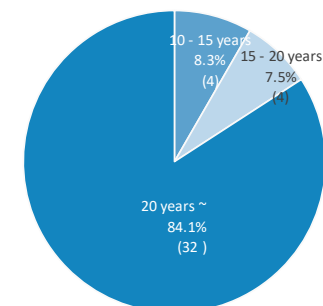
(Note) Based on the tenants' monthly rent per tsubo. Tenants leasing more than one property are counted as 1 tenant for each building.



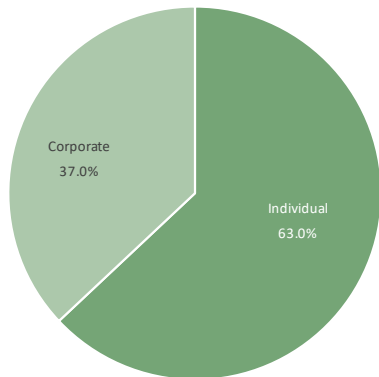
Age of Office Buildings

Average building age
29.6 years

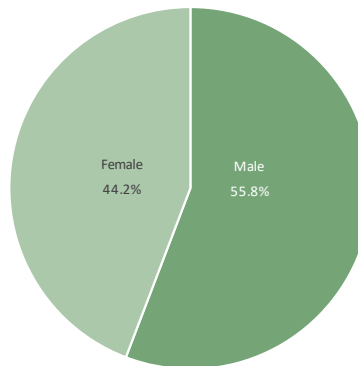
(Note) Figures in parenthesis indicate the number of office properties by building age.



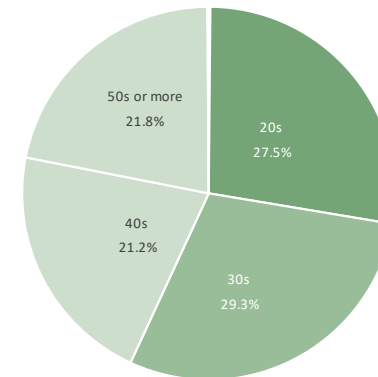
Agreement Categories



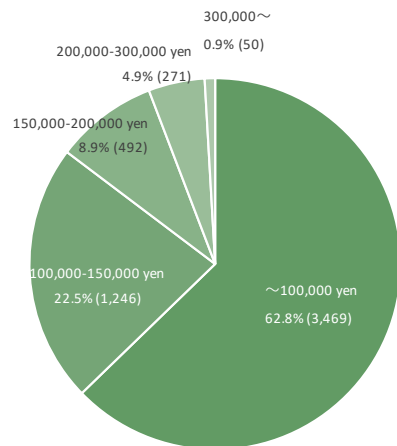
Breakdown for Individual Contracts



Age Distribution



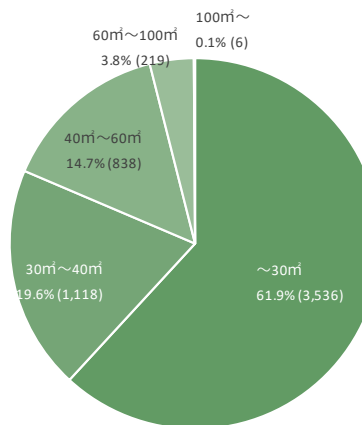
Status by Monthly Rent



Total number of units
5,528

(Note)
Figures in parenthesis are the number of residential tenants. (Excluding shop and office areas.)

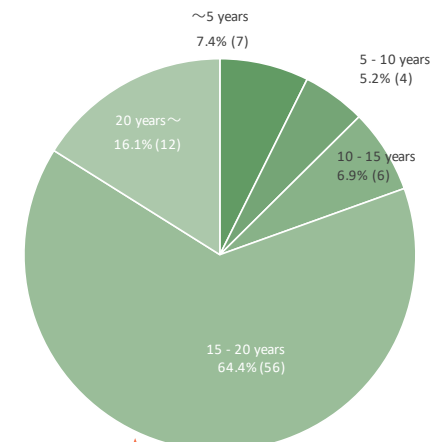
Status by Leasable Units



Total number of leasable units
5,717

(Note)
Figures in parenthesis are the number of total leasable units by leasable floor space. (Excluding shop and office areas.)

Age of Residence Properties



Average Age
16.2 years

(Note)
Figures in parenthesis are the number of residential properties by building age.

Property Name	Of-05 SUITENGU HEIWA BUILDING		Of-06 HF MONZENNAKACHO BUILDING		Of-07 HF HAMAMATSUCHO BUILDING		Of-08 HF TAMEIKE BUILDING		Of-11 HF NIHONBASHI ODENMACHO BUILDING		Of-12 HF HATCHOBORI BUILDING		Of-17 HATCHOBORI MF BUILDING		Of-18 M2 HARAJUKU		Of-20 FUNABASHI FACE BUILDING		Of-21 ADESSO NISHIAZABU	
Property Photo																				
Address	Chuo-ku, Tokyo		Koto-ku, Tokyo		Minato-ku, Tokyo		Minato-ku, Tokyo		Chuo-ku, Tokyo		Chuo-ku, Tokyo		Chuo-ku, Tokyo		Shibuya-ku, Tokyo		Funabashi City, Chiba		Minato-ku, Tokyo	
Lot Area (㎡)	316.73		748.36		294.50		533.32		520.69		543.31		205.83		264.36		488.13		125.91	
Total Floor Area (㎡)	2,177.81		4,558.01		2,184.76		3,089.73		3,455.35		3,425.91		1,432.44		1,290.12		4,033.72		371.59	
Constructed	August 1991		December 1990		December 1991		February 1992		March 1988		October 1991		January 1988		January 1970		April 2003		October 2003	
Acquisition Price (mm yen)	1,550		2,500		1,530		2,700		2,150		3,092		1,110		3,418		3,900		640	
Property Management Company	Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Toyo Real Estate Property Management		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Toyo Real Estate Property Management		Heiwa Real Estate Property Management	
PML (%)	10.0		5.7		8.0		7.3		16.5		12.5		14.7		9.8		5.9		11.1	
Rental business balance	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP
Operation days	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182
Rents and common expenses	52,538	52,299	74,551	72,714	48,007	45,823	73,085	72,147	60,714	60,714	69,335	69,844	30,698	30,837	72,950	75,137	115,331	115,331	12,022	11,572
Other income	7,986	10,792	8,837	26,985	5,608	7,924	7,771	11,106	8,591	11,507	7,956	10,016	2,733	4,609	8,233	9,397	5,252	6,773	1,383	4,131
Rental business income total	60,524	63,092	83,389	99,700	53,615	53,747	80,857	83,254	69,305	72,221	77,291	79,860	33,432	35,446	81,184	84,534	120,584	122,105	13,405	15,703
PM fees	8,729	7,054	15,444	14,727	4,437	4,539	8,674	7,279	6,008	5,925	6,029	5,252	3,239	3,708	5,197	4,461	17,391	17,901	1,584	1,647
Public charges and taxes	5,202	5,206	6,697	6,746	6,875	6,977	7,659	7,701	5,139	5,204	8,444	8,636	2,780	2,778	8,380	8,380	8,038	8,428	837	836
Utilities	4,877	7,253	5,081	7,644	3,427	5,687	4,239	6,758	4,198	6,744	5,248	8,049	2,373	3,934	3,667	4,842	8,564	9,277	1,020	1,847
Maintenance and repair fees	1,709	1,448	1,282	737	52	868	2,513	2,280	2,885	2,615	630	1,243	1,178	1,584	2,507	1,484	-	109	1,174	1,476
Insurance	64	69	117	125	59	64	88	96	93	98	99	105	38	41	47	46	113	122	13	14
Trust fees	400	400	400	400	400	400	850	850	650	650	-	-	-	-	400	400	-	-	-	-
Other expenses	356	96	1,045	495	556	316	699	125	506	721	437	372	100	134	69	49	9	29	153	242
Rental business expenses total	21,338	21,527	30,068	30,876	15,809	18,853	24,723	25,091	19,481	21,960	20,889	23,660	9,710	12,180	20,269	19,663	34,116	35,869	4,782	6,063
NOI	39,186	41,565	53,320	68,823	37,806	34,894	56,133	58,163	49,824	50,261	56,401	56,200	23,722	23,265	60,914	64,871	86,467	86,235	8,623	9,639
Depreciation	8,224	8,417	19,418	20,204	8,308	8,184	9,363	9,586	16,615	16,620	9,370	9,392	5,143	5,203	9,565	9,599	9,756	9,761	1,599	1,462
Rental business profit	30,961	33,147	33,901	48,619	29,497	26,709	46,770	48,576	33,208	33,640	47,031	46,807	18,578	18,062	51,349	55,271	76,711	76,474	7,023	8,177

(Note) Figures for rental business balance are the actual numbers for each period where values below 1,000 yen are rounded off. (Note) Property Management Company name is described by omitting a part of the official name of each company.

Property Name	Of-23 HF IKEBUKURO BUILDING		Of-24 HF YUSHIMA BUILDING		Of-25 KAYABACHO HEIWA BUILDING		Of-27 KOBE KYUKYORYUCHI HEIWA BUILDING		Of-29 SAKAE MINAMI HEIWA BUILDING		Of-30 HF SAKURADORI BUILDING		Of-31 HF NIHONBASHI HAMACHO BUILDING		Of-32 HF SENDAI HONCHO BUILDING		Of-33 HF UENO BUILDING		Of-34 KOJIMACHI HF BUILDING	
Property Photo																				
Address	Toshima-ku, Tokyo		Bunkyo-ku, Tokyo		Chuo-ku, Tokyo		Kobe City, Hyogo		Nagoya City, Aichi		Nagoya City, Aichi		Chuo-ku, Tokyo		Sendai City, Miyagi		Taito-ku, Tokyo		Chiyoda-ku, Tokyo	
Lot Area (㎡)	188.31		400.86		811.59		1,008.86		707.05		1,662.49		599.34		1,598.83		718.47		409.15	
Total Floor Area (㎡)	1,376.66		2,393.53		5,038.57		7,743.98		3,959.12		13,160.83		4,226.25		8,988.49		6,212.84		3,314.53	
Constructed	December 1993		July 1989		April 1992		February 1998		July 2002		February 2009		February 1987		September 2003		February 1990		March 1994	
Acquisition Price (mm yen)	1,314		1,624		4,798		2,310		1,580		4,900		1,900		2,700		3,400		1,350	
Property Management Company	Toyo Real Estate Property Management		Toyo Real Estate Property Management		Heiwa Real Estate		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management	
PML (%)	5.5		10.9		11.7		7.5		10.8		9.2		12.7		2.6		2.5		2.5	
Rental business balance	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP
Operation days	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182
Rents and common expenses	39,089	39,167	46,011	46,011	200,809	200,809	133,249	132,380	79,185	79,185	293,730	293,695	77,753	77,771	126,190	126,950	117,274	117,274	62,499	62,563
Other income	4,919	5,870	4,890	5,708	14,365	14,181	19,532	15,254	12,735	13,790	38,142	43,212	16,334	18,612	25,382	33,582	25,064	28,424	6,511	8,538
Rental business income total	44,008	45,037	50,901	51,720	215,174	214,990	152,781	147,635	91,920	92,976	331,872	336,908	94,087	96,384	151,572	160,532	142,339	145,698	69,011	71,101
PM fees	2,795	2,696	4,175	4,222	9,018	9,544	20,925	24,129	13,045	12,718	37,420	37,873	9,548	9,290	19,254	20,037	14,099	14,655	10,279	6,562
Public charges and taxes	2,283	2,276	3,866	3,866	9,445	9,445	12,660	12,990	7,779	8,028	14,711	14,684	7,062	7,264	10,223	10,357	10,917	11,367	11,230	11,298
Utilities	2,400	3,475	2,865	4,446	15,478	14,178	16,285	13,854	9,312	10,638	21,771	28,029	6,775	10,163	13,051	21,493	10,546	15,822	3,993	6,293
Maintenance and repair fees	1,045	95	1,084	617	188	-	795	4,719	611	1,254	4,870	920	4,110	1,458	8,681	466	4,774	5,347	460	912
Insurance	40	43	62	66	158	174	246	258	122	129	398	424	117	125	224	236	189	200	104	108
Trust fees	-	-	-	-	337	337	324	328	324	328	339	339	339	339	439	439	329	329	329	329
Other expenses	383	363	108	144	68	57	620	1,037	139	606	76,285	75,788	428	474	384	431	1,063	1,249	428	242
Rental business expenses total	8,947	8,950	12,162	13,363	34,695	33,737	51,858	57,317	31,335	33,704	155,799	158,058	28,383	29,115	52,259	53,462	41,920	48,971	26,825	25,746
NOI	35,060	36,087	38,739	38,356	180,478	181,253	100,922	90,318	60,585	59,272	176,073	178,849	65,704	67,268	99,313	107,070	100,418	96,727	42,185	45,355
Depreciation	5,301	5,346	7,663	7,691	10,933	11,173	27,296	27,383	10,603	10,609	36,003	36,143	12,827	13,773	22,833	21,943	18,228	18,194	5,271	5,353
Rental business profit	29,759	30,740	31,075	30,665	169,545	170,079	73,626	62,934	49,982	48,662	140,069	142,705	52,877	53,495	76,480	85,127	82,190	78,533	36,913	40,001

(Note) Figures for rental business balance are the actual numbers for each period where values below 1,000 yen are rounded off.

(Note) Property Management Company name is described by omitting a part of the official name of each company.

Property Name	Of-35 HF KUDAN MINAMI BUILDING		Of-36 HF KANDA OGAWAMACHI BUILDING		Of-37 NISSO 5 BUILDING		Of-38 ACROSS SHINKAWA BUILDING		Of-39 SENJU MILDIX II		Of-40 ARK Mori Building		Of-41 Nihonbashi Horidomecho First		Of-42 SOUTHERN SKY TOWER HACHIOJI		Of-43 HAMACHO HEIWA BUILDING		Of-44 KINSHICHO SQUARE BUILDING	
Property Photo																				
Address	Chiyoda-ku, Tokyo		Chiyoda-ku, Tokyo		Yokohama City, Kanagawa		Chuo-ku, Tokyo		Adachi-ku, Tokyo		Minato-ku, Tokyo		Chuo-ku, Tokyo		Hachioji City, Tokyo		Chuo-ku, Tokyo		Sumida-ku, Tokyo	
Lot Area (㎡)	530.00		432.54		1,029.42		561.90		549.85		346.57		436.25		496.76		554.80		424.97	
Total Floor Area (㎡)	3,836.10		3,016.16		5,893.08		6,148.97		2,905.48		2,039.12		2,690.16		5,720.23		4,133.47		2,932.42	
Constructed	March 1991		March 2008		July 1987		June 1994		February 2004		March 1986		July 1995		September 2010		September 1993		September 1986	
Acquisition Price (mm yen)	2,720		3,150		3,100		3,750		1,650		3,085		2,140		1,600		3,100		2,840	
Property Management Company	Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		—		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Mori Building		ITOCHU Urban Community		Toyo Real Estate Property Management		Heiwa Real Estate Property Management		Taisay Building Management	
PML (%)	6.7		4.0		14.2		2.3		0.7		1.2		7.3		2.4		5.5		10.8	
Rental business balance	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP
Operation days	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182
Rents and common expenses	71,030	78,863	102,043	101,909	82,778	82,778	116,686	117,086	69,277	69,388	82,278	82,278	non-disclosure (note)		63,261	63,358	74,666	76,603	66,731	67,898
Other income	11,112	13,043	9,931	13,119	4,440	4,440	17,106	18,471	-	-	-	-			8,935	9,253	11,542	14,234	9,706	10,778
Rental business income total	82,142	91,907	111,975	115,028	87,218	87,218	133,793	135,558	69,277	69,388	82,278	82,278	non-disclosure (note)		72,197	72,611	86,209	90,838	76,438	78,677
PM fees	14,805	8,356	7,579	8,331	380	-	20,908	20,282	13,850	13,988	16,874	17,213			8,671	8,925	8,534	7,903	5,748	5,116
Public charges and taxes	11,037	11,100	11,088	11,138	9,258	9,512	10,112	10,188	3,628	3,628	6,861	6,861			6,138	6,139	7,528	7,630	4,734	4,734
Utilities	6,105	7,996	8,352	11,548	-	-	7,774	7,541	3	-	-	-			8,822	9,601	5,296	9,015	7,762	11,109
Maintenance and repair fees	2,466	3,546	1,357	129	4,968	3,612	2,122	2,311	110	1,672	695	9,856			143	772	2,607	1,472	1,489	1,520
Insurance	111	119	91	100	155	162	179	192	87	92	140	149			142	148	114	119	83	89
Trust fees	339	339	414	414	329	329	391	391	339	339	188	188			339	339	414	414	390	390
Other expenses	1,091	740	1,327	1,204	9	7	151	111	9	7	6	9			1,259	1,254	466	1,420	446	510
Rental business expenses total	35,956	32,198	30,211	32,867	15,101	13,623	41,640	41,020	18,028	19,728	24,768	34,279			25,516	27,181	24,962	27,978	20,655	23,470
NOI	46,186	59,708	81,763	82,161	72,116	73,594	92,152	94,538	51,248	49,660	57,509	47,998			46,680	45,430	61,246	62,860	55,782	55,207
Depreciation	12,351	13,150	8,037	8,048	15,993	16,033	8,198	9,226	6,116	6,479	2,480	3,188			7,318	7,443	7,895	8,545	6,676	5,649
Rental business profit	33,834	46,558	73,725	74,112	56,122	57,561	83,954	85,311	45,132	43,180	55,028	44,809	43,211	43,380	39,361	37,987	53,351	54,314	49,105	49,557

(Note) Figures for rental business balance are the actual numbers for each period where values below 1,000 yen are rounded off.



