



*Steady Growth &  
Sustainable Profit*

The **42<sup>nd</sup>**

6 month ended  
November 2022

6 month ended  
November 2022

## Financial results briefing materials

January 18, 2023



HEIWA REAL ESTATE REIT, Inc

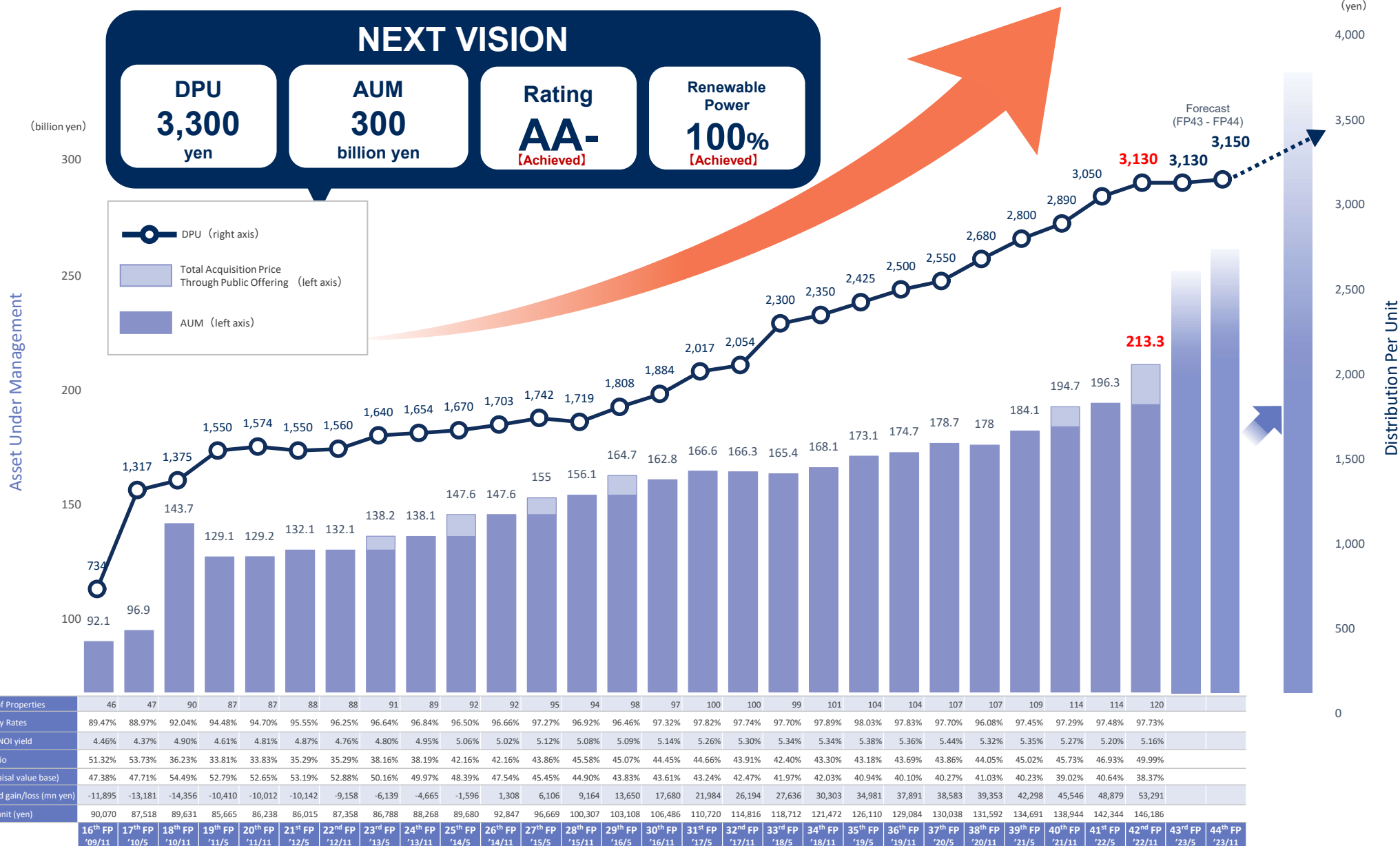
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I . Trajectory for stable growth of  
HEIWA REAL ESTATE REIT Inc.







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## II. Overview of the 42<sup>nd</sup> Fiscal Period (ended in November 2022)



## External growth

### ► Public offering for the second consecutive year

For the second consecutive year, increased capital through a public offering and third-party allotment at the beginning of the fiscal period under review. Acquired properties totaling 17.5 billion yen by raising total equity of 7.73 billion yen, borrowing funds of 2.8 billion yen, and allocating cash on hand. The asset size at the end of the fiscal period under review was 213.3 billion yen.

### ► Asset replacement continued, and gain on transfer was also posted in the fiscal period under review

GRACE BUILDING SENGAKUJIMAE was transferred over two fiscal periods. Gain on transfer of 0.54 billion yen is posted in the fiscal period under review and will be posted in the following 43rd fiscal period. It will be partially allocated to distributions and the remainder is expected to be held as an internal reserve.