(Note) Figures are not disclosed due to the company that is the master lessee and the property manager has not given consent.

(Note) Property Management Company name is described by omitting a part of the official name of each company.

Property Name	Of-45 HF NIHONBASHI KABUTOCHO BUILDING		Of-46 HF SENDAI ICHIBANCHO BUILDING		Of-47 OSAKI CN BUILDING		Of-48 Faret East Building		Of-49 HF ESAKA BUILDING		Of-50 Shinsaibashi FRONT Building		Of-51 SAKAE CENTER BUILDING		Of-52 IWAMOTOCHO TWIN BUILDING (right)		Of-53 IWAMOTOCHO TWIN SAKAE BUILDING		Of-54 STAGE NISHIKI	
Property Photo																				
Address	Chuo-ku, Tokyo		Sendai City, Miyagi		Shinagawa-ku, Tokyo		Tachikawa City, Tokyo		Suita City, Osaka		Osaka City, Osaka		Nagoya City, Aichi		Chiyoda-ku, Tokyo		Chiyoda-ku, Tokyo		Nagoya city, Aichi	
Lot Area (㎡)	646.36		808.01		1,256.73		542.12		666.62		785.17		1,117.00		496.30		96.09		732.09	
Total Floor Area (㎡)	4,229.47		4,944.22		4,779.40		3,737.36		4,025.10		6,201.98		6,653.48		3,290.36		688.74		4,590.29	
Constructed	March 1993		March 1996		October 1992		1994 年 12 月		June 2008		November 1986		March 1995		September 1986		August 1992		September 1991	
Acquisition Price (mm yen)	3,580		2,501		5,160		1,610		2,500		7,300		4,000		3,380		400		2,100	
Property Management Company	Heiwa Real Estate Property Management		Toyo Real Estate Property Management		Taisay Building Management		Toyo Real Estate Property Management		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management		Heiwa Real Estate Property Management	
PML (%)	5.9		1.6		4.5		3.6		12.7		12.8		8.4		8.0		5.9		9.4	
Rental business balance	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP
Operation days	183	182	183	182	183	182	183	182	183	182	181	182	181	182	181	182	181	182	-	34
Rents and common expenses	97,181	97,504	66,304	66,551	104,580	104,580	58,962	58,967	56,405	55,207	171,628	173,556	114,867	120,185	74,540	72,071	11,319	10,683	-	8,531
Other income	12,313	14,408	15,408	19,232	10,442	11,225	6,437	6,951	9,959	8,845	14,560	17,424	14,502	20,534	6,185	12,558	1,912	2,072	-	945
Rental business income total	109,495	111,913	81,712	85,783	115,022	115,806	65,400	65,919	66,365	64,053	186,188	190,981	129,370	140,719	80,725	84,630	13,232	12,756	-	9,477
PM fees	12,886	13,194	9,741	9,652	7,467	7,421	10,603	11,632	7,180	7,540	12,914	13,443	16,979	17,912	5,900	6,256	1,411	1,628	-	1,535
Public charges and taxes	9,810	9,885	7,470	7,594	8,028	8,375	4,778	4,861	6,288	6,423	-	10,531	-	8,425	-	39	-	17	-	-
Utilities	6,601	7,890	7,236	10,183	7,221	8,104	8,352	9,218	6,986	9,979	11,414	14,972	10,244	14,705	6,230	6,749	983	1,241	-	93
Maintenance and repair fees	916	3,803	1,847	1,689	1,024	1,860	181	42	1,271	2,202	215	492	1,979	2,966	613	7,933	96	188	-	56
Insurance	117	133	120	134	103	130	224	233	86	92	126	125	136	136	67	66	14	14	-	23
Trust fees	429	429	-	-	434	434	-	-	418	418	359	362	364	366	362	364	364	366	-	-
Other expenses	241	290	477	483	384	292	67	23	352	427	704	348	641	1,106	507	108	302	495	-	46
Rental business expenses total	31,003	35,627	26,894	29,737	24,665	26,618	24,207	26,011	22,583	27,085	25,735	40,276	30,345	45,620	13,681	21,517	3,172	3,950	-	1,755
NOI	78,491	76,285	54,818	56,046	90,357	89,187	41,192	39,907	43,781	36,968	160,453	150,705	99,024	95,099	67,044	63,112	10,059	8,805	-	7,721
Depreciation	5,087	5,256	9,751	10,117	8,449	8,566	5,438	5,492	8,173	8,334	7,313	7,320	9,398	11,264	5,670	5,691	730	858	-	1,418
Rental business profit	73,404	71,029	45,066	45,928	81,907	80,620	35,754	34,414	35,608	28,633	153,139	143,384	89,625	83,835	61,374	57,420	9,329	7,946	-	6,303

(Note) Figures for rental business balance are the actual numbers for each period where values below 1,000 yen are rounded off.

(Note) Property Management Company name is described by omitting a part of the official name of each company.

Property Name	Of-55 Kitahama 1-Chome Heiwa Building		Of-56 Heiwa Real Estate Kitahama Building	
Property Photo				
Address	Osaka City, Osaka		Osaka City, Osaka	
Lot Area (㎡)	488.72		287.71	
Total Floor Area (㎡)	4,106.49		2,315.59	
Constructed	February 2015		October 2011	
Acquisition Price (mm yen)	3,370		1,650	
Property Management Company	Heiwa Real Estate Property Management		Heiwa Real Estate Property Management	
PML (%)	14.1		15.8	
Rental business balance	42nd FP	43rd FP	42nd FP	43rd FP
Operation days	-	-	-	-
Rents and common expenses	-	-	-	-
Other income	-	-	-	-
Rental business income total	-	-	-	-
PM fees	-	-	-	-
Public charges and taxes	-	-	-	-
Utilities	-	-	-	-
Maintenance and repair fees	-	-	-	-
Insurance	-	-	-	-
Trust fees	-	-	-	-
Other expenses	-	-	-	-
Rental business expenses total	-	-	-	-
NOI	-	-	-	-
Depreciation	-	-	-	-
Rental business profit	-	-	-	-

(Note) Figures for rental business balance are the actual numbers for each period where values below 1,000 yen are rounded off. (Note) Property Management Company name is described by omitting a part of the official name of each company.

(Note) Kitahama 1-Chome Heiwa Building and Heiwa Real Estate Kitahama Building have no management record because they were acquired on June 6, 2023 (the 44th Fiscal Period).

Property Name	Re-03 HF ICHIKAWA RESIDENCE		Re-05 HF MEGURO RESIDENCE		Re-09 HF KASAI RESIDENCE		Re-11 HF WAKABAYASHI- KOEN RESIDENCE		Re-12 HF HIMONYA RESIDENCE		Re-14 HF MINAMIAZABU RESIDENCE		Re-16 GAKUGEIDAIGAKU RESIDENCE		Re-17 HF HIGASHIKANDA RESIDENCE		Re-18 HIGASHINIHONBASHI RESIDENCE		Re-19 HF NERIMA RESIDENCE	
Property Photo																				
Address	Ichikawa City, Chiba		Meguro-ku, Tokyo		Edogawa-ku, Tokyo		Setagaya-ku, Tokyo		Meguro-ku, Tokyo		Minato-ku, Tokyo		Meguro-ku, Tokyo		Chiyoda-ku, Tokyo		Chuo-ku, Tokyo		Nerima-ku, Tokyo	
Lot Area (㎡)	218.22		213.45		416.87		2,892.06		856.19		279.73		268.70		262.07		312.76		368.67	
Total Floor Area (㎡)	884.60		948.48		1,392.74		6,689.03		2,412.83		1,673.32		1,431.57		1,596.11		2,101.31		1,200.77	
Constructed	March 2003		April 2003		November 2002		February 2004		February 2004		April 2004		March 2005		June 2005		June 2005		May 2005	
Acquisition Price (mm yen)	430		660		650		3,610		1,560		1,370		1,000		1,100		1,210		690	
Property Management Company	Haseko Livenet		RA Asset Management		Haseko Livenet		Haseko Livenet		Tokyu Housing Lease		RA Asset Management		Tokyu Housing Lease		Haseko Livenet		Apaman Property		Apaman Property	
PML (%)	6.2		6.2		8.8		6.7		6.4		3.6		9.8		5.7		10.0		5.5	
Rental business balance	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP
Operation days	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182
Rents and common expenses	17,280	17,280	18,769	19,377	23,395	24,075	114,384	115,929	44,484	43,217	34,620	34,659	25,839	26,618	35,008	35,891	40,408	40,859	23,610	24,500
Other income	-	16	1,022	568	2,976	2,880	10,307	9,921	2,660	2,425	1,461	691	3,306	2,176	2,228	1,513	1,549	1,994	1,029	1,187
Rental business income total	17,280	17,296	19,791	19,946	26,371	26,956	124,692	125,850	47,144	45,642	36,082	35,351	29,146	28,794	37,236	37,404	41,957	42,853	24,640	25,688
PM fees	1,081	1,099	2,536	2,220	2,547	2,334	9,496	8,387	3,605	4,499	3,370	3,293	3,175	1,939	4,051	3,089	4,272	4,036	2,758	2,346
Public charges and taxes	714	716	999	999	1,225	1,225	6,463	6,463	2,575	2,580	1,958	1,957	1,376	1,376	1,495	1,495	2,027	2,026	1,204	1,204
Utilities	177	191	268	336	259	295	1,461	1,704	336	405	373	423	397	465	281	325	446	501	315	354
Maintenance and repair fees	22	1,363	1,488	1,300	948	5,035	3,178	2,536	813	3,002	2,008	2,648	1,455	742	2,014	1,134	3,107	2,905	1,990	1,052
Insurance	20	21	22	23	28	30	164	173	54	57	38	41	35	38	43	46	56	59	33	35
Trust fees	401	401	401	401	401	401	414	414	401	401	402	402	426	426	426	426	426	426	376	376
Other expenses	20	462	109	559	352	794	586	472	241	352	350	312	260	186	134	191	138	195	163	170
Rental business expenses total	2,436	4,256	5,826	5,840	5,763	10,118	21,764	20,152	8,028	11,300	8,503	9,080	7,126	5,175	8,446	6,709	10,474	10,150	6,842	5,539
NOI	14,843	13,040	13,965	14,105	20,608	16,837	102,928	105,697	39,116	34,342	27,578	26,271	22,019	23,619	28,789	30,694	31,483	32,702	17,798	20,148
Depreciation	2,234	2,219	2,668	2,667	3,675	3,831	18,220	18,578	5,723	5,775	4,187	4,824	3,177	3,235	7,982	7,988	8,693	8,763	5,460	5,509
Rental business profit	12,608	10,821	11,296	11,437	16,933	13,006	84,708	87,119	33,392	28,566	23,391	21,446	18,841	20,383	20,807	22,706	22,789	23,939	12,337	14,639

(Note) Figures for rental business balance are the actual numbers for each period where values below 1,000 yen are rounded off.

(Note) Property Management Company name is described by omitting a part of the official name of each company.

Property Name	Re-20 HF SHIROKANETAKANAWA RESIDENCE		Re-21 HF MEIDAIMAE RESIDENCE		Re-22 HF NIHONBASHI RESIDENCE		Re-23 HF KAMISHAKUJII RESIDENCE		Re-24 HF KINSHICHO RESIDENCE		Re-25 HF GINZA RESIDENCE EAST		Re-26 HF SHIN-YOKOHAMA RESIDENCE		Re-30 HF MAGOME RESIDENCE		Re-31 HF GAKUGEIDAIGAKU RESIDENCE II		Re-33 HF KAMEIDO RESIDENCE	
Property Photo																				
Address	Minato-ku, Tokyo		Setagaya-ku, Tokyo		Chuo-ku, Tokyo		Nerima-ku, Tokyo		Sumida-ku, Tokyo		Chuo-ku, Tokyo		Yokohama City, Kanagawa		Ota-ku, Tokyo		Meguro-ku, Tokyo		Koto-ku, Tokyo	
Lot Area (㎡)	922.21		485.01		222.40		536.09		256.23		822.01		805.00		2,357.97		847.14		246.34	
Total Floor Area (㎡)	5,282.41		1,374.87		1,546.01		1,676.83		1,571.87		6,387.67		5,415.20		3,566.18		1,863.67		1,782.74	
Constructed	August 2005		June 2005		May 2005		May 2006		March 2005		March 2005		September 2006		August 2001		January 2005		January 2008	
Acquisition Price (mm yen)	4,030		1,070		1,130		950		1,100		5,940		3,350		1,630		1,650		1,050	
Property Management Company	Tokyu Housing Lease		Haseko Livenet		Haseko Livenet		Haseko Livenet		Haseko Livenet		Haseko Livenet		Haseko Livenet		Haseko Livenet		Haseko Livenet		Haseko Livenet	
PML (%)	3.9		6.0		3.3		6.2		10.1		5.7		13.2		4.6		14.6		7.6	
Rental business balance	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP
Operation days	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182
Rents and common expenses	118,173	117,614	27,957	27,416	32,502	32,721	31,288	31,305	32,085	31,964	122,698	125,531	79,079	81,244	41,149	40,616	35,959	33,924	31,063	32,138
Other income	8,408	8,860	1,682	1,514	2,548	2,159	1,531	857	1,288	2,028	10,154	10,778	6,263	6,653	4,759	4,128	1,597	1,956	551	2,010
Rental business income total	126,581	126,474	29,639	28,930	35,050	34,880	32,819	32,162	33,374	33,993	132,853	136,309	85,343	87,897	45,909	44,745	37,556	35,880	31,614	34,148
PM fees	9,443	8,935	2,937	3,151	3,745	2,847	3,332	3,159	3,332	3,554	10,331	10,394	8,626	7,504	3,997	2,986	3,008	4,064	3,165	3,542
Public charges and taxes	5,758	5,755	1,506	1,502	1,581	1,581	1,771	1,766	1,428	1,428	6,464	6,464	4,658	4,679	3,216	3,212	1,967	1,958	1,793	1,789
Utilities	1,172	1,344	280	317	516	587	328	370	432	486	1,484	1,613	456	545	494	582	278	337	474	522
Maintenance and repair fees	3,858	8,659	571	835	1,595	1,447	3,853	3,401	1,690	1,672	5,831	3,960	3,703	1,332	3,659	2,063	709	2,234	1,116	1,291
Insurance	156	165	37	39	42	45	47	50	42	45	169	179	128	134	83	86	47	50	47	50
Trust fees	-	-	-	-	453	454	-	-	-	-	-	-	-	-	-	-	414	414	-	-
Other expenses	811	679	401	508	416	607	246	227	224	369	424	495	641	691	516	299	167	224	534	591
Rental business expenses total	21,200	25,538	5,734	6,354	8,351	7,569	9,579	8,974	7,151	7,556	24,706	23,106	18,214	14,887	11,967	9,230	6,592	9,284	7,131	7,787
NOI	105,381	100,935	23,905	22,576	26,698	27,310	23,239	23,188	26,223	26,436	108,147	113,202	67,129	73,009	33,942	35,514	30,964	26,596	24,483	26,361
Depreciation	14,420	14,811	4,192	4,141	4,431	4,434	4,034	4,149	4,679	4,559	20,687	20,779	20,074	12,499	9,777	10,130	5,338	5,263	6,331	6,356
Rental business profit	90,960	86,124	19,713	18,434	22,266	22,876	19,204	19,039	21,543	21,876	87,460	92,422	47,055	60,510	24,164	25,384	25,626	21,333	18,151	20,005

(Note) Figures for rental business balance are the actual numbers for each period where values below 1,000 yen are rounded off.

(Note) Property Management Company name is described by omitting a part of the official name of each company.

Property Name	Re-34 HF TANASHI RESIDENCE		Re-38 La Residence de Shirokanedai		Re-39 HF GINZA RESIDENCE EAST II		Re-40 HF HATCHOBORI RESIDENCE II		Re-41 HF HATCHOBORI RESIDENCE III		Re-42 HF GINZA RESIDENCE		Re-43 HF KOMAZAWA- KOEN RESIDENCE		Re-45 HF NAKANOSHIMA RESIDENCE		Re-46 HF AWAZA RESIDENCE		Re-47 HF MARUNOUCHI RESIDENCE	
Property Photo																				
Address	Nishitokyo City, Tokyo		Minato-ku, Tokyo		Chuo-ku, Tokyo		Chuo-ku, Tokyo		Chuo-ku, Tokyo		Chuo-ku, Tokyo		Setagaya-ku, Tokyo		Osaka City, Osaka		Osaka City, Osaka		Nagoya City, Aichi	
Lot Area (㎡)	1,639.65		344.25		368.35		427.32		203.98		175.16		2,425.44		375.95		296.88		545.08	
Total Floor Area (㎡)	3,414.75		1,180.73		2,334.73		3,351.26		1,756.88		1,375.97		11,468.94		1,486.57		1,999.88		2,284.30	
Constructed	March 1989		February 2004		February 1999		January 2002		January 2004		July 2004		January 2001		June 2001		March 2002		February 2004	
Acquisition Price (mm yen)	911		730		1,460		1,890		793		944		6,520		453		577		624	
Property Management Company	Haseko Livenet		Tokyu Housing Lease		Apaman Property		Apaman Property		Nihon Housing		RA Asset Management		Apaman Property		Haseko Livenet		Apaman Property		Apaman Property	
PML (%)	8.6		3.3		6.9		6.0		3.2		3.0		2.7		8.6		6.0		16.5	
Rental business balance	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP
Operation days	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182
Rents and common expenses	30,428	30,450	24,804	25,793	48,236	47,569	54,991	56,996	28,365	29,204	31,956	31,434	196,922	197,033	17,742	17,958	22,966	22,083	24,179	25,072
Other income	1,881	1,344	1,056	871	1,170	1,042	4,175	4,201	1,914	2,117	861	1,473	13,438	12,690	1,354	1,910	381	356	1,179	1,311
Rental business income total	32,309	31,794	25,860	26,664	49,406	48,612	59,166	61,197	30,280	31,322	32,817	32,908	210,361	209,724	19,096	19,868	23,348	22,439	25,358	26,384
PM fees	3,562	3,429	4,343	3,474	6,265	5,771	7,318	4,988	3,621	2,720	2,827	2,673	23,454	22,151	2,667	3,139	2,174	2,564	3,037	3,025
Public charges and taxes	2,440	2,440	1,602	1,605	2,081	2,081	3,011	3,011	1,827	1,827	1,633	1,630	11,388	11,377	1,379	1,389	1,727	1,731	1,658	1,660
Utilities	373	445	0	-	641	715	841	893	415	455	478	533	5,087	5,307	411	463	281	309	332	358
Maintenance and repair fees	2,307	1,853	2,070	513	5,456	5,319	5,207	3,829	1,487	590	2,331	1,418	9,555	8,428	1,113	801	806	1,754	2,964	1,092
Insurance	71	73	31	33	61	65	84	88	46	49	36	39	304	307	38	40	49	51	52	54
Trust fees	-	-	404	404	457	457	450	450	372	372	447	447	426	426	450	450	451	451	452	452
Other expenses	473	168	7	57	195	737	446	425	292	239	252	185	1,476	1,265	209	257	102	159	276	247
Rental business expenses total	9,227	8,410	8,460	6,089	15,159	15,148	17,361	13,688	8,062	6,255	8,007	6,927	51,692	49,262	6,271	6,542	5,592	7,022	8,774	6,889
NOI	23,082	23,384	17,400	20,574	34,246	33,464	41,805	47,509	22,217	25,067	24,810	25,980	158,668	160,461	12,824	13,326	17,755	15,416	16,584	19,494
Depreciation	9,937	9,929	2,696	2,760	7,409	7,442	11,959	11,809	4,852	4,767	5,560	5,680	36,295	35,866	4,660	4,574	4,218	4,222	4,770	4,829
Rental business profit	13,145	13,454	14,703	17,814	26,837	26,022	29,846	35,699	17,364	20,299	19,249	20,299	122,373	124,595	8,164	8,751	13,536	11,194	11,813	14,664

(Note) Figures for rental business balance are the actual numbers for each period where values below 1,000 yen are rounded off.

(Note) Property Management Company name is described by omitting a part of the official name of each company.

Property Name	Re-48 HF HIRAO RESIDENCE		Re-49 HF KAWARAMACHI NIJO RESIDENCE		Re-53 HF SHUJO KAWARAMACHI RESIDENCE		Re-54 La Residence de Sendagi		Re-55 HF SENDAGI RESIDENCE		Re-56 HF KOMAZAWA- KOEN RESIDENCE		Re-57 HF MUSASHIKOYAMA RESIDENCE		Re-58 HF KOKUBUNJI RESIDENCE		Re-59 HF HISAYAODORI RESIDENCE		Re-60 HF KARASUMA KURAMAGUCHI RESIDENCE	
Property Photo																				
Address	Fukuoka City, Fukuoka		Kyoto City, Kyoto		Kyoto City, Kyoto		Bunkyo-ku, Tokyo		Bunkyo-ku, Tokyo		Setagaya-ku, Tokyo		Shinagawa-ku, Tokyo		Kokubunji City, Tokyo		Nagoya City, Aichi		Kyoto City, Kyoto	
Lot Area (㎡)	1,599.97		206.84		863.39		269.15		249.06		709.54		455.93		257.06		362.02		471.10	
Total Floor Area (㎡)	6,476.24		1,547.19		5,217.41		1,307.91		1,667.29		1,124.69		1,495.61		1,295.58		3,633.19		1,362.90	
Constructed	March 2003		February 2005		March 2007		February 2006		February 2006		July 2006		November 2006		January 2006		March 2006		March 2007	
Acquisition Price (mm yen)	1,780		534		1,820		820		870		615		842		839		1,080		572	
Property Management Company	Miyoshi Asset Management		Apaman Property		Apaman Property		Apaman Property		Apaman Property		Apaman Property		Apaman Property		Nihon Housing		Apaman Property		Apaman Property	
PML (%)	3.4		6.5		5.5		4.4		9.2		4.3		6.3		6.3		9.3		9.9	
Rental business balance	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP
Operation days	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182
Rents and common expenses	74,819	75,602	18,809	18,550	70,438	69,698	27,620	28,439	31,145	32,071	19,069	19,897	30,403	30,077	29,828	30,161	41,100	39,844	20,860	20,882
Other income	5,931	6,304	840	852	5,654	7,476	-	294	154	354	851	855	1,531	1,415	1,329	2,007	1,880	1,221	1,275	1,698
Rental business income total	80,751	81,907	19,649	19,402	76,092	77,174	27,620	28,733	31,299	32,426	19,921	20,753	31,935	31,493	31,157	32,169	42,981	41,066	22,135	22,580
PM fees	6,261	6,052	1,639	2,105	6,375	7,264	3,245	3,376	3,966	3,346	2,549	2,320	3,655	3,353	2,557	2,560	3,217	4,412	2,604	2,431
Public charges and taxes	5,433	5,439	1,208	1,211	4,557	4,588	1,322	1,322	1,601	1,601	1,379	1,373	1,541	1,541	1,549	1,550	2,771	2,785	1,127	1,136
Utilities	2,650	3,057	945	987	2,333	2,285	6	2	5	0	310	291	345	389	260	296	486	614	538	563
Maintenance and repair fees	6,802	6,252	943	952	5,115	2,404	920	550	615	1,156	1,001	235	2,018	2,564	896	542	775	2,611	1,191	498
Insurance	163	170	33	35	122	127	28	31	37	39	28	30	36	38	35	38	80	83	33	35
Trust fees	527	527	450	450	391	391	423	423	423	423	396	396	390	390	414	414	399	399	391	391
Other expenses	664	429	98	199	1,290	1,388	144	201	144	201	169	196	308	660	181	189	515	634	91	188
Rental business expenses total	22,503	21,929	5,319	5,942	20,186	18,451	6,091	5,908	6,794	6,770	5,835	4,843	8,296	8,939	5,893	5,592	8,244	11,540	5,978	5,245
NOI	58,248	59,977	14,330	13,459	55,905	58,723	21,528	22,824	24,505	25,655	14,086	15,910	23,639	22,554	25,264	26,576	34,736	29,526	16,157	17,335
Depreciation	11,499	11,404	2,433	2,478	9,740	9,821	2,914	2,103	3,473	2,533	3,244	2,106	3,423	3,521	4,179	2,948	6,665	6,588	2,819	2,867
Rental business profit	46,748	48,572	11,896	10,980	46,165	48,901	18,613	20,720	21,031	23,121	10,841	13,803	20,215	19,032	21,084	23,628	28,070	22,937	13,337	14,467

(Note) Figures for rental business balance are the actual numbers for each period where values below 1,000 yen are rounded off.

(Note) Property Management Company name is described by omitting a part of the official name of each company.

Property Name	Re-61 HF NISHI-SHINJUKU RESIDENCE WEST		Re-62 HF NISHI-SHINJUKU RESIDENCE EAST		Re-63 HF HIGASHI-SHINJUKU RESIDENCE		Re-64 HF HIGASHI-SHINSAIBASHI RESIDENCE		Re-65 HF KITA-YOBANCHO RESIDENCE		Re-66 HF ATAGOBASHI RESIDENCE		Re-68 HF ASAKUSABASHI RESIDENCE		Re-69 HF ICHIBANCHO RESIDENCE		Re-70 HF HIGASHI-NAKANO RESIDENCE		Re-72 HF WASEDA RESIDENCE	
Property Photo																				
Address	Shinjuku-ku, Tokyo		Shinjuku-ku, Tokyo		Shinjuku-ku, Tokyo		Osaka City, Osaka		Sendai City, Miyagi		Sendai-City, Miyagi		Taito-ku, Tokyo		Sendai City, Miyagi		Nakano-ku, Tokyo		Shinjuku-ku, Tokyo	
Lot Area (㎡)	575.67		347.29		313.96		343.80		475.70		717.53		267.42		398.14		538.53		820.34	
Total Floor Area (㎡)	2,979.31		1,787.97		2,233.42		1,295.71		2,834.54		2,381.24		1,341.38		2,404.41		1,705.22		3,440.06	
Constructed	March 2006		March 2006		March 2007		September 2006		January 2007		January 2007		September 2006		February 2007		February 2007		May 2007	
Acquisition Price (mm yen)	1,990		1,170		1,360		566		809		684		771		834		942		2,090	
Property Management Company	Apaman Property		Apaman Property		Apaman Property		Apaman Property		Apaman Property		Apaman Property		Apaman Property		Apaman Property		Nihon Housing		Haseko Livenet	
PML (%)	4.6		3.5		2.6		10.3		1.0		1.0		6.3		1.1		3.0		4.0	
Rental business balance	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP
Operation days	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182
Rents and common expenses	66,534	66,426	38,349	38,966	43,555	44,674	20,671	21,247	36,333	35,936	31,036	29,582	26,140	26,757	38,432	38,001	29,772	30,371	73,871	73,348
Other income	4,198	4,511	2,233	3,133	350	1,830	232	178	1,755	2,158	2,203	2,478	890	1,283	1,987	3,116	1,523	1,066	3,194	3,399
Rental business income total	70,732	70,938	40,582	42,099	43,906	46,504	20,904	21,425	38,088	38,095	33,239	32,061	27,031	28,040	40,420	41,117	31,296	31,437	77,066	76,747
PM fees	6,937	7,580	6,155	5,144	6,391	6,371	2,895	1,768	3,551	3,874	2,353	2,703	2,458	2,715	3,691	5,043	3,547	3,558	12,142	12,340
Public charges and taxes	3,210	3,214	2,021	2,018	2,452	2,451	1,263	1,276	2,323	2,333	2,265	2,289	1,338	1,336	2,678	2,706	1,687	1,682	3,377	3,376
Utilities	715	830	965	1,085	603	634	165	184	645	705	718	812	400	463	393	479	326	354	972	1,096
Maintenance and repair fees	2,926	4,150	2,264	3,680	4,007	1,904	805	793	1,359	1,667	19,307	1,764	901	673	2,258	2,360	595	1,441	1,632	6,765
Insurance	81	86	49	52	56	59	31	33	65	67	61	64	38	40	62	65	41	43	92	98
Trust fees	414	414	414	414	401	401	401	401	401	401	401	401	401	401	401	401	392	392	413	413
Other expenses	486	544	361	455	179	236	75	132	252	350	182	275	525	247	346	278	176	604	1,111	783
Rental business expenses total	14,772	16,821	12,233	12,852	14,091	12,059	5,637	4,591	8,598	9,401	25,291	8,309	6,064	5,877	9,832	11,334	6,767	8,077	19,742	24,873
NOI	55,960	54,117	28,348	29,246	29,815	34,444	15,266	16,834	29,489	28,694	7,947	23,751	20,966	22,162	30,587	29,783	24,529	23,360	57,323	51,873
Depreciation	7,671	7,736	4,951	5,061	6,925	6,929	2,582	2,559	7,100	7,238	6,548	7,416	3,456	3,448	6,012	6,139	4,214	4,295	8,262	8,383
Rental business profit	48,289	46,380	23,397	24,185	22,889	27,515	12,684	14,274	22,388	21,455	1,399	16,334	17,510	18,713	24,575	23,644	20,315	19,065	49,061	43,490

(Note) Figures for rental business balance are the actual numbers for each period where values below 1,000 yen are rounded off.

(Note) Property Management Company name is described by omitting a part of the official name of each company.

Property Name	Re-73 HF WASEDA RESIDENCE II		Re-74 HF WAKAMATSU- KAWADA RESIDENCE		Re-75 HF SENDAI RESIDENCE EAST		Re-76 HF NISHI-KOEN RESIDENCE		Re-77 HF BANSUI-DORI RESIDENCE		Re-78 HF KANNAI RESIDENCE		Re-79 HF MEIEKI-KITA RESIDENCE		Re-80 HF HIGASHI-APPORO RESIDENCE		Re-81 HF HAKATA-HIGASHI RESIDENCE		Re-82 HF SENDAI ITSUTSUBASHI RESIDENCE	
Property Photo																				
Address	Shinjuku-ku, Tokyo		Shinjuku-ku, Tokyo		Sendai City, Miyagi		Sendai City, Miyagi		Sendai City, Miyagi		Yokohama City, Kanagawa		Nagoya City, Aichi		Sapporo City, Hokkaido		Fukuoka City, Fukuoka		Sendai City, Miyagi	
Lot Area (㎡)	319.83		412.42		1,133.39		733.98		401.19		435.27		939.72		2,134.95		1,282.03		420.14	
Total Floor Area (㎡)	1,356.68		1,858.51		5,662.45		2,939.82		2,037.38		2,963.30		4,692.26		7,161.70		2,702.02		2,049.77	
Constructed	May 2007		February 2004		July 2008		February 2006		March 2006		November 2006		August 2007		March 2008		September 2008		November 2006	
Acquisition Price (mm yen)	872		1,158		1,638		1,310		790		1,800		2,160		1,560		880		850	
Property Management Company	Haseko Livenet		Tokyu Housing Lease		Apaman Property		Haseko Livenet		Haseko Livenet		Haseko Livenet		Haseko Livenet		Apaman Property		Miyoshi Asset Management		Haseko Livenet	
PML (%)	3.6		5.0		1.8		2.7		1.7		2.5		11.2		0.1		8.0		2.0	
Rental business balance	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP
Operation days	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182
Rents and common expenses	30,277	29,616	35,571	37,057	65,081	64,487	40,093	39,927	26,570	26,141	54,514	55,610	56,593	56,724	53,292	53,565	28,339	28,265	24,322	24,758
Other income	529	1,265	2,516	2,142	4,624	4,790	3,323	4,507	1,340	2,761	5,866	7,459	6,220	7,006	5,218	6,095	2,263	2,322	1,641	2,236
Rental business income total	30,807	30,881	38,087	39,200	69,705	69,278	43,417	44,435	27,911	28,902	60,381	63,070	62,814	63,731	58,510	59,661	30,603	30,588	25,963	26,994
PM fees	4,274	4,932	4,669	4,246	5,861	5,904	4,253	4,330	2,528	3,585	6,153	6,970	6,165	6,811	4,025	4,185	2,069	2,483	2,979	2,989
Public charges and taxes	1,380	1,379	1,937	1,934	4,004	4,010	2,584	2,587	1,794	1,795	3,176	3,174	3,638	3,635	5,305	5,311	2,416	2,420	1,818	1,828
Utilities	490	542	337	382	914	1,342	465	995	290	487	938	1,039	1,364	1,475	636	3,357	284	305	485	618
Maintenance and repair fees	917	1,820	1,724	2,455	2,558	4,423	2,863	5,671	1,228	1,899	3,342	5,303	4,603	3,398	2,385	1,545	1,530	2,014	1,469	1,798
Insurance	37	39	49	52	112	117	66	69	42	44	86	91	95	138	117	122	61	64	49	51
Trust fees	415	415	440	440	331	331	416	416	416	416	391	391	320	320	340	340	-	-	-	-
Other expenses	752	697	283	330	494	572	996	213	195	200	280	338	490	612	378	990	342	672	268	234
Rental business expenses total	8,267	9,826	9,443	9,842	14,277	16,702	11,646	14,285	6,496	8,430	14,369	17,308	16,678	16,392	13,189	15,853	6,706	7,961	7,069	7,518
NOI	22,539	21,054	28,644	29,358	55,427	52,575	31,770	30,149	21,414	20,472	46,011	45,761	46,136	47,339	45,320	43,808	23,897	22,626	18,894	19,475
Depreciation	3,367	3,474	5,077	5,029	15,213	15,282	12,710	12,840	7,626	7,755	13,545	13,792	14,203	14,387	12,659	12,696	5,640	5,687	6,195	6,231
Rental business profit	19,172	17,579	23,567	24,328	40,213	37,293	19,060	17,309	13,787	12,716	32,465	31,969	31,932	32,951	32,661	31,111	18,256	16,939	12,698	13,244

(Note) Figures for rental business balance are the actual numbers for each period where values below 1,000 yen are rounded off.