### ► Acquisition of new properties announced

At the beginning of the 43rd fiscal period, the new acquisition of three residence properties (total acquisition price: 2.52 billion yen) was announced. Asset size was expanded.

Acquisition price

17.55 billion yen

AUM

213.33 billion yen

Gain on property sales

0.54 billion yen

## Internal growth

### ► Occupancy rate of offices and residences was high

The average occupancy rate during the period was 97.7%, the highest since the 36th fiscal period (November 2019) which was before the COVID-19 pandemic. Period-end occupancy rate of offices rose to 99.2%. The average occupancy rate of residences remained high at 97.1%.

### ► Upward rent revisions progressed significantly

Upward rent revisions for offices at the time of renewing contracts reached the highest since the fiscal period ended May 2020 during the COVID-19 pandemic, and rent revisions for residences also made significant progress with a record high rate of increase.

Status of portfolio		Overall	Office	Residence
Occupancy Rate (%)	End of the period	98.01	99.21	97.21
	Period average	97.73	98.69	97.10
NOI Yield (%)		5.16	4.99	5.34
NOI yield after depreciation (%)		4.21	4.24	4.18

Occupancy rate

97.7%

NOI yield after depreciation

4.21%

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

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

## Financial operation

### ► Lower procurement costs and longer procurement periods

Through new borrowings and refinancing, procurement costs hit a record low at 0.724% and the procurement period became the longest ever at 7.18 years.

### ► Credit rating raised to AA

Through public offering, a sound financial standing was maintained and asset size expanded. As a result, the credit rating raised to AA- (stable).

### ► LTV lowered

LTV lowered after the public offering. Appraisal LTV was 38.37%, and borrowing capacity expanded to 31.2 billion yen (maximum LTV of 45%).

### ► Inviting the participation of new lenders

Kansai Mirai Bank, Ltd. was newly invited to participate. Consequently, the number of lending financial institutions increased to 18.

Avg. Interest rate

0.724%

Appraisal-based LTV

38.37%

Rating

AA-

## Investor's value

### ► Improvement of distributions

The distribution per unit rose 80 yen from the previous fiscal period to 3,130 yen, supported by robust portfolio management and capital gains through portfolio replacement, and increasing for the 14th fiscal period in a row.

### ► NAV increased

Even amid the COVID-19 pandemic, appraisal value increased, reflecting the generation of robust cash flows and a fall in cap rates. NAV hit a record high.

DPU

3,130 yen

Internal reserves

5.46 billion yen

NAV per unit

146,186 yen

## Sustainability

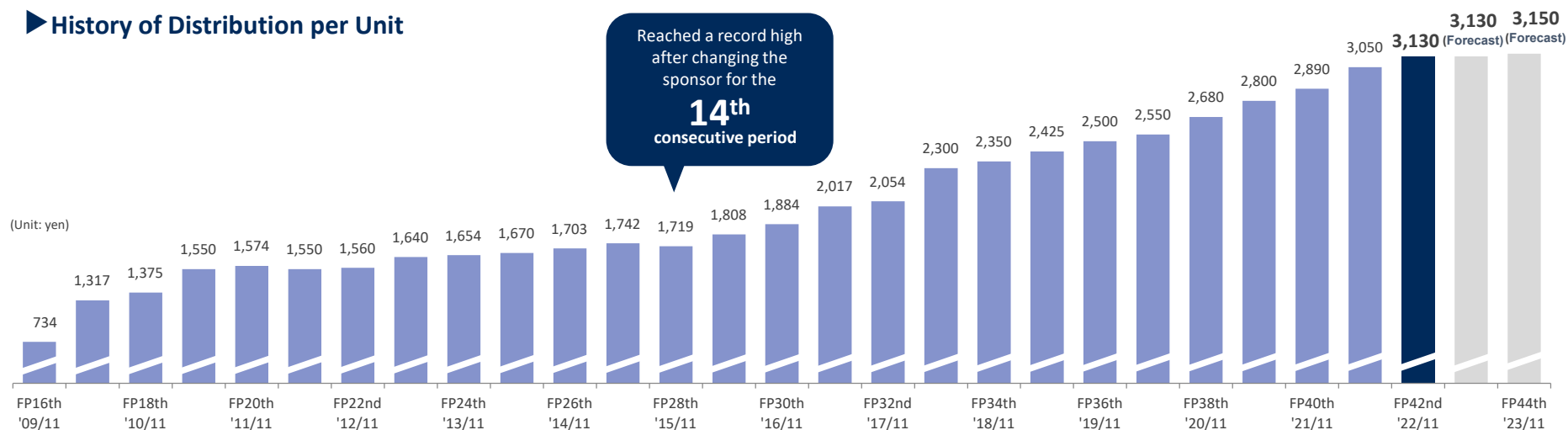
### ► Acquired the GRESB Real Estate Assessment 3 -Star Rating