(Note) Property Management Company name is described by omitting a part of the official name of each company.

Property Name	Re-83 HF TABATA RESIDENCE		Re-84 HF RYOGOKU RESIDENCE		Re-85 HF HACHIOJI RESIDENCE		Re-86 HF MITA RESIDENCE II		Re-87 HF MONZEN-NAKACHO RESIDENCE		Re-88 HF MINAMI-SUNAMACHI RESIDENCE		Re-89 HF SENDAI NAGAMACHI RESIDENCE		Re-90 HF SHOKOJI AKABANE RESIDENCE		Re-91 HF SENDAI HONCHO RESIDENCE		Re-92 HF OHORI RESIDENCE BAYSIDE	
Property Photo																				
Address	Kita-ku, Tokyo		Sumida-ku, Tokyo		Hachioji City, Tokyo		Minato-ku, Tokyo		Koto-ku, Tokyo		Koto-ku, Tokyo		Sendai City, Miyagi		Kita-ku, Tokyo		Sendai City, Miyagi		Fukuoka City, Fukuoka	
Lot Area (㎡)	552.06		411.91		302.38		256.66		243.14		397.42		617.18		390.72		719.06		1,476.10	
Total Floor Area (㎡)	2,457.71		2,705.78		1,833.55		1,353.81		1,276.33		1,250.03		2,854.19		1,879.61		1,917.04		3,420.89	
Constructed	December 2015		March 2017		February 2009		June 2006		February 2008		August 2007		November 2008		February 2019		April 2020		November 2007	
Acquisition Price (mm yen)	1,100		1,400		1,120		1,210		945		900		1,030		1,150		1,070		1,150	
Property Management Company	Haseko Livenet		Haseko Livenet		Haseko Livenet		Haseko Livenet		Haseko Livenet		Haseko Livenet		Haseko Livenet		Tokyu Housing Lease		Haseko Livenet		Miyoshi Asset Management	
PML (%)	3.5		10.2		7.1		5.8		7.0		6.1		1.7		6.1		1.2		4.5	
Rental business balance	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP
Operation days	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182
Rents and common expenses	39,161	39,735	49,242	48,518	32,926	32,856	29,989	30,163	27,816	27,651	25,381	25,503	30,815	31,679	37,927	36,936	31,654	31,749	31,505	32,270
Other income	1,886	1,943	1,472	4,683	6,446	2,538	1,329	1,346	994	1,319	1,418	1,922	1,834	2,036	613	2,948	3,688	3,676	1,999	2,543
Rental business income total	41,047	41,678	50,714	53,201	39,372	35,394	31,318	31,509	28,811	28,970	26,799	27,425	32,649	33,715	38,540	39,884	35,343	35,425	33,504	34,814
PM fees	2,454	2,410	4,557	6,723	3,042	3,544	3,116	3,511	2,860	3,065	2,628	2,615	3,440	2,756	2,093	3,730	3,219	3,099	2,133	2,609
Public charges and taxes	2,428	2,428	2,365	2,365	1,766	1,771	1,648	1,646	1,317	1,317	1,257	1,257	2,276	2,276	2,146	2,145	2,616	2,620	2,582	2,590
Utilities	599	667	477	538	1,389	1,477	268	299	256	287	524	589	528	606	347	383	289	353	590	561
Maintenance and repair fees	429	864	1,514	3,361	1,328	1,577	2,630	12,604	598	1,824	1,456	1,235	4,666	3,671	237	342	401	411	2,114	1,418
Insurance	57	60	64	68	41	44	33	35	34	36	34	36	61	64	47	50	37	42	58	63
Trust fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	2,002	2,122	1,994	1,927	223	265	196	230	412	522	483	540	275	176	2,094	2,183	543	432	102	271
Rental business expenses total	7,972	8,552	10,973	14,985	7,791	8,682	7,892	18,327	5,479	7,054	6,384	6,273	11,248	9,550	6,965	8,835	7,107	6,959	7,581	7,514
NOI	33,075	33,125	39,740	38,216	31,581	26,712	23,425	13,181	23,331	21,916	20,415	21,152	21,400	24,164	31,574	31,049	28,235	28,466	25,922	27,299
Depreciation	7,731	7,731	9,014	9,039	5,392	5,504	3,211	3,261	4,175	4,261	4,466	4,508	8,260	8,397	6,672	6,672	6,524	6,524	5,864	5,773
Rental business profit	25,343	25,394	30,725	29,176	26,188	21,208	20,214	9,920	19,155	17,654	15,949	16,643	13,140	15,767	24,902	24,376	21,711	21,942	20,058	21,526

(Note) Figures for rental business balance are the actual numbers for each period where values below 1,000 yen are rounded off.

(Note) Property Management Company name is described by omitting a part of the official name of each company.

Property Name	Re-93 HF HAKATA-HIGASHI RESIDENCE II		Re-94 HF FUKUOKA RESIDENCE EAST		Re-95 HF SHOKOJI AKABANE RESIDENCE		Re-96 HF YAHIRO RESIDENCE		Re-97 HF SETAGAYAKAMIMACHI RESIDENCE		Re-98 HF SOKA RESIDENCE		Re-99 HF UENO IRIYA RESIDENCE		Re-100 HF TSUJIDO RESIDENCE		Re-101 HF KAWAGUCHIEKIMAE RESIDENCE		Re-102 HF HIGASHIOGU RESIDENCE	
Property Photo																				
Address	Fukuoka City, Fukuoka		Fukuoka City, Fukuoka		Kita-ku, Tokyo		Sumida-ku, Tokyo		Setagaya-ku, Tokyo		Soka City, Saitama		Taito-ku, Tokyo		Fujisawa City, Kanagawa		Kawaguchi City, Saitama		Arakawa-ku, Tokyo	
Lot Area (㎡)	1,802.87		2,308.60		508.14		501.11		267.52		1,757.08		206.24		1,773.15		604.73		1,197.89	
Total Floor Area (㎡)	3,653.80		4,283.07		2,764.49		2,151.30		1,070.10		3,229.29		1,146.77		3,604.50		2,933.22		2,703.98	
Constructed	February 2006		January 2007		January 2020		November 2020		November 2020		February 2010		August 2016		March 2011		September 2021		January 2022	
Acquisition Price (mm yen)	1,198		1,180		1,690		1,220		700		1,300		900		1,870		1,260		1,210	
Property Management Company	Miyoshi Asset Management		Miyoshi Asset Management		Tokyu Housing Lease		Tokyu Housing Lease		Haseko Livenet		Haseko Livenet		Haseko Livenet		Apaman Property		Haseko Livenet		Haseko Livenet	
PML (%)	2.9		2.1		6.3		11.8		6.1		3.1		9.6		10.3		10.6		14.8	
Rental business balance	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP
Operation days	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	181	182	181	182
Rents and common expenses	38,995	39,192	42,014	41,225	52,272	53,267	38,556	40,091	18,944	18,899	39,125	39,810	22,586	23,882	47,975	48,485	54,241	55,596	38,092	38,747
Other income	2,966	2,780	4,207	4,021	1,791	873	624	4,042	231	1,529	556	1,645	1,339	554	1,353	7,012	653	1,009	1,713	1,366
Rental business income total	41,962	41,973	46,221	45,247	54,064	54,140	39,180	44,133	19,176	20,428	39,682	41,455	23,925	24,436	49,329	55,498	54,894	56,606	39,805	40,114
PM fees	2,446	2,596	3,036	3,344	3,992	2,737	4,389	5,152	1,663	1,982	4,009	3,886	2,764	1,956	3,481	5,416	3,541	2,993	3,137	2,778
Public charges and taxes	2,759	2,767	3,014	3,011	3,235	3,232	2,702	2,702	1,251	1,250	2,327	2,336	1,202	1,198	-	1,720	-	1,598	-	-
Utilities	443	467	266	346	639	768	436	540	238	272	523	515	296	420	598	654	895	1,078	520	451
Maintenance and repair fees	2,919	1,705	2,151	29,422	321	923	606	1,138	112	325	747	837	654	603	4,903	2,980	218	207	271	268
Insurance	63	72	73	83	50	64	39	50	18	23	61	68	20	23	72	75	49	48	43	42
Trust fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	343	715	296	982	2,288	2,381	1,087	1,090	592	653	741	413	1,237	947	424	137	15,466	15,949	2,484	2,591
Rental business expenses total	8,975	8,325	8,839	37,190	10,527	10,108	9,263	10,675	3,876	4,507	8,410	8,056	6,176	5,148	9,480	10,985	20,170	21,875	6,456	6,132
NOI	32,986	33,647	37,382	8,056	43,536	44,031	29,916	33,457	15,300	15,921	31,271	33,398	17,749	19,287	39,848	44,512	34,723	34,730	33,349	33,982
Depreciation	5,416	5,474	9,604	9,751	10,100	10,100	7,384	7,384	2,680	2,696	7,388	7,577	3,587	3,601	8,571	8,750	6,793	6,793	5,978	5,978
Rental business profit	27,570	28,173	27,777	-1,695	33,436	33,931	22,532	26,073	12,619	13,224	23,883	25,821	14,162	15,686	31,277	35,761	27,930	27,937	27,371	28,003

(Note) Figures for rental business balance are the actual numbers for each period where values below 1,000 yen are rounded off.

(Note) Property Management Company name is described by omitting a part of the official name of each company.

Property Name	Re-103 HF IMAIKE-MINAMI RESIDENCE		Re-104 HF FUSHIMI RESIDENCE		Re-105 HF NAKANO-SAKAUE RESIDENCE		Re-106 HF UENO RESIDENCE EAST		Re-107 HF OMORIMACHI RESIDENCE	
Property Photo										
Address	Nagoya City, Aichi		Nagoya City, Aichi		Nakano-ku, Tokyo		Taito-ku, Tokyo		Ota-ku, Tokyo	
Lot Area (㎡)	899.17		312.14		602.44		417.84		702.63	
Total Floor Area (㎡)	2,074.43		1,713.50		1,760.28		2,964.00		1,457.12	
Constructed	November 2006		August 2006		March 2008		September 2017		November 2002	
Acquisition Price (mm yen)	860		610		1,050		2,500		1,200	
Property Management Company	Apaman Property		Apaman Property		Haseko Livenet		Tokyu Housing Lease		Tokyu Housing Lease	
PML (%)	11.8		11.8		5.3		3.3		11.2	
Rental business balance	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP	42nd FP	43rd FP
Operation days	-	122	-	121	-	92	-	93	-	35
Rents and common expenses	-	15,418	-	11,315	-	14,691	-	30,386	-	4,807
Other income	-	600	-	1,690	-	547	-	1,007	-	74
Rental business income total	-	16,018	-	13,005	-	15,238	-	31,393	-	4,882
PM fees	-	2,750	-	1,427	-	1,245	-	3,585	-	266
Public charges and taxes	-	-	-	-	-	-	-	-	-	-
Utilities	-	478	-	175	-	102	-	341	-	18
Maintenance and repair fees	-	2,494	-	785	-	424	-	52	-	38
Insurance	-	30	-	27	-	15	-	22	-	10
Trust fees	-	-	-	-	-	-	-	-	-	-
Other expenses	-	660	-	437	-	223	-	1,873	-	20
Rental business expenses total	-	6,413	-	2,853	-	2,011	-	5,875	-	354
NOI	-	9,605	-	10,151	-	13,226	-	25,518	-	4,527
Depreciation	-	4,159	-	2,408	-	1,772	-	3,847	-	1,277
Rental business profit	-	5,445	-	7,743	-	11,453	-	21,670	-	3,250

(Note) Figures for rental business balance are the actual numbers for each period where values below 1,000 yen are rounded off.

(Note) Property Management Company name is described by omitting a part of the official name of each company.