### ► Performed qualitative scenario analyses based on the TCFD recommendations

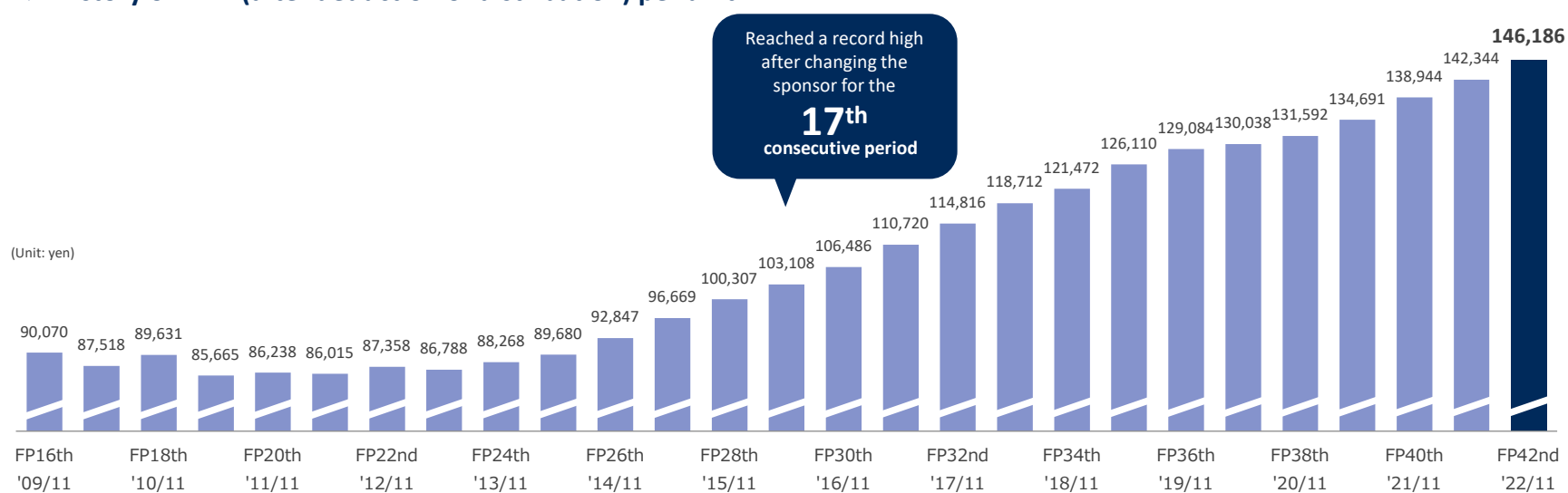
### ► Green Finance Framework established, and green bonds procured at the beginning of the 43rd fiscal period

Both distributions and NAV continued to grow. Both have continuously achieved record highs since the change of sponsor

### ► History of Distribution per Unit



### ► History of NAV (after deduction of distribution) per unit



Continuously enhance risk resilience to protect against changes in the external environment while maintaining unitholder returns and external growth at a high level

### ► Addressing risks surrounding the investment corporation

	At the end of 37th FP (2020/05)	At the end of 38th FP (2020/11)	At the end of 39th FP (2021/05)	At the end of 40th FP (2022/11)	At the end of 41st FP (2022/05)	At the end of 42nd FP (2022/11)
Well-Diversified Portfolio	107	107	109	114	114	120
A Lot of Free Cash	9.37 billion yen	9.41 billion yen	7.05 billion yen	7.91 billion yen	11.92 billion yen	6.7 billion yen <small>* After the property transfer at the beginning of the 43rd fiscal period: * At the end of 42nd FP: 5.6 billion yen</small>
Sufficient Internal Reserve	4.78 billion yen	5.37 billion yen	5.48 billion yen	5.41 billion yen	5.38 billion yen	5.4 billion yen
Low Appraisal LTV	40.3%	41.0%	40.2%	39.0%	40.6%	38.37%
Commitment Line	6.00 billion yen	7.00 billion yen	7.00 billion yen	7.00 billion yen	7.00 billion yen	7.0 billion yen
Rating	A+ (stable)	A+ (stable)	A+ (stable)	A+ (positive)	A+ (positive)	AA- (stable)

Responses to soaring electricity fees

Regarding the increases in office fuel adjustment costs and renewable energy levies, the shift to the variable unit price method for charging the tenants has been completed.

### ► Utilization of internal reserves and free cash

#### Distribution Policy

##### Stabilization of Distribution

- Portfolio diversification, free cash, and internal reserves reduce the risk of the sudden decline of distributions due to tenants' moving out, disasters and other incidents.

##### Investor Return

- Internal reserves and free cash are to be added to profit per unit as funds for paying distributions.
- Free cash is used as funds to cope with divergence from desirable level of investment unit price by acquiring own investment units.

#### External Growth

##### Securing capacity for external growth

- We will strive to achieve continued external growth using free cash.
- Flexible property purchases can be made using surplus borrowing capacity with a low LTV.

#### Financial Strategy

##### Create a solid financial structure

- We aim to conservatively control LTV by expanding free cash.
- With free cash and credit commitment lines, the Investment Corporation has prepared for unforeseen circumstances such as refinancing risks related to interest-bearing liabilities.
- A decrease in funding costs and the improvement of the liquidity of investment units can be expected due to the improvement of the rating.