V-11 Appraisal values

Property Name			Appraisal Value(mn yen)			Direct cap (NCF cap)		DCF discount rate		DCF terminal cap		43rd FP Book Value	Unrealize d Profits and	Property Name			Appraisal Value(mn yen)			Direct cap (NCF cap)		DCF discount rate		DCF terminal cap		43rd FP Book Value	Unrealized Profits and				
			43rd FP	42nd FP	Change	43rd FP	Change	43rd FP	Change	43rd FP	Change						43rd FP	Change	43rd FP	Change	43rd FP	Change	43rd FP	Change	43rd FP			Change			
Of-05	SUITENGU HEIWA BUILDING	1,802	1,787	15	3.8%	0.0%	3.8%	0.0%	4.0%	0.0%	1,381	420	Re-42	HF GINZA RESIDENCE	1,360	1,360	0	3.6%	0.0%	3.4%	0.0%	3.8%	0.0%	797	562						
Of-06	HF MONZENNAKACHO BUILDING	2,920	2,830	90	4.0%	-0.1%	3.9%	-0.1%	4.2%	-0.1%	2,310	610	Re-43	HF KOMAZAWA-KOEN RESIDENCE TOWER	8,430	8,060	370	3.5%	-0.2%	3.3%	-0.2%	3.7%	-0.2%	6,290	2,139						
Of-07	HF HAMAMATSUSUCHO BUILDING	2,040	1,950	90	3.5%	-0.1%	3.4%	-0.1%	3.6%	-0.1%	1,496	544	Re-45	HF NAKANOSHIMA RESIDENCE	551	549	2	4.6%	0.0%	4.4%	0.0%	4.8%	0.0%	405	145						
Of-08	HF TAMEIKE BUILDING	3,320	3,200	120	3.5%	-0.1%	3.4%	-0.1%	3.6%	-0.1%	2,764	555	Re-46	HF AWAZA RESIDENCE	760	739	21	4.2%	-0.2%	4.0%	-0.2%	4.4%	-0.2%	469	290						
Of-09	GRACE BUILDING SENGAKUJIMAE *1	-	1,109	-	-	-	-	-	-	-	-	-	Re-47	HF MARUNOUCHI RESIDENCE	763	763	0	4.3%	-0.2%	4.1%	-0.2%	4.5%	-0.2%	483	279						
Of-11	HF NIHONBASHI ODEMACHO BUILDING	2,400	2,320	80	3.6%	-0.1%	3.5%	-0.1%	3.7%	-0.1%	2,124	275	Re-48	HF HIRAO RESIDENCE	2,310	2,320	-10	4.8%	0.1%	4.6%	0.1%	5.0%	0.1%	1,482	827						
Of-12	HF HATCHOBORI BUILDING	2,900	2,840	60	3.5%	-0.1%	3.4%	-0.1%	3.6%	-0.1%	3,003	-103	Re-49	HF KAWARAMACHI NIJO RESIDENCE	648	620	28	4.2%	-0.2%	4.0%	-0.2%	4.4%	-0.2%	470	177						
Of-17	HATCHOBORI MF BUILDING	1,160	1,110	50	3.6%	-0.1%	3.5%	-0.1%	3.7%	-0.1%	1,083	76	Re-53	HF SHUJO KAWARAMACHI RESIDENCE	2,640	2,550	90	4.0%	-0.2%	3.8%	-0.2%	4.2%	-0.2%	1,589	1,050						
Of-18	M2 HARAJUKU	5,026	5,121	-95	3.2%	0.0%	3.2%	0.0%	3.4%	0.0%	3,375	1,650	Re-54	La Residence de Sendagi	1,110	1,050	60	3.7%	-0.2%	3.5%	-0.2%	3.9%	-0.2%	748	361						
Of-20	FUNABASHI FACE BUILDING	3,440	3,440	0	4.5%	0.0%	4.3%	0.0%	4.7%	0.0%	3,430	9	Re-55	HF SENDAGI RESIDENCE	1,170	1,110	60	3.8%	-0.2%	3.6%	-0.2%	4.0%	-0.2%	784	385						
Of-21	ADESSO NISHIAZABU	558	557	1	3.4%	-0.1%	3.3%	-0.1%	3.6%	-0.1%	592	-34	Re-56	HF KOMAZAWA-KOEN RESIDENCE	785	762	23	3.7%	-0.2%	3.5%	-0.2%	3.9%	-0.2%	575	209						
Of-23	HF IKEBUKURO BUILDING	1,510	1,510	0	4.0%	0.0%	3.8%	0.0%	4.2%	0.0%	1,264	245	Re-57	HF MUSASHIKOYAMA RESIDENCE	1,260	1,210	50	3.7%	-0.2%	3.5%	-0.2%	3.9%	-0.2%	770	489						
Of-24	HF YUSHIMA BUILDING	1,790	1,750	40	3.8%	-0.1%	3.7%	-0.1%	3.9%	-0.1%	1,569	220	Re-58	HF KOKUBUNJI RESIDENCE	1,200	1,140	60	4.0%	-0.2%	3.8%	-0.2%	4.2%	-0.2%	792	407						
Of-25	KAYABACHO HEIWA BUILDING	7,240	7,080	160	4.3%	-0.1%	4.2%	-0.1%	4.4%	-0.1%	4,741	2,498	Re-59	HF HISAYAODORI RESIDENCE	1,310	1,300	10	4.1%	-0.2%	3.9%	-0.2%	4.3%	-0.2%	960	349						
Of-27	KOBE KYUKYORYUCHI HEIWA BUILDING	3,580	3,520	60	4.6%	-0.1%	4.4%	-0.1%	4.8%	-0.1%	2,490	1,089	Re-60	HF KARASUMA KURAMAGUCHI RESIDENCE	772	747	25	4.3%	-0.2%	4.1%	-0.2%	4.5%	-0.2%	501	270						
Of-29	SAKAE MINAMI HEIWA BUILDING	2,360	2,360	0	4.5%	-0.1%	4.3%	-0.1%	4.7%	-0.1%	1,446	913	Re-61	HF NISHI-SHINJUKU RESIDENCE WEST	2,950	2,830	120	3.6%	-0.2%	3.4%	-0.2%	3.8%	-0.2%	1,906	1,043						
Of-30	HF SAKURADORI BUILDING	6,600	6,600	0	4.6%	0.0%	4.4%	0.0%	4.8%	0.0%	4,332	2,267	Re-62	HF NISHI-SHINJUKU RESIDENCE EAST	1,720	1,630	90	3.6%	-0.2%	3.4%	-0.2%	3.8%	-0.2%	1,119	600						
Of-31	HF NIHONBASHI HAMACHO BUILDING	2,660	2,640	20	4.3%	0.0%	4.1%	0.0%	4.5%	0.0%	2,015	644	Re-63	HF HIGASHI-SHINJUKU RESIDENCE	1,770	1,740	30	3.7%	-0.2%	3.5%	-0.2%	3.9%	-0.2%	1,228	541						
Of-32	HF SENDAI HONCHO BUILDING	3,690	3,670	20	5.0%	0.0%	4.8%	0.0%	5.2%	0.0%	2,462	1,227	Re-64	HF HIGASHI-SHINSAIBASHI RESIDENCE	749	721	28	4.0%	-0.2%	3.8%	-0.2%	4.2%	-0.2%	509	239						
Of-33	HF UENO BUILDING	4,250	4,250	0	4.2%	0.0%	4.0%	0.0%	4.4%	0.0%	3,390	859	Re-65	HF KITA-YOBANCHO RESIDENCE	1,200	1,180	20	4.4%	-0.1%	4.2%	-0.1%	4.6%	-0.1%	686	513						
Of-34	KOJIMACHI HF BUILDING	2,170	2,170	0	3.6%	0.0%	3.4%	0.0%	3.8%	0.0%	1,347	822	Re-66	HF ATAGOBASHI RESIDENCE	961	945	16	4.6%	-0.1%	4.4%	-0.1%	4.8%	-0.1%	608	352						
Of-35	HF KUDAN MINAMI BUILDING	3,280	3,280	0	3.8%	0.0%	3.6%	0.0%	4.0%	0.0%	2,857	422	Re-68	HF ASAKUSABASHI RESIDENCE	1,150	1,090	60	3.7%	-0.2%	3.5%	-0.2%	3.9%	-0.2%	728	421						
Of-36	HF KANDA OGAWAMACHI BUILDING	4,250	4,250	0	3.6%	0.0%	3.4%	0.0%	3.8%	0.0%	3,188	1,061	Re-69	HF ICHIBANCHO RESIDENCE	1,210	1,190	20	4.4%	-0.1%	4.2%	-0.1%	4.6%	-0.1%	724	485						
Of-37	NISSO S BUILDING	4,170	4,230	-60	3.4%	0.0%	3.2%	0.0%	3.5%	0.0%	3,165	1,004	Re-70	HF HIGASHI-NAKANO RESIDENCE	1,230	1,160	70	3.7%	-0.2%	3.5%	-0.2%	3.9%	-0.2%	855	374						
Of-38	ACROSS SHINKAWA BUILDING	4,380	4,380	0	3.9%	0.0%	3.7%	0.0%	4.1%	0.0%	3,924	455	Re-72	HF WASEDA RESIDENCE	2,830	2,820	10	3.7%	0.0%	3.5%	0.0%	3.9%	0.0%	1,934	895						
Of-39	SENIJU MILDIX II	1,950	1,950	0	4.2%	0.0%	4.0%	0.0%	4.4%	0.0%	1,593	356	Re-73	HF WASEDA RESIDENCE II	1,140	1,140	0	3.7%	0.0%	3.5%	0.0%	3.9%	0.0%	812	327						
Of-40	ARK Mori Building	3,450	3,450	0	3.1%	0.0%	3.2%	0.0%	3.3%	0.0%	3,199	250	Re-74	HF WAKAMATSUKAWADA RESIDENCE	1,760	1,790	-30	3.6%	0.0%	3.4%	0.0%	3.8%	0.0%	1,144	615						
Of-41	Nihonbashi Horidomecho First	2,340	2,400	-60	3.6%	0.0%	3.7%	0.0%	3.8%	0.0%	2,157	182	Re-75	HF SENDAI RESIDENCE EAST	2,050	2,060	-10	4.8%	0.0%	4.6%	0.0%	5.0%	0.0%	1,466	583						
Of-42	SOUTHERN SKY TOWER HACHIOJI	1,890	1,890	0	4.4%	0.0%	4.2%	0.0%	4.6%	0.0%	1,621	268	Re-76	HF NISHIKOEN RESIDENCE	1,520	1,530	-10	4.2%	0.0%	4.0%	0.0%	4.3%	0.0%	1,253	266						
Of-43	HAMACHO HEIWA BUILDING	3,270	3,330	-60	3.6%	0.0%	3.4%	0.0%	3.7%	0.0%	3,152	117	Re-77	HF BANSUIDORI RESIDENCE	967	964	3	4.2%	0.0%	4.0%	0.0%	4.3%	0.0%	756	210						
Of-44	KINSHICHO SQUARE BUILDING	2,880	2,880	0	3.8%	0.0%	3.6%	0.0%	4.0%	0.0%	2,887	-7	Re-78	HF KANNAL RESIDENCE	2,380	2,380	0	3.7%	0.0%	3.5%	0.0%	3.8%	0.0%	1,713	666						
Of-45	HF NIHONBASHI KABUTOCHO BUILDING	3,930	4,020	-90	3.8%	0.1%	3.6%	0.1%	4.0%	0.1%	3,658	271	Re-79	HF MEIEKI-KITA RESIDENCE	2,400	2,400	0	3.8%	0.0%	3.6%	0.0%	3.9%	0.0%	2,108	291						
Of-46	HF SENDAI ICHIBANCHO BUILDING	2,670	2,670	0	4.2%	0.0%	4.0%	0.0%	4.4%	0.0%	2,668	1	Re-80	HF HIGASHI-SAPPORO RESIDENCE	1,870	1,860	10	4.4%	0.0%	4.2%	0.0%	4.5%	0.0%	1,433	436						
Of-47	OSAKI CN BUILDING	5,470	5,440	30	3.6%	0.0%	3.7%	0.0%	3.8%	0.0%	5,176	293	Re-81	HF HAKATA-HIGASHI RESIDENCE	993	978	15	4.2%	-0.1%	4.0%	-0.1%	4.4%	-0.1%	900	92						
Of-48	Faret East Building	2,000	2,000	0	4.2%	0.0%	4.0%	0.0%	4.4%	0.0%	1,652	347	Re-82	HF SENDAI ITSUTSUBASHI RESIDENCE	947	951	-4	4.1%	0.0%	3.9%	0.0%	4.2%	0.0%	883	63						
Of-49	HF ESAKA BUILDING	2,670	2,660	10	3.9%	-0.2%	3.7%	-0.1%	4.0%	-0.1%	2,592	77	Re-83	HF TABATA RESIDENCE	1,470	1,470	0	4.1%	0.0%	3.9%	0.0%	4.3%	0.0%	1,058	411						
Of-50	Shinsaibashi FRONT Building	7,840	7,860	-20	3.8%	0.0%	3.6%	0.0%	4.0%	0.0%	7,384	455	Re-84	HF RYOGOKU RESIDENCE	1,730	1,750	-20	4.2%	0.0%	4.0%	0.0%	4.4%	0.0%	1,364	365						
Of-51	SAKAE CENTER BUILDING	4,390	4,390	0	3.9%	0.0%	4.0%	0.0%	4.1%	0.0%	4,033	356	Re-85	HF HACHIOJI RESIDENCE	1,260	1,280	-20	4.2%	0.0%	4.0%	0.0%	4.4%	0.0%	1,212	47						
Of-52	IWAMOTOCHO TWIN BUILDING	3,740	3,740	0	3.4%	-0.1%	3.5%	-0.1%	3.6%	-0.1%	3,426	313	Re-86	HF MITA RESIDENCE II	1,570	1,570	0	3.1%	0.0%	2.9%	0.0%	3.2%	0.0%	1,253	316						
Of-53	IWAMOTOCHO TWIN SAKAE BUILDING	530	529	1	3.4%	-0.1%	3.5%	-0.1%	3.6%	-0.1%	415	114	Re-87	HF MONZEN-NAKACHO RESIDENCE	1,280	1,280	0	3.3%	0.0%	3.1%	0.0%	3.4%	0.0%	951	328						
Of-54	STAGE NISHIKI *2	2,410	-	-	4.0%	-	3.7%	-	4.1%	-	2,210	199	Re-88	HF MINAMI-SUNAMACHI RESIDENCE	1,120	1,120	0	3.6%	0.0%	3.4%	0.0%	3.7%	0.0%	904	215						
Total Office Buildings													128,926	127,163	462				107,590	21,335	Re-89	HF SENDAI NAGAMACHI RESIDENCE	1,140	1,130	10	4.5%	-0.1%	4.3%	-0.1%	4.7%	-0.1%

Property Name	38th FP ('20/11)	39th FP ('21/5)	40th FP ('21/11)	41st FP ('22/5)	42nd FP ('22/11)	43rd FP ('23/5)
Of-05 SUITENGU HEIWA BUILDING	6.10	6.04	6.13	6.18	5.70	6.02
Of-06 HF MONZENNAKACHO BUILDING	6.55	5.13	6.03	6.26	4.69	5.97
Of-07 HF HAMAMATSUCHO BUILDING	5.42	5.43	5.35	5.51	5.03	4.66
Of-08 HF TAMEIKE BUILDING	3.89	4.04	4.66	4.69	4.09	4.22
Of-09 GRACE BUILDING SENGAKUJIMAE *1	7.12	7.34	7.25	7.85	4.26	-20.83
Of-11 HF NIHONBASHI ODENMACHO BUILDING	4.64	4.63	4.36	4.18	4.64	4.71
Of-12 HF HATCHOBORI BUILDING	3.75	3.77	3.74	3.80	3.74	3.74
Of-17 HATCHOBORI MF BUILDING	4.17	4.10	4.10	4.53	4.39	4.30
Of-18 M2 HARAJUKU	4.58	4.65	2.62	2.67	3.60	3.84
Of-20 FUNABASHI FACE BUILDING	5.47	4.93	4.98	4.86	5.03	5.02
Of-21 ADESSO NISHIAZABU	2.36	1.56	1.46	3.18	2.90	3.25
Of-23 HF IKEBUKURO BUILDING	5.39	5.41	4.93	5.35	5.52	5.70
Of-24 HF YUSHIMA BUILDING	4.20	4.55	4.90	5.03	4.91	4.88
Of-25 KAYABACHO HEIWA BUILDING	7.66	7.69	7.69	7.67	7.60	7.64
Of-27 KOBE KYUKORYUCHI HEIWA BUILDING	7.13	7.50	7.40	7.52	8.00	7.22
Of-29 SAKAE MINAMI HEIWA BUILDING	8.01	7.09	8.19	8.41	8.29	8.17
Of-30 HF SAKURADORI BUILDING	7.42	8.11	8.18	8.10	8.06	8.23
Of-31 HF NIHONBASHI HAMACHO BUILDING	7.15	6.92	7.04	6.69	6.60	6.69
Of-32 HF SENDAI HONCHO BUILDING	7.74	8.23	8.14	8.21	7.97	8.66
Of-33 HF UENO BUILDING	5.92	5.98	5.76	5.99	5.88	5.69
Of-34 KOJIMACHI HF BUILDING	7.33	7.26	7.20	5.87	6.24	6.72
Of-35 HF KUDAN MINAMI BUILDING	4.63	4.97	5.27	4.73	3.30	4.21
Of-36 HF KANDA OGAWAMACHI BUILDING	5.04	5.15	5.03	5.00	5.11	5.15
Of-37 NISSO 5 BUILDING	4.80	4.78	4.70	4.74	4.53	4.64
Of-38 ACROSS SHINKAWA BUILDING	4.68	4.86	4.76	5.06	4.74	4.84
Of-39 SENJU MILDIX II	6.12	6.31	5.58	5.39	6.44	6.25
Of-40 ARK Mori Building	3.70	3.67	3.67	3.03	3.64	3.30
Of-41 Nihonbashi Horidomecho First	4.45	4.55	4.37	4.37	4.48	4.50
Of-42 SOUTHERN SKY TOWER HACHIOJI	5.72	5.51	5.71	5.51	5.75	5.60
Of-43 HAMACHO HEIWA BUILDING	4.70	4.60	4.31	3.77	3.91	3.99
Of-44 KINSHICHO SQUARE BUILDING	3.95	4.07	3.86	3.90	3.89	3.83
Of-45 HF NIHONBASHI KABUTOCHO BUILDING	4.89	4.59	4.55	4.56	4.33	4.19
Of-46 HF SENDAI ICHIBANCHO BUILDING	-	4.65	4.24	3.73	4.12	4.20
Of-47 OSAKI CN BUILDING	-	-	3.16	3.38	3.49	3.44
Of-48 Fareit East Building	-	-	6.39	6.15	4.98	4.83
Of-49 HF ESAKA BUILDING	-	-	-	3.93	3.38	2.85
Of-50 Shinsaibashi FRONT Building	-	-	-	-	4.38	4.08
Of-51 SAKAE CENTER BUILDING	-	-	-	-	4.95	4.71
Of-52 IWAMOTOCHO TWIN BUILDING	-	-	-	-	3.98	3.70
Of-53 IWAMOTOCHO TWIN SAKAE BUILDING	-	-	-	-	4.98	4.28
Of-54 STAGE NISHIKI *2	-	-	-	-	-	3.75
Total Office Buildings	5.51	5.48	5.25	5.17	4.99	4.98
Re-03 HF ICHIKAWA RESIDENCE	7.80	7.95	8.05	7.95	8.10	7.11
Re-05 HF MEGURO RESIDENCE	5.40	5.05	4.67	4.07	4.61	4.66
Re-09 HF KASAI RESIDENCE	6.98	6.95	7.21	6.92	7.23	5.91
Re-11 HF WAKABAYASHI-KOEN RESIDENCE	6.27	6.26	6.53	6.47	6.68	6.89
Re-12 HF HIMONYA RESIDENCE	5.09	4.64	5.07	5.37	5.65	4.98
Re-14 HF MINAMIAZABU RESIDENCE	3.74	4.16	4.43	4.04	4.29	4.07
Re-16 HF GAKUGEIDAI GAKU RESIDENCE	4.30	4.99	4.83	4.91	5.02	5.40
Re-17 HF HIGASHIKANDA RESIDENCE	6.55	7.01	6.51	4.26	6.65	7.15
Re-18 HF HIGASHINIHONBASHI RESIDENCE	7.43	5.89	7.38	4.38	6.56	6.86
Re-19 HF NERIMA RESIDENCE	4.76	7.46	3.80	7.14	6.25	7.13
Re-20 HF SHIROKANETAKANAWA RESIDENCE	5.83	5.14	5.95	5.52	5.91	5.67
Re-21 HF MEIDAI MAE RESIDENCE	3.94	4.46	4.85	4.21	4.98	4.72
Re-22 HF NIHONBASHI RESIDENCE	3.09	4.84	4.56	4.69	5.03	5.16
Re-23 HF KAMISHAKUJII RESIDENCE	5.67	6.16	5.69	5.99	5.65	5.65
Re-24 HF KINSHICHO RESIDENCE	3.10	4.59	5.15	4.92	4.95	5.01
Re-25 HF GINZA RESIDENCE EAST	4.02	4.04	3.67	3.87	4.00	4.20
Re-26 HF SHIN-YOKOHAMA RESIDENCE	4.81	4.73	4.55	4.87	4.67	5.10
Re-30 HF MAGOME RESIDENCE	4.75	4.59	5.05	4.36	4.69	4.93
Re-31 HF GAKUGEIDAI GAKU RESIDENCE II	3.23	3.79	2.23	3.56	3.95	3.40
Re-33 HF KAMEIDO RESIDENCE	5.06	3.93	4.61	5.06	5.06	5.48
Re-34 HF TANASHI RESIDENCE	4.96	4.94	4.84	5.17	5.36	5.49
Re-38 La Residence de Shirokanedai	4.17	4.98	5.67	5.92	5.01	5.93
Re-39 HF GINZA RESIDENCE EAST II	5.37	5.77	5.92	5.13	5.16	5.06
Re-40 HF HATCHOBORI RESIDENCE II	4.71	5.00	5.14	5.12	4.93	5.63
Re-41 HF HATCHOBORI RESIDENCE III *3	5.86	6.26	6.85	7.65	6.53	7.41

Property Name	38th FP ('20/11)	39th FP ('21/5)	40th FP ('21/11)	41st FP ('22/5)	42nd FP ('22/11)	43rd FP ('23/5)
Re-42 HF GINZA RESIDENCE	6.31	5.16	6.61	6.49	6.21	6.50
Re-43 HF KOMAZAWA-KOEN RESIDENCE TOWER	4.71	4.94	5.21	4.67	5.02	5.10
Re-45 HF NAKANOSHIMA RESIDENCE	6.33	6.26	5.49	5.28	6.27	6.55
Re-46 HF AWAZA RESIDENCE	7.46	7.54	5.26	7.36	7.48	6.55
Re-47 HF MARUNOUCHI RESIDENCE	7.88	7.39	7.87	8.29	6.80	8.03
Re-48 HF HIRAO RESIDENCE	7.76	7.49	7.34	7.90	7.77	8.06
Re-49 HF KAWARAMACHI NIJO RESIDENCE	5.24	5.57	6.06	5.95	6.06	5.71
Re-53 HF SHIJO KAWARAMACHI RESIDENCE	7.41	6.76	6.94	7.14	6.98	7.37
Re-54 La Residence de Sendagi	5.62	5.98	6.00	6.52	5.73	6.09
Re-55 HF SENDAGI RESIDENCE	5.94	6.41	6.36	6.82	6.21	6.53
Re-56 HF KOMAZAWA-KOEN RESIDENCE	5.14	5.26	5.29	4.83	4.87	5.52
Re-57 HF MUSASHIKOYAMA RESIDENCE	6.61	6.75	5.89	6.38	6.11	5.84
Re-58 HF KOKUBUNJI RESIDENCE	6.76	5.51	4.08	6.11	6.34	6.70
Re-59 HF HISAYADORI RESIDENCE	5.67	6.50	6.09	6.33	7.19	6.14
Re-60 HF KARASUMA KURAMAGUCHI RESIDENCE	6.29	6.98	6.89	7.26	6.40	6.90
Re-61 HF NISHI-SHINJUKU RESIDENCE WEST	5.37	5.43	5.65	5.23	5.84	5.67
Re-62 HF NISHI-SHINJUKU RESIDENCE EAST	5.19	4.91	5.90	4.58	5.05	5.22
Re-63 HF HIGASHI-SHINJUKU RESIDENCE	5.86	5.66	5.33	4.94	4.82	5.59
Re-64 HF HIGASHI-SHINSAIBASHI RESIDENCE	6.53	6.37	6.66	5.59	5.95	6.59
Re-65 HF KITA-YOBANCHO RESIDENCE	7.26	8.34	8.55	7.74	8.49	8.32
Re-66 HF ATAGOBASHI RESIDENCE	7.91	8.83	8.42	8.38	2.70	7.78
Re-68 HF ASAKUSABASHI RESIDENCE	5.87	5.22	5.98	2.51	5.72	6.07
Re-69 HF ICHIBANCHO RESIDENCE	7.33	8.30	7.57	8.18	8.37	8.19
Re-70 HF HIGASHI-NAKANO RESIDENCE	4.81	5.70	5.85	5.64	5.70	5.45
Re-72 HF WASEDA RESIDENCE	5.56	5.86	5.59	5.60	5.91	5.36
Re-73 HF WASEDA RESIDENCE II	5.71	5.89	4.62	4.82	5.55	5.19
Re-74 HF WAKAMATSUKAWADA RESIDENCE	5.47	5.55	5.49	6.17	4.98	5.12
Re-75 HF SENDAI RESIDENCE EAST	6.20	6.45	6.61	5.97	7.46	7.14
Re-76 HF NISHIKOEN RESIDENCE	4.94	5.51	5.28	5.40	5.01	4.79
Re-77 HF BANSUIDORI RESIDENCE	3.72	5.42	5.72	5.26	5.60	5.39
Re-78 HF KANNAI RESIDENCE	5.69	5.52	6.22	5.94	5.33	5.33
Re-79 HF MEIEKI-KITA RESIDENCE	3.67	4.41	4.41	4.27	4.37	4.49
Re-80 HF HIGASHI-SAPPORO RESIDENCE	5.43	5.33	6.03	5.98	6.25	6.09
Re-81 HF HAKATA-HIGASHI RESIDENCE	4.74	4.47	5.09	5.14	5.27	5.01
Re-82 HF SENDAI ITSUTSUBASHI RESIDENCE	4.06	4.28	4.22	4.65	4.24	4.39
Re-83 HF TABATA RESIDENCE	6.36	6.34	6.10	6.51	6.18	6.24
Re-84 HF RYOGOKU RESIDENCE	5.52	5.79	5.75	5.73	5.77	5.58
Re-85 HF HACHIOJI RESIDENCE	4.03	2.50	4.31	4.38	5.19	4.40
Re-86 HF MITA RESIDENCE II	3.74	3.62	3.82	3.98	3.82	2.13
Re-87 HF MONZEN-NAKACHO RESIDENCE	4.60	4.56	4.29	4.54	4.88	4.60
Re-88 HF MINAMI-SUNAMACHI RESIDENCE	5.10	4.59	5.23	4.80	4.49	4.67
Re-89 HF SENDAI NAGAMACHI RESIDENCE	5.32	4.84	4.86	5.01	3.97	4.51
Re-90 HF SHOKUJI AKABANE RESIDENCE	5.16	5.55	4.74	4.53	5.32	5.26
Re-91 HF SENDAI HONCHO RESIDENCE	0.68	3.11	4.91	5.04	5.10	5.17
Re-92 HF OHORI RESIDENCE BAYSIDE	4.84	4.08	4.18	4.62	4.33	4.58
Re-93 HF HAKATA-HIGASHI RESIDENCE II	-	4.15	4.92	4.60	5.05	5.17
Re-94 HF FUKUOKA RESIDENCE EAST	-	4.68	4.90	4.99	5.75	1.22
Re-95 HF SHOKUJI AKABANE RESIDENCE II	-	-	5.15	5.47	4.87	4.95
Re-96 HF YAHIOI RESIDENCE	-	-	4.79	5.14	4.63	5.21
Re-97 HF SETAGAYAKAMIMACHI RESIDENCE	-	-	2.56	4.57	4.17	4.36
Re-98 HF SOKA RESIDENCE	-	-	4.85	4.38	4.50	4.82
Re-99 HF UENO IRIYA RESIDENCE	-	-	-	3.69	3.68	4.01
Re-100 HF TSUJIDO RESIDENCE	-	-	-	4.02	3.97	4.43
Re-101 HF KAWAGUCHIEKIMAE RESIDENCE	-	-	-	-	5.07	5.04
Re-102 HF HIGASHIOGU RESIDENCE	-	-	-	-	5.29	5.35
Re-103 HF IMAIKE-MINAMI RESIDENCE *4	-	-	-	-	-	3.08
Re-104 HF FUSHIMI RESIDENCE *5	-	-	-	-	-	4.62
Re-105 HF NAKANO-SAKAUE RESIDENCE *6	-	-	-	-	-	4.81
Re-106 HF UENO RESIDENCE EAST *7	-	-	-	-	-	3.80
Re-107 HF OMORI MACHI RESIDENCE *8	-	-	-	-	-	3.69
Total Residential Properties	5.16	5.24	5.30	5.24	5.34	5.32
Total Residential in portfolio	5.32	5.35	5.27	5.20	5.16	5.15

*Actual NOI yield (%) = Actual NOI (Annualized) / ((Beginning of BV + End of BV) / 2)

BV at the beginning of the period is used for sales, and BV at the end of the period is used for purchases.

*1 Fifty percent (50%) of the quasi-co-ownership interest was transferred on June 3, 2022,

with the remainder transferred on December 5, 2022.

*2 Acquired on April 28, 2023

*3 Scheduled to be transferred on August 31, 2023

*4 Acquired on January 30, 2023

*5 Acquired on January 31, 2023

*6 Acquired on March 1, 2023

*7 Acquired on February 28, 2023

*8 Acquired on April 27, 2023

*9 Properties sold before the 42nd Fiscal Period are excluded.

Total Office Buildings, Total Residential Properties, and

Total properties in portfolio include properties sold.

(unit: %)

Property Name	38th FP ('20/11)	39th FP ('21/5)	40th FP ('21/11)	41st FP ('22/5)	42nd FP ('22/11)	43rd FP ('23/5)
Of-05 SUTENGU HEIWA BUILDING	4.93	4.87	4.95	5.01	4.50	4.80
Of-06 HF MONZENNAKACHO BUILDING	5.01	3.57	4.44	4.65	2.98	4.22
Of-07 HF HAMAMATSUCHO BUILDING	4.33	4.34	4.26	4.43	3.93	3.56
Of-08 HF TAMEIKE BUILDING	3.27	3.42	4.03	4.05	3.41	3.52
Of-09 GRACE BUILDING SENGAKUJIMAE *1	5.88	6.09	5.99	6.58	3.27	-28.57
Of-11 HF NIHONBASHI ODENMACHO BUILDING	3.24	3.20	2.92	2.65	3.09	3.15
Of-12 HF HATCHOBORI BUILDING	3.15	3.18	3.15	3.19	3.12	3.11
Of-17 HATCHOBORI MF BUILDING	3.25	3.17	3.16	3.58	3.44	3.34
Of-18 M2 HARAJUKU	4.04	4.11	2.08	2.11	3.03	3.27
Of-20 FUNABASHI FACE BUILDING	4.86	4.31	4.39	4.29	4.46	4.45
Of-21 ADESSO NISHIAZABU	1.73	1.03	0.93	2.64	2.36	2.76
Of-23 HF IKEBUKURO BUILDING	4.57	4.58	4.10	4.52	4.68	4.85
Of-24 HF YUSHIMA BUILDING	3.25	3.60	3.94	4.06	3.94	3.90
Of-25 KAYABACHO HEIWA BUILDING	7.26	7.29	7.28	7.25	7.14	7.17
Of-27 KOBE KYUKYORYUCHI HEIWA BUILDING	5.07	5.41	5.28	5.39	5.83	5.03
Of-29 SAKAE MINAMI HEIWA BUILDING	6.56	5.62	6.71	6.96	6.84	6.71
Of-30 HF SAKURADORI BUILDING	5.84	6.50	6.56	6.47	6.41	6.57
Of-31 HF NIHONBASHI HAMACHO BUILDING	6.12	5.85	5.92	5.51	5.31	5.32
Of-32 HF SENDAI HONCHO BUILDING	5.69	6.41	6.30	6.35	6.14	6.89
Of-33 HF UENO BUILDING	4.89	4.93	4.70	4.93	4.81	4.62
Of-34 KOJIMACHI HF BUILDING	6.57	6.49	6.43	5.10	5.46	5.93
Of-35 HF KUDAN MINAMI BUILDING	3.87	4.18	4.48	3.93	2.42	3.28
Of-36 HF KANDA OGAWAMACHI BUILDING	4.56	4.66	4.53	4.50	4.61	4.64
Of-37 NISSO 5 BUILDING	3.88	3.86	3.74	3.76	3.52	3.63
Of-38 ACROSS SHINKAWA BUILDING	4.27	4.44	4.35	4.65	4.32	4.37
Of-39 SENJU MILDIX II	4.81	5.06	4.83	4.63	5.67	5.43
Of-40 ARK Mori Building	3.54	3.51	3.56	2.89	3.48	2.82
Of-41 Nihonbashi Horidomecho First	3.85	3.96	3.77	3.88	4.00	4.02
Of-42 SOUTHERN SKY TOWER HACHIOJI	4.83	4.64	4.82	4.61	4.85	4.69
Of-43 HAMACHO HEIWA BUILDING	4.11	3.99	3.69	3.21	3.41	3.45
Of-44 KINSHICHO SQUARE BUILDING	3.52	3.64	3.42	3.44	3.43	3.44
Of-45 HF NIHONBASHI KABUTOCHO BUILDING	4.62	4.31	4.29	4.29	4.05	3.90
Of-46 HF SENDAI ICHIBANCHO BUILDING	-	3.94	3.58	3.03	3.38	3.44
Of-47 OSAKI CN BUILDING	-	-	2.84	3.06	3.16	3.11
Of-48 Faret East Building	-	-	5.19	5.34	4.32	4.16
Of-49 HF ESAKA BUILDING	-	-	-	3.22	2.75	2.21
Of-50 Shinsaibashi FRONT Building	-	-	-	-	4.18	3.88
Of-51 SAKAE CENTER BUILDING	-	-	-	-	4.48	4.16
Of-52 IWAMOTOCHO TWIN BUILDING	-	-	-	-	3.64	3.36
Of-53 IWAMOTOCHO TWIN SAKAE BUILDING	-	-	-	-	4.62	3.86
Of-54 STAGE NISHIKI *2	-	-	-	-	-	3.06
Total Office Buildings	4.63	4.62	4.43	4.35	4.24	4.22
Re-03 HF ICHIKAWA RESIDENCE	6.55	6.76	6.85	6.73	6.88	5.90
Re-05 HF MEGURO RESIDENCE	4.49	4.21	3.82	3.20	3.73	3.78
Re-09 HF KASAI RESIDENCE	5.75	5.76	6.01	5.64	5.94	4.56
Re-11 HF WAKABAYASHI-KOEN RESIDENCE	5.07	5.05	5.32	5.28	5.50	5.68
Re-12 HF HIMONYA RESIDENCE	4.26	3.80	4.23	4.55	4.83	4.14
Re-14 HF MINAMIAZABU RESIDENCE	3.09	3.51	3.77	3.40	3.64	3.33
Re-16 HF GAKUGEIDAIGAKU RESIDENCE	3.54	4.23	4.07	4.13	4.29	4.66
Re-17 HF HIGASHIKANDA RESIDENCE	4.04	4.46	4.73	2.48	4.81	5.29
Re-18 HF HIGASHINIHOHONBASHI RESIDENCE	5.08	3.47	5.65	2.61	4.75	5.02
Re-19 HF NERIMA RESIDENCE	2.25	4.90	1.91	5.25	4.33	5.18
Re-20 HF SHIROKANETAKANAWA RESIDENCE	4.63	3.93	5.00	4.73	5.10	4.84
Re-21 HF MEIDAIMAE RESIDENCE	2.81	3.66	4.03	3.36	4.10	3.85
Re-22 HF NIHONBASHI RESIDENCE	2.07	3.99	3.75	3.87	4.19	4.32
Re-23 HF KAMISHAKUJII RESIDENCE	4.13	4.59	4.23	4.56	4.67	4.64
Re-24 HF KINSHICHO RESIDENCE	2.03	3.69	4.29	4.04	4.07	4.14
Re-25 HF GINZA RESIDENCE EAST	2.95	2.93	2.74	3.12	3.23	3.43
Re-26 HF SHIN-YOKOHAMA RESIDENCE	3.43	3.33	3.13	3.41	3.27	4.23
Re-30 HF MAGOME RESIDENCE	3.46	3.31	3.75	3.03	3.34	3.52
Re-31 HF GAKUGEIDAIGAKU RESIDENCE II	2.34	2.90	1.46	2.89	3.27	2.73
Re-33 HF KAMEIDO RESIDENCE	3.84	2.66	3.33	3.76	3.75	4.16
Re-34 HF TANASHI RESIDENCE	2.64	2.60	2.59	2.89	3.06	3.16
Re-38 La Residence de Shirokanedai	3.19	4.00	4.69	5.17	4.23	5.14
Re-39 HF GINZA RESIDENCE EAST II	4.09	4.48	4.64	4.03	4.04	3.94
Re-40 HF HATCHOBORI RESIDENCE II	2.94	3.23	3.41	3.70	3.52	4.23
Re-41 HF HATCHOBORI RESIDENCE III	3.74	4.12	4.79	6.21	5.10	6.00