Net income increased 11.7% from the previous period. Distribution per unit increased 80 yen from the 41st period to 3,130 yen.

- Significant progress was made in external growth. Both net income and EPU increased due to the public offering, which was the second consecutive year that a public offering was conducted, and the continuation of effective asset replacement.
- Rent revenue increased for offices and residences from the previous period, reflecting high occupancy rates.

						(Unit: million yen)	
	41 <sup>st</sup> FP Actual Performance	42 <sup>nd</sup> FP Actual Performance	42 <sup>nd</sup> FP Forecasts	Variance 41 <sup>st</sup> FP	Variance 42 <sup>nd</sup> FP forecasts	Major Factors of Variance (42 <sup>nd</sup> FP Actual vs 41 <sup>st</sup> FP Actual)	Amount
Operating revenue	7,322	7,836	7,795	513	40	Changes in operating revenues of existing properties	
(Gain on sales of real estate properties)	(462)	(549)	(547)	(86)		• Office (rent income: 8, utilities: 34)	38
Operating expenses	3,713	3,818	3,840	104	-22	• Residence (rent income: 11, renewal fees, key money: -17)	-5
Operating income	3,609	4,018	3,954	408	63	Asset Replacement and Acquisition of new properties	
Non-operating income	3	1	0	-1	1	• Increase in operating revenues due to properties acquisition	545
Non-operating expenses	419	453	453	33	0	• Decrease in operating revenues due to properties sale	-151
Ordinary income	3,193	3,566	3,502	372	64	Increase of gain on sale	86
Net income	3,193	3,565	3,501	372	64	Changes in operating expenses of existing properties	
EPU*	3,024 yen	3,201 yen	3,143 yen	176 yen	58 yen	• Office (utilities: 35, public charges and taxes: 16, etc.)	60
Reversal of RTA*	42	44	44	2	0	• Residence (maintenance and repair fees: -53, public charges and taxes: 12, etc.)	-48
Internal Reserve	15	124	76	109	47	Asset replacement and Acquisition of new properties	
DPU*	3,050 yen	3,130 yen	3,115 yen	80 yen	15 yen	• Increase in operating revenues due to properties acquisition	160
Total investment units issued and outstanding	1,055,733	1,113,733	1,113,733	58,000	0	• Decrease in operating revenues due to properties sale	-67
						Non-operating income and expenses	
						Decrease in Insurance money, Increase in Financial cost	-35
						Major Factors of Variance (42 <sup>nd</sup> FP Actual vs 42 <sup>nd</sup> FP Forecasts)	Amount
						Operating revenue	
						Increase of rent income	15
						(of which, existing properties : 18, Property Acquisition and Disposition : -3)	
						Increase of other income etc.	23
						(of which, existing properties : 22, Property Acquisition and Disposition: 0)	
						Operating expenses	
						Increase of rent expenses	-17
						(of which, existing properties : -13, Property Acquisition and Disposition : -3)	
						SGA	-5

**Property acquisition:** Refer to Faret East Building (additional acquisition), HF ESAKA Building, HF UENO IRIYA RESIDENCE, HF TSUJIDO RESIDENCE were acquired in the 41<sup>st</sup> fiscal period, and Shinsaibashi FRONT BUILDING, SAKAE CENTER BUILDING, IWAMOTOCHO TWIN BUILDING, IWAMOTOCHO TWIN SAKAE BUILDING, HF KAWAGUCHIEKIMAE RESIDENCE, HF HIGASHIOGU RESIDENCE were acquired in the 42<sup>nd</sup> fiscal period.

**Property sale:** Refer to HF HAKUSAN RESIDENCE, HF SHIBA-KOEN RESIDENCE, HF MITA RESIDENCE sold in the 41<sup>st</sup> fiscal period and GRACE BUILDING SENGAKUJIMAE (50% quasi-co-ownership) sold in the 42<sup>nd</sup> fiscal period.

(Note) Forecasts for the 42<sup>nd</sup> Fiscal Period are forecast figures announced on July 14, 2022

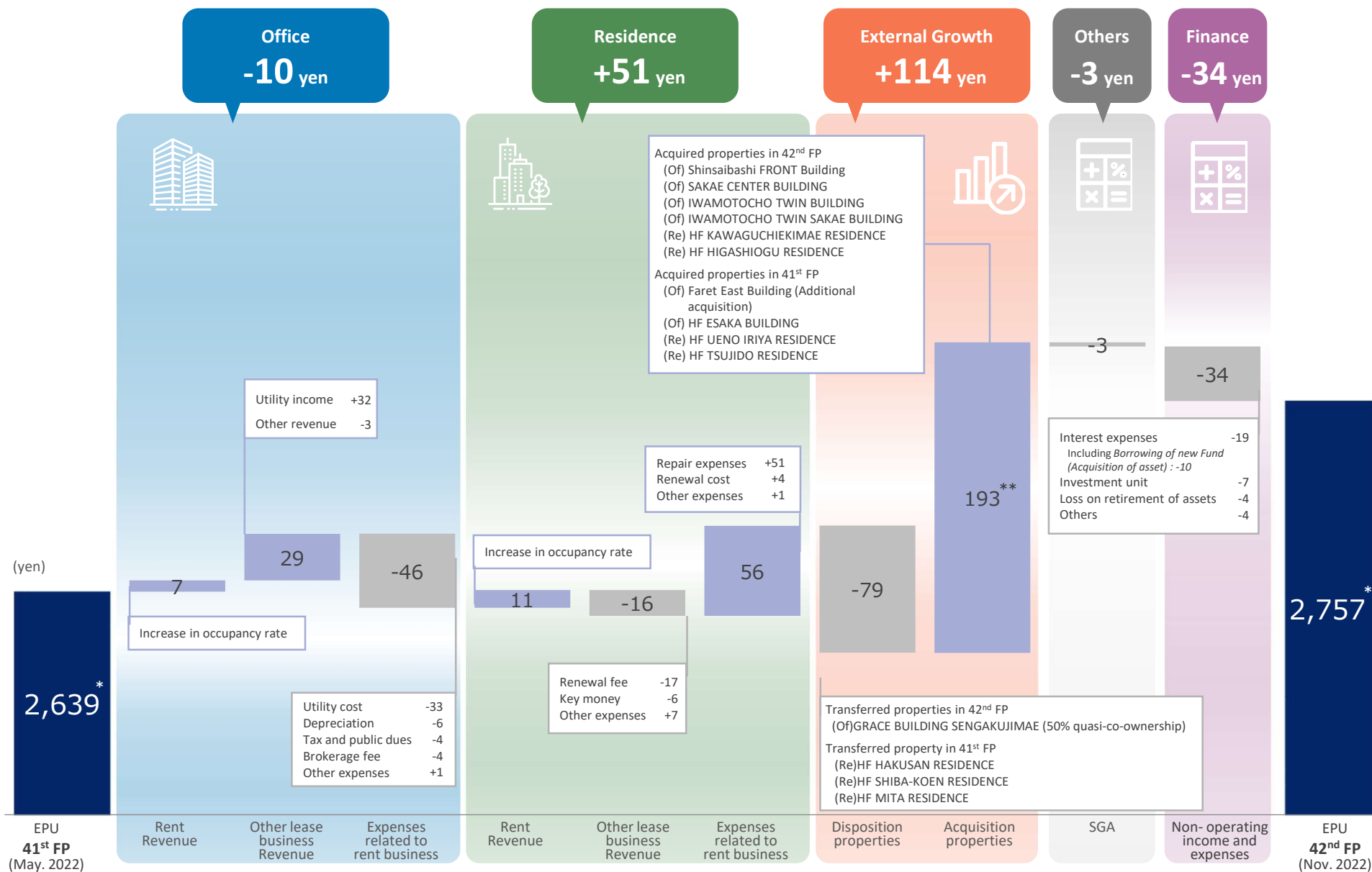
(Note) EPU means net income per investment unit.

(Note) RTA means reserve for temporary difference adjustment.

(Note) DPU means distribution per investment unit.



# Financial performance for the 42<sup>nd</sup> (November 2022) Fiscal Period: Causes of variation of EPU on a leasing business revenue basis (excluding gain on sales)



\* This amount includes 40 yen per unit, which is the reversal of reserve for temporary difference adjustments due to negative goodwill which arose at the time of the merger.

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

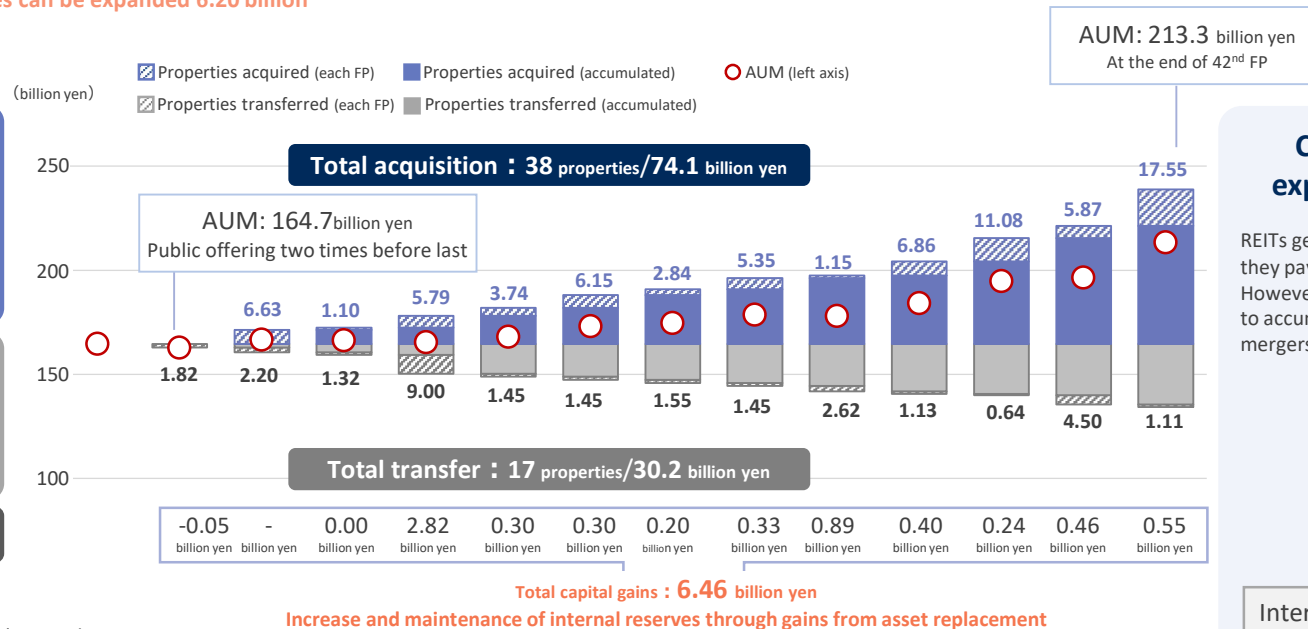
**Distribution per unit for the 43rd fiscal period is expected to be 3,130 yen, and for the 44th fiscal period, it is expected to rise from the previous fiscal period to 3,150 yen reflecting high occupancy rates and external growth.**