Property Name	38th FP ('20/11)	39th FP ('21/5)	40th FP ('21/11)	41st FP ('22/5)	42nd FP ('22/11)	43rd FP ('23/5)
Re-42 HF GINZA RESIDENCE	3.93	2.73	4.27	5.19	4.82	5.08
Re-43 HF KOMAZAWA-KOEN RESIDENCE TOWER	3.41	3.64	3.94	3.57	3.87	3.96
Re-45 HF NAKANOSHIMA RESIDENCE	3.61	3.55	2.82	3.02	3.99	4.30
Re-46 HF AWAZA RESIDENCE	4.59	4.61	2.41	5.59	5.70	4.75
Re-47 HF MARUNOUCHI RESIDENCE	5.10	4.54	5.20	6.38	4.84	6.04
Re-48 HF HIRAO RESIDENCE	5.17	4.91	4.86	6.37	6.24	6.53
Re-49 HF KAWARAMACHI NIJO RESIDENCE	3.78	4.11	4.69	4.93	5.03	4.66
Re-53 HF SHIJO KAWARAMACHI RESIDENCE	6.31	5.63	5.78	5.96	5.77	6.14
Re-54 La Residence de Sendagi	4.85	5.19	5.20	5.70	4.95	5.53
Re-55 HF SENDAGI RESIDENCE	5.04	5.50	5.44	5.89	5.33	5.88
Re-56 HF KOMAZAWA-KOEN RESIDENCE	3.95	4.05	4.08	3.62	3.75	4.79
Re-57 HF MUSASHIKOYAMA RESIDENCE	5.81	5.93	5.06	5.52	5.22	4.93
Re-58 HF KOKUBUNJI RESIDENCE	5.75	4.46	3.01	5.01	5.29	5.95
Re-59 HF HISAYADORI RESIDENCE	4.32	5.13	4.70	4.94	5.81	4.77
Re-60 HF KARASUMA KURAMAGUCHI RESIDENCE	5.20	5.89	5.79	6.16	5.29	5.76
Re-61 HF NISHI-SHINJUKU RESIDENCE WEST	4.65	4.68	4.88	4.43	5.04	4.86
Re-62 HF NISHI-SHINJUKU RESIDENCE EAST	4.40	4.09	5.05	3.72	4.16	4.32
Re-63 HF HIGASHI-SHINJUKU RESIDENCE	4.83	4.60	4.26	3.84	3.70	4.47
Re-64 HF HIGASHI-SHINSAIBASHI RESIDENCE	5.55	5.40	5.67	4.59	4.94	5.59
Re-65 HF KITA-YOBANCHO RESIDENCE	5.47	6.48	6.60	5.73	6.45	6.22
Re-66 HF ATAGOBASHI RESIDENCE	5.85	6.67	6.20	6.10	4.47	5.35
Re-68 HF ASAKUSABASHI RESIDENCE	5.01	4.34	5.09	1.60	4.78	5.13
Re-69 HF ICHIBANCHO RESIDENCE	5.82	6.78	6.01	6.58	6.73	6.51
Re-70 HF HIGASHI-NAKANO RESIDENCE	3.93	4.80	4.93	4.69	4.72	4.45
Re-72 HF WASEDA RESIDENCE	4.78	5.06	4.76	4.76	5.06	4.49
Re-73 HF WASEDA RESIDENCE II	4.96	5.13	3.83	4.01	4.72	4.33
Re-74 HF WAKAMATSUKAWADA RESIDENCE	4.27	4.36	4.62	5.30	4.10	4.24
Re-75 HF SENDAI RESIDENCE EAST	4.22	4.44	4.58	3.91	5.41	5.07
Re-76 HF NISHIKOEN RESIDENCE	3.06	3.60	3.32	3.43	3.01	2.75
Re-77 HF BANSUIDORI RESIDENCE	1.88	3.54	3.80	3.30	3.61	3.35
Re-78 HF KANNAI RESIDENCE	4.25	4.04	4.71	4.39	3.76	3.72
Re-79 HF MEIKEI-KITA RESIDENCE	2.43	3.13	3.11	2.95	3.02	3.12
Re-80 HF HIGASHI-SAPPORO RESIDENCE	3.77	3.64	4.32	4.25	4.50	4.32
Re-81 HF HAKATA-HIGASHI RESIDENCE	3.55	3.25	3.87	3.91	4.02	3.75
Re-82 HF SENDAI ITSUTSUBASHI RESIDENCE	2.74	2.94	2.86	3.27	2.85	2.99
Re-83 HF TABATA RESIDENCE	4.95	4.93	4.67	5.07	4.74	4.78
Re-84 HF RYOGOKU RESIDENCE	4.25	4.51	4.46	4.44	4.46	4.26
Re-85 HF HACHIOJI RESIDENCE	3.24	1.63	3.45	3.51	4.30	3.49
Re-86 HF MITA RESIDENCE II	3.25	3.11	3.31	3.46	3.29	1.60
Re-87 HF MONZEN-NAKACHO RESIDENCE	3.74	3.70	3.43	3.68	4.01	3.70
Re-88 HF MINAMI-SUNAMACHI RESIDENCE	4.19	3.67	4.30	3.84	3.50	3.67
Re-89 HF SENDAI NAGAMACHI RESIDENCE	3.91	3.39	3.35	3.48	2.44	2.94
Re-90 HF SHOKOJI AKABANE RESIDENCE	4.07	4.45	3.63	3.41	4.20	4.13
Re-91 HF SENDAI HONCHO RESIDENCE	-0.47	1.96	3.74	3.87	3.92	3.98
Re-92 HF OHORI RESIDENCE BAYSIDE	3.96	3.17	3.22	3.65	3.35	3.61
Re-93 HF HAKATA-HIGASHI RESIDENCE II	-	3.11	4.13	3.78	4.22	4.33
Re-94 HF FUKUOKA RESIDENCE EAST	-	2.82	3.49	3.53	4.27	-0.26
Re-95 HF SHOKOJI AKABANE RESIDENCE II	-	-	4.01	4.35	3.74	3.82
Re-96 HF YAHIRO RESIDENCE	-	-	3.64	4.00	3.49	4.06
Re-97 HF SETAGAYAKAMIMACHI RESIDENCE	-	-	1.82	3.84	3.44	3.62
Re-98 HF SOKA RESIDENCE	-	-	3.37	3.35	3.44	3.73
Re-99 HF UENO IRIYA RESIDENCE	-	-	-	2.86	2.93	3.26
Re-100 HF TSUJIDO RESIDENCE	-	-	-	3.20	3.11	3.56
Re-101 HF KAWAGUCHIEKIMAE RESIDENCE	-	-	-	-	4.08	4.05
Re-102 HF HIGASHIOGU RESIDENCE	-	-	-	-	4.34	4.41
Re-103 HF IMAIKE-MINAMI RESIDENCE *4	-	-	-	-	-	1.75
Re-104 HF FUSHIMI RESIDENCE *5	-	-	-	-	-	3.53
Re-105 HF NAKANO-SAKAUE RESIDENCE *6	-	-	-	-	-	4.16
Re-106 HF UENO RESIDENCE EAST *7	-	-	-	-	-	3.23
Re-107 HF OMORIMACHI RESIDENCE *8	-	-	-	-	-	2.65
Total Residential Properties	3.82	3.93	4.06	4.08	4.18	4.18
Total properties in portfolio	4.18	4.25	4.23	4.21	4.21	4.20

*Actual NOI yield (%)= Actual NOI (Annualized) /((Beginning of BV+End of BV)/2)

BV at the beginning of the period is used for sales, and BV at the end of the period is used for purchases.

*1 Fifty percent (50%) of the quasi-co-ownership interest was transferred on June 3, 2022, with the remainder transferred on December 5, 2022.

*2 Acquired on April 28, 2023

*3 Scheduled to be transferred on August 31, 2023

*4 Acquired on January 30, 2023

*5 Acquired on January 31, 2023

*6 Acquired on March 1, 2023

*7 Acquired on February 28, 2023

*8 Acquired on April 27, 2023

*9 Properties sold before the 42nd Fiscal Period are excluded.

Office Buildings								Residential Properties									
Property Name	30-Nov-2022	31-Dec-2022	31-Jan-2023	28-Feb-2023	31-Mar-2023	30-Apr-2023	31-May-2023	Property Name	30-Nov-2022	31-Dec-2022	31-Jan-2023	28-Feb-2023	31-Mar-2023	30-Apr-2023	31-May-2023		
Of-05 SUIITENGU HEIWA BUILDING	100	100	100	100	100	100	100	Re-42 HF GINZA RESIDENCE	98.13	96.00	96.00	93.85	98.13	98.13	95.69		
Of-06 HF MONZENNAKACHO BUILDING	100	100	100	100	100	100	100	Re-43 HF KOMAZAWA-KOEN RESIDENCE TOWER	95.91	96.07	95.66	96.38	96.62	97.45	98.15		
Of-07 HF HAMAMATSUCHO BUILDING	88.81	88.81	88.81	88.81	88.81	88.81	88.81	Re-45 HF NAKANOSHIMA RESIDENCE	92.84	97.96	90.38	93.88	94.89	100	97.96		
Of-08 HF TAMEIKE BUILDING	90.87	90.87	90.87	-	-	100	100	Re-46 HF AWAZA RESIDENCE	95.44	93.91	92.23	95.27	95.27	95.27	95.11		
Of-09 GRACE BUILDING SENGAKUJIMAE *1	100	-	-	-	-	-	-	Re-47 HF MARUNOUCHI RESIDENCE	91.66	98.61	100	97.23	95.82	95.84	94.44		
Of-11 HF NIHONBASHI ODENMACHO BUILDING	100	100	100	100	100	100	100	Re-48 HF HIRAO RESIDENCE	96.43	96.43	97.48	97.52	98.38	96.34	95.30		
Of-12 HF HATCHOBORI BUILDING	100	100	100	100	100	100	100	Re-49 HF KAWARAMACHI NJIO RESIDENCE	96.12	95.43	97.37	96.21	95.78	94.27	93.98		
Of-17 HATCHOBORI MF BUILDING	100	100	100	100	100	100	100	Re-53 HF SHUJO KAWARAMACHI RESIDENCE	98.12	95.09	95.72	98.12	98.14	98.20	100		
Of-18 M2 HARAJUKU	100	100	100	100	100	100	100	Re-54 La Residence de Sendagi	96.25	98.07	98.07	98.07	100	100	100		
Of-20 FUNABASHI FACE BUILDING	100	100	100	100	100	100	100	Re-55 HF SENDAGI RESIDENCE	100	100	100	100	100	96.98	96.98		
Of-21 ADESSO NISHIAZABU	100	100	100	100	100	100	100	Re-56 HF KOMAZAWA-KOEN RESIDENCE	94.45	94.45	100	100	100	100	97.22		
Of-23 HF IKBUKURO BUILDING	100	100	100	100	100	100	100	Re-57 HF MUSASHIKOYAMA RESIDENCE	94.60	96.40	96.40	96.45	98.24	94.97	96.93		
Of-24 HF YUSHIMA BUILDING	100	100	100	100	100	100	100	Re-58 HF KOKUBUNJI RESIDENCE	100	98.11	98.11	98.11	100	96.13	98.11		
Of-25 KAYABACHO HEIWA BUILDING	100	100	100	100	100	100	100	Re-59 HF HISAYAODORI RESIDENCE	95.09	95.03	96.08	94.12	93.14	93.08	98.02		
Of-27 KOBE KYUKORYUCHI HEIWA BUILDING	100	100	98.00	98.00	98.00	99.00	99.00	Re-60 HF KARASUMA KURAMAGUCHI RESIDENCE	97.98	95.95	97.98	100	100	93.93	93.93		
Of-29 SAKAE MINAMI HEIWA BUILDING	100	100	100	100	100	100	100	Re-61 HF NISHI-SHINJUUKU RESIDENCE WEST	95.00	93.75	93.75	98.75	97.16	97.16	98.75		
Of-30 HF SAKURADORI BUILDING	98.92	98.92	98.92	98.92	100	100	100	Re-62 HF NISHI-SHINJUUKU RESIDENCE EAST	98.49	90.65	91.56	92.76	93.67	97.59	97.59		
Of-31 HF NIHONBASHI HAMACHO BUILDING	100	100	100	100	100	100	100	Re-63 HF HIGASHI-SHINJUUKU RESIDENCE	97.22	95.81	95.79	95.81	100	100	98.57		
Of-32 HF SENDAI HONCHO BUILDING	100	100	100	100	100	100	100	Re-64 HF HIGASHI-SHINSAIBASHI RESIDENCE	100	100	100	100	100	100	97.26		
Of-33 HF UENO BUILDING	100	100	100	100	100	100	100	Re-65 HF KITA-YOBANCHO RESIDENCE	94.43	96.66	96.68	96.66	97.79	94.43	92.21		
Of-34 KOJIMACHI HF BUILDING	100	100	100	100	100	100	100	Re-66 HF ATAGOBASHI RESIDENCE	95.03	92.55	95.03	95.03	98.76	88.02	86.80		
Of-35 HF KUDAN MINAMI BUILDING	100	100	100	100	100	100	100	Re-68 HF ASAKUSABASHI RESIDENCE	97.44	97.44	100	100	97.44	100	97.44		
Of-36 HF KANDA OGAWAMACHI BUILDING	100	100	100	100	100	100	100	Re-69 HF ICHIBANCHO RESIDENCE	100	98.82	98.82	97.63	93.46	97.02	98.82		
Of-37 NISSO S BUILDING	100	100	100	100	100	100	100	Re-70 HF HIGASHI-NAKANO RESIDENCE	96.86	95.19	98.43	97.00	93.54	97.00	98.33		
Of-38 ACROSS SHINKAWA BUILDING	97.83	97.83	97.83	98.01	98.01	100	100	Re-72 HF WASEDA RESIDENCE	97.77	96.30	97.80	94.86	95.15	96.68	94.83		
Of-39 SENJU MILDIX II	100	100	100	100	100	100	100	Re-73 HF WASEDA RESIDENCE II	96.54	94.82	98.27	94.82	96.54	96.24	93.09		
Of-40 ARK Mori Building	100	100	100	100	100	100	100	Re-74 HF WAKAMATSUKAWADA RESIDENCE	96.35	93.06	96.71	91.28	93.43	90.91	96.71		
Of-41 Nihonbashi Horidomecho First	100	100	100	100	100	100	100	Re-75 HF SENDAI RESIDENCE EAST	98.79	96.82	96.22	98.79	98.04	96.22	94.86		
Of-42 SOUTHERN SKY TOWER HACHIOJI	100	100	100	100	100	100	100	Re-76 HF NISHIKOEN RESIDENCE	98.06	91.26	93.20	99.03	95.15	96.12	96.12		
Of-43 HAMACHO HEIWA BUILDING	100	100	100	100	100	100	100	Re-77 HF BANSUIDORI RESIDENCE	95.45	93.94	95.45	96.97	95.45	95.45	100		
Of-44 KINSHICHO SQUARE BUILDING	100	100	100	100	100	100	100	Re-78 HF KANNAI RESIDENCE	98.28	98.21	95.66	94.79	95.81	93.97	93.97		
Of-45 HF NIHONBASHI KABUTOCHO BUILDING	100	100	100	100	100	100	100	Re-79 HF MEIEKI-KITA RESIDENCE	96.60	96.60	95.10	95.24	95.11	97.41	96.36		
Of-46 HF SENDAI ICHIBANCHO BUILDING	98.13	98.13	98.13	98.13	98.13	98.13	98.13	Re-80 HF HIGASHI-SAPPORO RESIDENCE	95.39	96.88	99.06	100	100	99.45	98.36		
Of-47 OSAKI CN BUILDING	100	100	100	100	100	100	100	Re-81 HF HAKATA-HIGASHI RESIDENCE	98.70	97.43	94.87	97.44	100	100	97.44		
Of-48 Faret East Building	100	100	100	100	100	100	100	Re-82 HF SENDAI ITSUTSUBASHI RESIDENCE	94.54	100	98.18	98.18	96.36	96.37	96.37		
Of-49 HF ESAKA BUILDING	93.61	93.61	93.61	93.61	93.61	100	100	Re-83 HF TABATA RESIDENCE	98.61	98.61	100	100	97.08	100	100		
Of-50 Shinsaibashi FRONT Building	100	100	100	100	100	100	100	Re-84 HF RYOGOKU RESIDENCE	100	97.89	98.78	98.78	91.76	89.28	98.74		
Of-51 SAKAE CENTER BUILDING	100	100	100	100	98.71	98.71	97.48	Re-85 HF HACHIOJI RESIDENCE	95.58	95.58	97.05	97.05	97.05	98.52	100		
Of-52 IWAMOTOCHO TWIN BUILDING	100	96.21	96.21	96.21	96.21	96.21	96.21	Re-86 HF MITA RESIDENCE II	95.35	97.68	94.80	92.48	100	97.73	94.80		
Of-53 IWAMOTOCHO TWIN SAKAE BUILDING	88.67	88.67	88.67	88.67	88.67	88.67	88.67	Re-87 HF MONZEN-NAKACHO RESIDENCE	97.73	97.73	100	97.73	100	97.73	97.73		
Of-54 STAGE NISHIKI *2	-	-	-	-	-	86.27	86.27	Re-88 HF MINAMI-SUNAMACHI RESIDENCE	95.88	95.88	100	100	97.99	95.88	100		
Total Office Buildings	99.21	99.11	99.03	99.15	99.25	99.22	99.10	Re-89 HF SENDAI NAGAMACHI RESIDENCE	98.38	94.46	98.92	98.47	100	95.69	96.23		
Re-03 HF ICHIKAWA RESIDENCE	100	100	100	100	100	100	100	Re-90 HF SHOKOJI AKABANE RESIDENCE	100	98.51	98.51	98.51	100	95.25	93.76		
Re-05 HF MEGURO RESIDENCE	100	100	100	95.07	95.07	95.07	100	Re-91 HF SENDAI HONCHO RESIDENCE	97.11	98.55	98.54	97.09	100	97.09	95.66		
Re-09 HF KASAI RESIDENCE	93.67	97.94	97.94	100	97.94	97.87	97.94	Re-92 HF OHORI RESIDENCE BAYSIDE	94.42	94.42	94.42	97.21	98.60	100	97.23		
Re-11 HF WAKABAYASHI-KOEN RESIDENCE	100	100	99.11	99.11	100	97.88	97.88	Re-93 HF HAKATA-HIGASHI RESIDENCE II	97.00	96.85	98.95	100	99.30	98.05	96.99		
Re-12 HF HIMONYA RESIDENCE	95.65	92.24	96.17	96.53	100	97.48	98.36	Re-94 HF FUKUOKA RESIDENCE EAST	98.33	94.71	93.86	96.52	99.04	98.33	94.95		
Re-14 HF MINAMIAZABU RESIDENCE	96.64	94.96	96.66	96.66	95.00	100	94.98	Re-95 HF SHOKOJI AKABANE RESIDENCE II	98.93	100	100	100	100	96.65	94.53		
Re-16 HF GAKUGEIDAIGAKU RESIDENCE	100	100	95.75	100	100	100	100	Re-96 HF YAHIRO RESIDENCE	96.58	92.36	100	97.37	97.37	96.58	98.69		
Re-17 HF HIGASHIKANADA RESIDENCE	98.44	98.45	98.45	98.44	100	100	96.94	Re-97 HF SETAGAYAKAMIMACHI RESIDENCE	93.36	96.70	100	100	100	90.02	90.06		
Re-18 HF HIGASHINIHONBASHI RESIDENCE	96.30	97.53	100	92.40	100	98.80	95.05	Re-98 HF SOKA RESIDENCE	97.00	98.00	100	99.00	100	99.00	99.00		
Re-19 HF NERIMA RESIDENCE	93.70	97.54	98.08	98.08	100	98.08	98.08	Re-99 HF UENO IRIYA RESIDENCE	100	100	100	100	100	100	95.96		
Re-20 HF SHIROKANETAKANAWA RESIDENCE	98.07	98.07	96.82	95.95	94.85	94.14	93.59	Re-100 HF TSUJIDO RESIDENCE	95.06	92.58	97.53	97.53	100	97.53	95.06		
Re-21 HF MEIDAIMAE RESIDENCE	96.41	96.34	98.14	98.14	100	96.14	90.40	Re-101 HF KAWAGUCHIKIKIMAE RESIDENCE	97.02	97.02	98.01	100	100	97.02	98.01		
Re-22 HF NIHONBASHI RESIDENCE	98.28	98.28	95.33	98.28	100	100	96.32	Re-102 HF HIGASHIOGU RESIDENCE	100	98.61	98.77	98.77	100	100	97.57		
Re-23 HF KAMISHAKUJII RESIDENCE	97.28	98.64	97.14	97.25	100	98.54	97.17	Re-103 HF IMAIKE-MINAMI RESIDENCE *4	-	-	90.24	88.70	89.74	92.65	94.19		
Re-24 HF KINSHICHO RESIDENCE	100	100	96.59	98.30	97.98	96.28	97.98	Re-104 HF FUSHIMI RESIDENCE *5	-	-	89.65	89.65	91.86	91.86	85.92		
Re-25 HF GINZA RESIDENCE EAST	97.42	96.28	96.28	97.40	98.16	98.92	96.08	Re-105 HF NAKANO-SAKAUE RESIDENCE *6	-	-	-	-	100	100	100		
Re-26 HF SHIN-YOKOHAMA RESIDENCE	98.51	99.25	98.97	98.80	98.41	99.18	99.18	Re-106 HF UENO RESIDENCE EAST *7	-	-	-	93.48	93.48	96.55	100		
Re-30 HF MAGOME RESIDENCE	100	97.40	94.81	97.40	97.40	97.40	94.39	Re-107 HF OMORIMACHI RESIDENCE *8	-	-	-	-	-	92.98	92.98		
Re-31 HF GAKUGEIDAIGAKU RESIDENCE II	95.12	90.92	95.80	91.06	95.27	90.71	95.44	Total Residential Properties	97.21	96.65	97.09	97.24	97.64	97.09	96.68		
Re-33 HF KAMEIDO RESIDENCE	98.37	100	98.37	100	98.37	100	100	Total properties in portfolio	98.01	97.62	97.85	97.98	98.26	97.92	97.63		
Re-34 HF TANASHI RESIDENCE	100	97.15	97.15	100	100	100	97.39	*1 Fifty percent (50%) of the quasi-co-ownership interest was transferred on June 3, 2022, with the remainder transferred on December 5, 2022.								*6 Acquired on 1/1/2023	
Re-38 La Residence de Shirokanedai	96.44	96.44	100	96.39	100	100	100	*2 Acquired on April 28, 2023								*7 Acquired on 1/1/2023	
Re-39 HF GINZA RESIDENCE EAST II	95.67	97.39	97.37	93.04	90.43	96.92	96.92	*3 Scheduled to be transferred on August 31, 2023								*8 Acquired on 1/1/2023	
Re-40 HF HATCHOBORI RESIDENCE II	97.25	97.25	99.08	99.08	97.55	100	97.33	*4 Acquired on January 30, 2023								*9 Properties sold	
Re-41 HF HATCHOBORI RESIDENCE III *3	100	100	100	97.37	100	97.37	97.37	*5 Acquired on January 31, 2023									