- Net income and EPU are expected to increase due to the contributions of the properties newly acquired in the fiscal period under review and the 43rd fiscal period.
- In the 43rd fiscal period, gain on the sale of GRACE BUILDING SENGAKUJIMAE, a property transferred in two stages, one during the fiscal period under review and the other during the following 43rd fiscal period, will be posted and allocated to distributions.
- The portfolio will maintain high average occupancy rates. Occupancy rates are expected to remain at high levels exceeding 97%.

						(Unit : million yen)					
	42 <sup>nd</sup> FP Actual (a)	43 <sup>rd</sup> FP Forecasts (b)	44 <sup>th</sup> FP Forecasts (c)	Variance (b-a)	Variance (c-b)	Major Factors of Variance		Variance (b-a)	Variance (c-b)		
Operating revenue	7,836	7,974	7,439	138	-535	Operating Revenue	Office				
(Gain on sales of real estate properties)	(549)	(551)	(0)	(1)	(-551)		•Existing properties	107	-4		
							•Changes in operating revenues due to asset replacement	-5	-1		
Operating expenses	3,818	4,057	4,052	239	-5		Residence				
							•Existing properties	-10	-7		
Operating income	4,018	3,917	3,386	-101	-530		•Increase in operating revenues due to acquired properties	45	30		
							Decrease of gain on sale		-551		
Non-operating income	1	0	0	-1	0	Operating Expenses	Office				
							•Existing properties	102	29		
Non-operating expenses	453	463	473	10	9		•Changes in operating expenses due to asset replacement	24	21		
							Residence				
							•Existing properties	53	-48		
Ordinary income	3,566	3,453	2,914	-112	-539		•Increase in operating expenses due to acquired properties	27	10		
Net income	3,565	3,453	2,913	-112	-539		SGA (non-deductible consumption tax, Asset management fee, etc.)	30	-18		
EPU*	3,201 yen	3,100 yen	2,616 yen	-101 yen	-484 yen	Non-operating expenses	Financial cost	14	7		
							Other	-3	1		
Reversal of RTA*	44	44	594	0	550						
Internal Reserve	124	11	0	-112	-11						
DPU*	3,130 yen	3,130 yen	3,150 yen	0 yen	20 yen						
Total investment units issued and outstanding	1,113,733	1,113,733	1,113,733	0	0						
(Note) EPU means net income per investment unit.		Internal Reserves		5,463 million yen							
(Note) RTA means reserve for temporary difference adjustment.											
(Note) DPU means distribution per investment unit.											
						Key Assumption for forecasts	42 <sup>nd</sup> FP (Actual)	43 <sup>rd</sup> FP (Forecast)	44 <sup>th</sup> FP (Forecast)		
							Occupancy Rate	Portfolio	97.73%	97.63%	97.49%
								Office	98.69%	98.87%	98.73%
						Residence		97.10%	96.83%	96.70%	
						NOI Yield	Portfolio	5.16%	4.93%	4.91%	
							Office	4.99%	4.95%	4.82%	
							Residence	5.34%	4.91%	4.94%	

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

- Improving the quality of the portfolio through continuous portfolio replacement A total of 55 properties worth 104.3 billion yen were sold after the public offering two times before last.
- Part of **gains on property sales totaling 6.46 billion yen** resulting from portfolio replacement are allocated to distributions and the remaining amount is allocated to internal reserves to secure funds for stable distributions for the long term.
- Internal reserves can be expanded 6.20 billion**



### 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

**6.20**  
billion yen

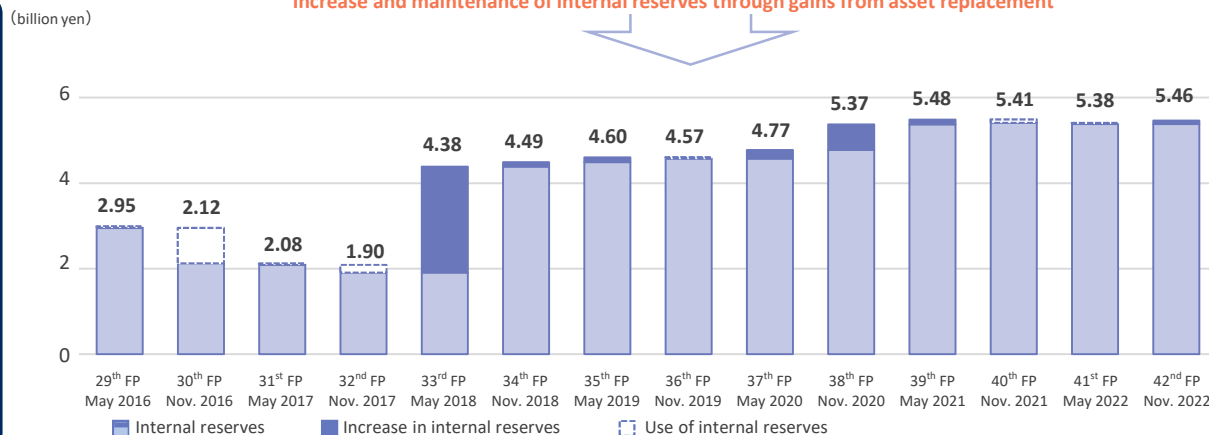
**Maximum**  
**11.6**  
billion yen

Internal reserve  
(as of the end of 42<sup>nd</sup> FP)

**5.46**  
billion yen

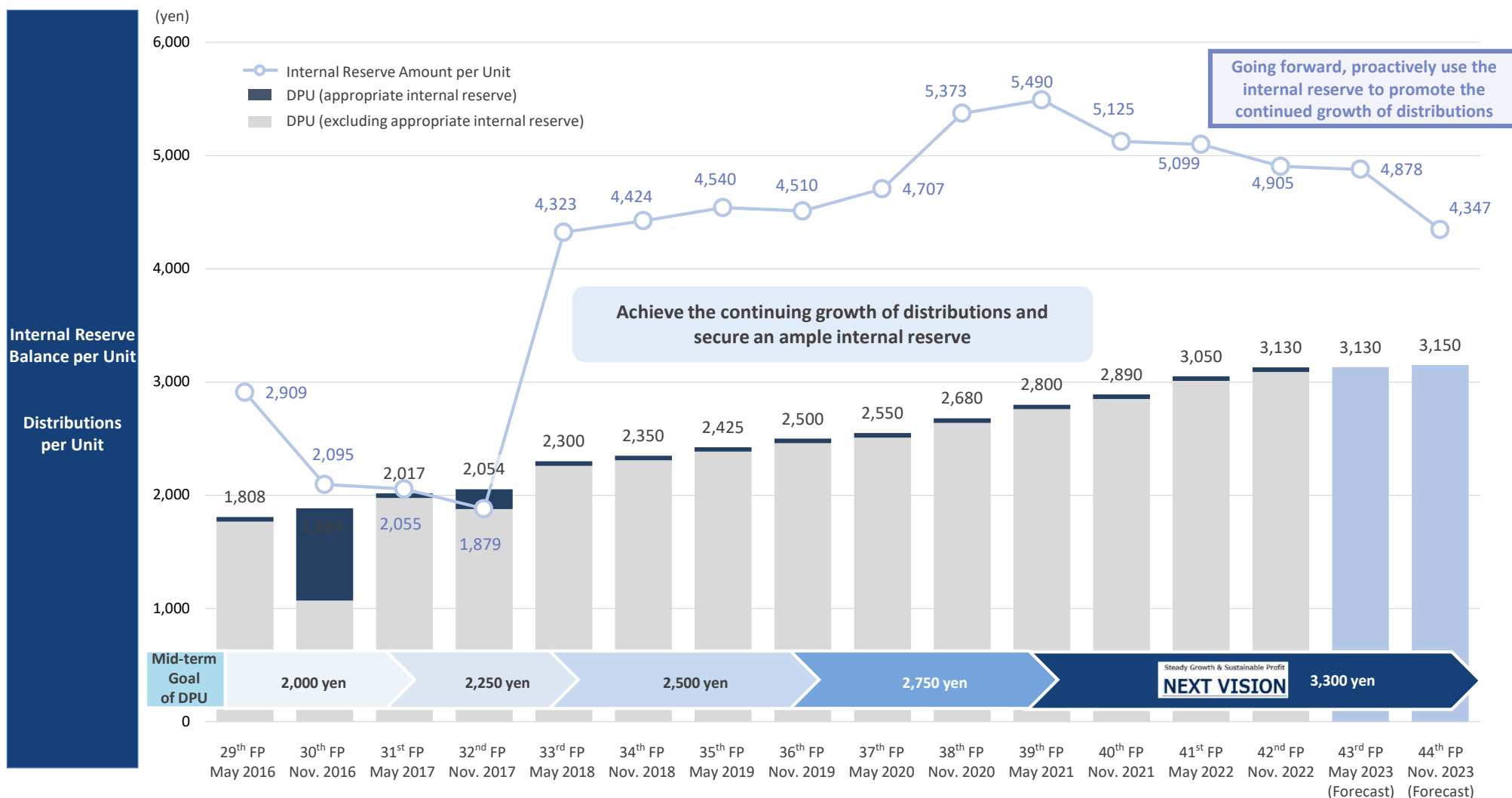
There is a mismatch between the amount of assets received as a result of the merger with JSR for tax purposes and the amount of assets received as a result of said merger for accounting purposes. With respect to capital gains arising as a result of the property sales, it is possible to utilize the mismatch in the amounts for tax purposes and accounting purposes to generate internal reserves of up to 6.20 billion yen.