*1 Fifty percent (50%) of the quasi-co-ownership interest was transferred on June 3, 2022, with the remainder transferred on December 5, 2022.

*2 Acquired on April 28, 2023

*3 Scheduled to be transferred on August 31, 2023

*4 Acquired on January 30, 2023

*5 Acquired on January 31, 2023

*6 Acquired on March 1, 2023

*7 Acquired on February 28, 2023

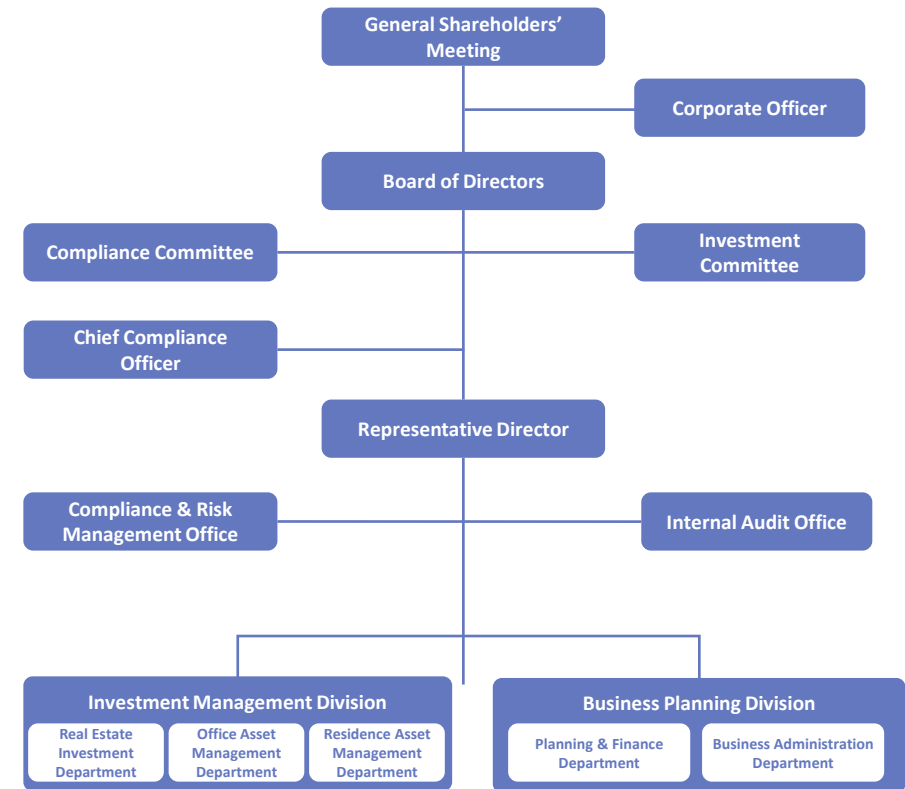
*8 Acquired on April 27, 2023

*9 Properties sold

► Profile

Name	HEIWA REAL ESTATE Asset Management CO., LTD.	
Head Office Location	5-1, Nihonbashi-kabutocho, Chuo-ku, Tokyo, 103-0026	
Date of establishment	March 24, 2000	
Paid-in Capital	295,575 thousand yen	
Shareholders	HEIWA REAL ESTATE CO.,LTD.(100%)	
Directors	Representative Director, President and Chief Executive Officer	Masanori Hirano
	Director, Managing Officer and Business Planning Division General Manager	Yasutaka Watanabe
	Director, Managing Officer and Investment Management Division General Manager	Hideaki Sekine
	Director (part time)	Tomoharu Nakao
	Director (part time)	Kiichi Kikuchi
	Auditor (part time)	Daisuke Kobayashi
	Managing Officer and General Manager of Planning & Finance Department	Junichi Kawamura
	Managing Officer and General Manager of Residence Asset Management Department	Yoshio Ito
Business Activities	Investment management Services	
Registrations , licenses , etc..	Financial instruments business	Reg. No. 316, Director-General, Kanto Finance Bureau (Financial Instruments and Exchange Act)
	Building Lots and Buildings Transaction Business	Lic. No. (5) 79529, Governor of Tokyo
	Discretionary transaction Agent	Lic. No.8, Minister of Land, Infrastructure, Transportation and Tourism

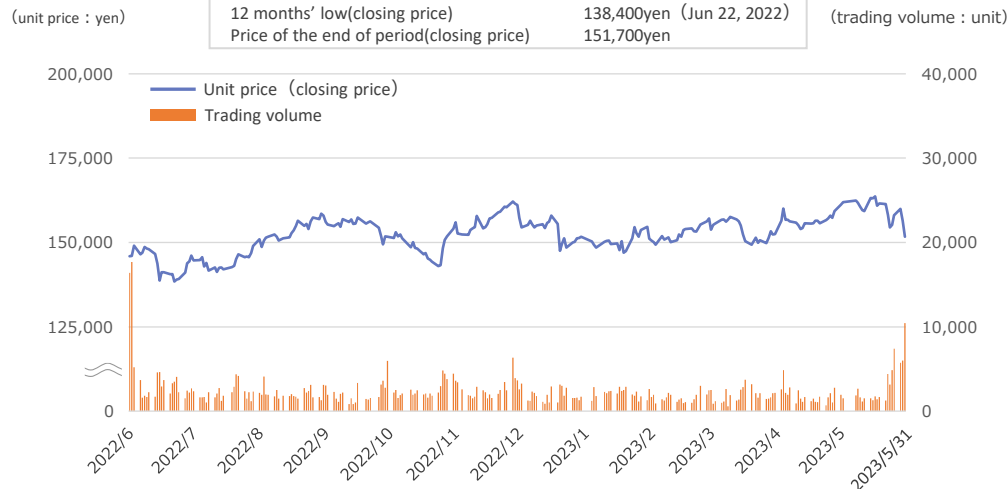
► Organization chart



► History of Investment Unit Price

(Jun. 1, 2022 – May 31, 2023)

Total market value	168.9billion yen
12 months' high(closing price)	163,700yen (May 17, 2023)
12 months' low(closing price)	138,400yen (Jun 22, 2022)
Price of the end of period(closing price)	151,700yen



(Source : Refinitiv)

► Status of Unitholders (as of May 31, 2023)

Number of Unitholders by Type (11,229 unitholders (-225 unitholders))

Other Japanese Corporations 173 unitholders / 1.5% (+0.0%pt)

Individual and others 10,767 unitholders / 95.9% (-0.0%pt)

Foreign Corporations, etc. 199 unitholders / 1.8% (+0.0%pt)

Financial Institute (including securities firms) 90 unitholders / 0.8% (+0.0%pt)

Ownership by Unitholders (1,113,733 units)

Other Japanese Corporations 163,642 units / 14.7%(-0.1%pt)

Financial Institute (including securities firms)
696,716 units / 62.6% (+2.1%pt)

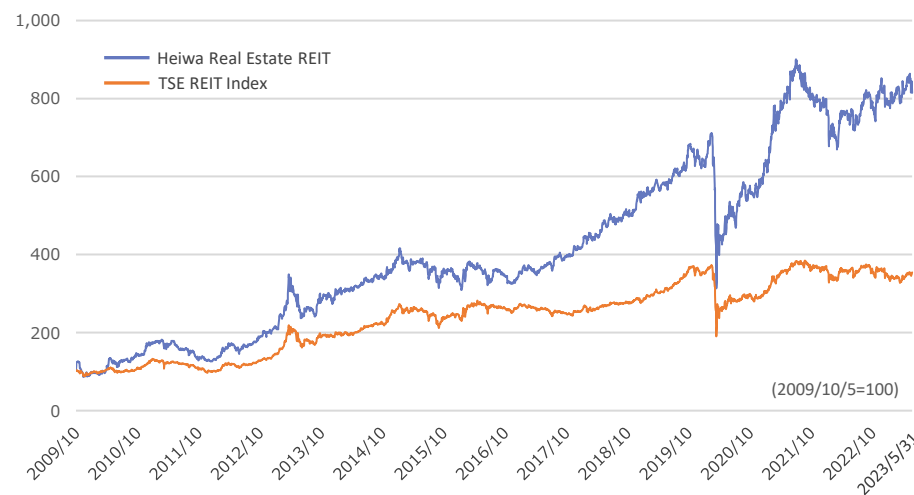
Foreign Corporations, etc.
167,897 units / 15.1% (-1.7%pt)

Individual and Others
85,478 units / 7.7% (-0.2%pt)

※The ratios in the charts are rounded to the second decimal place.

► Change in Investment Unit Price (Distribution reinvestment basis)

(Oct.5, 2009 – May 31, 2023)



(Source : Prepared by Heiwa Real Estate Asset Management based on Refinitiv's data.)

► Top 10 Unitholders (as of May 31, 2023)

	Name	Units Owned (Units)	Share (%)
1	Custody Bank of Japan, Ltd. (trust account)	334,190	30.0
2	The Master Trust Bank of Japan ,Ltd. (trust account)	195,540	17.6
3	Heiwa Real Estate Co., Ltd.	143,845	12.9
4	The Nomura Trust and Banking Co., Ltd. (trust account)	44,770	4.0
5	SMBC Nikko Securities Inc.	24,360	2.2
6	STATE STREET BANK WEST CLIENT -TREATY 505234	16,884	1.5
7	JP MORGAN CHASE BANK 385770	12,262	1.1
8	SSBTC CLIENT OMNIBUS ACCOUNT	10,784	1.0
9	BNP PARIBAS LUXEMBOURG/2S/BNP PARIBAS LUXEMBOURG/2S/JASDEC/SECURITIES-AIFM	10,319	0.9
10	Shikoku Railway Company	10,249	0.9
Total		803,203	72.1

【 MEMO 】

【 MEMO 】

[Disclaimer]

- This material has been prepared for the purpose of providing information and is not intended for soliciting, encouraging, or marketing specific products.
- This material is not a disclosure document, nor is it a report as defined in the Financial Instruments and Exchange Act, Investment Trusts and Investment Corporations Act, public listing regulations of the Tokyo Stock Exchange or other related laws or regulations.
- The contents of this information material contain a statement on future forecasts, but the statement was made based on the judgment by this investment corporation and this fund management company on the basis of the information available on the date of the preparation of this information material. The contents do not guarantee the future performance of this investment corporation, management results, financial contents, etc. In addition, the accuracy and certainty of the contents of this information material are not guaranteed. Please understand in advance that the contents may be revised or abolished without prior notice.
- Because this investment corporation invests in real estate and real estate-related assets whose prices fluctuate due to the economic situation, interest rate trends, demand and supply of investment equities, real estate market conditions, fluctuations in prices of real estate managed and rent revenue, disasters, etc., the market price of the investment equities may fall or the distribution amount may be reduced and the investment corporation may not be able to sell in the price higher than the price when obtained investment securities and, consequently, investors may suffer losses.
- For the purchase of this investment corporation's investment equities or investment corporation bonds, please contact each securities company. Before your purchase, please read the contents of the pre-contract document (or prospectus), etc. carefully.
- The contents of these materials may not be duplicated or transcribed without prior permission.



Asset Management Company

HEIWA REAL ESTATE Asset Management CO., LTD.

Financial Instruments Business Agent

Reg. No. 316, Director-General, Kanto Finance Bureau (Financial Instruments and Exchange Act)

Member, The Investment Trusts Association, Japan