### Trends in internal reserves



## Steady growth of distributions per unit using ample internal reserve

- The ample internal reserve supports the growth of distributions through external growth with the steady replacement of properties and internal growth.
- Aim to achieve "NEXT VISION" medium-to-long-term DPU target of 3,300 yen **by continuing to proactively realize unrealized gains and utilize internal reserves**



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### III. NEXT VISION





## Steady Growth & Sustainable Profit

# NEXT VISION

### Stage to increase the liquidity of investment units

The prolonged COVID-19 pandemic is causing the domestic economy to stall and is having an increasingly severe impact on the real estate market. While the Investment Corporation, too, is experiencing some effects, the impact on the entire portfolio has been limited and steady progress is being made in achieving the new medium- to long-term targets announced in July 2021.

#### DPU

**3,300** yen

GOAL

44<sup>th</sup> FP (forecast) **3,150**

43<sup>rd</sup> FP (forecast) **3,130**

42<sup>nd</sup> FP **3,130**

41<sup>st</sup> FP **3,050**

40<sup>th</sup> FP **2,890**

39<sup>th</sup> FP **2,800** (yen)

We will continue to pay distributions per unit that exceed EPU, using ample internal reserves. If there are changes in performance trends in the short term, we will not change the forecast DPU. Using ample resources for growth, including a rent gap, we aim for a sustainable and stable increase in distributions.

#### AUM

**300** billion yen

GOAL

42<sup>nd</sup> FP **213.3**

41<sup>st</sup> FP **196.3**

40<sup>th</sup> FP **194.7**

39<sup>th</sup> FP **184.1** (billion yen)

- Significant progress was made in external growth due to the public offering conducted at the beginning of the fiscal period under review. This was the second consecutive year that a public offering was conducted.
- The sponsor will take steps to strengthen the pipeline.
- We aim to acquire 15 billion yen to 20 billion yen's worth of properties annually, including properties replacing existing assets.
- We will procure funds flexibly, taking advantage of high liquidity on hand and a low LTV ratio and using the primary market.

#### Rating

**A A -**

**【Achieved】**  
AA- rating acquired in the  
fiscal period under review  
(June 2022)

41<sup>st</sup> FP **A+**  
(positive)

40<sup>th</sup> FP **A+**  
(positive)

39<sup>th</sup> FP **A+**  
(stable)

We aim to expand demand for investment units and improve liquidity, taking advantage of a reduction in financing costs associated with the upgrading and the inclusion in the investment universe of the Bank of Japan and regional financial institutions.

#### Shift to renewable energy (Note)

**100%**

**【Achieved】**  
Completed the shift of all targeted  
properties in the 40<sup>th</sup> fiscal period  
(November 2021)

Electric power used at all properties (note) held by the Investment Corporation was replaced with renewable energy-based power with the aim of contribution to the reduction in risks associated with climate change. Going forward, the Investment Corporation aims to replace the power at properties acquired within a year of acquisition.



#### Continued promotion of ESG-related initiatives

The Investment Corporation obtained a **3-star rating** for the first time in the 2022 GRESB Real Estate Assessment.

(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 are excluded.

## External Growth

- Asset replacement in the 42nd Fiscal Period and at the beginning of the 43rd Fiscal Period
- Acquisition of properties using cash on hand and free cash flow
- Acquisition of properties using borrowing capacity

**+147** yen

Acquisition of new properties: It is assumed that a property whose NOI yield is 4.3% is acquired using cash on hand of 5.0 billion yen and borrowings of 10.0 billion yen.

## Internal Growth

- Maintaining a high occupancy rate
- Reduction of a large rent gap
- Impact of passing years, etc.

**+104** yen

Rent gaps: Based on the assumption that all tenants' rents are replaced by market rents

## Interest Expenses and others

- Incorporating an increase in interest expenses due to rising interest rates
- Reduction in other overhead expenses

**-26** yen

Expected financing cost reduction in the next 3.5 years  
Reduction in other overhead expenses

## Internal Reserves

- Continued return of ample internal reserves
- Payment of stable distributions in a contingency and when a loss from transfer of properties is posted

Balance  
**4,905**  
yen per unit

### Future Initiatives

- Continuous asset replacement and the posting of gains on sale
- Development of properties for REIT by the sponsor
- Access to the primary market
- A recovery in supply and demand in the market and in occupancy rate in residence
- Continuous efforts to cut expenses
- Efforts for a rating upgrade and a reduction in procurement costs as the result

## NEXT VISION

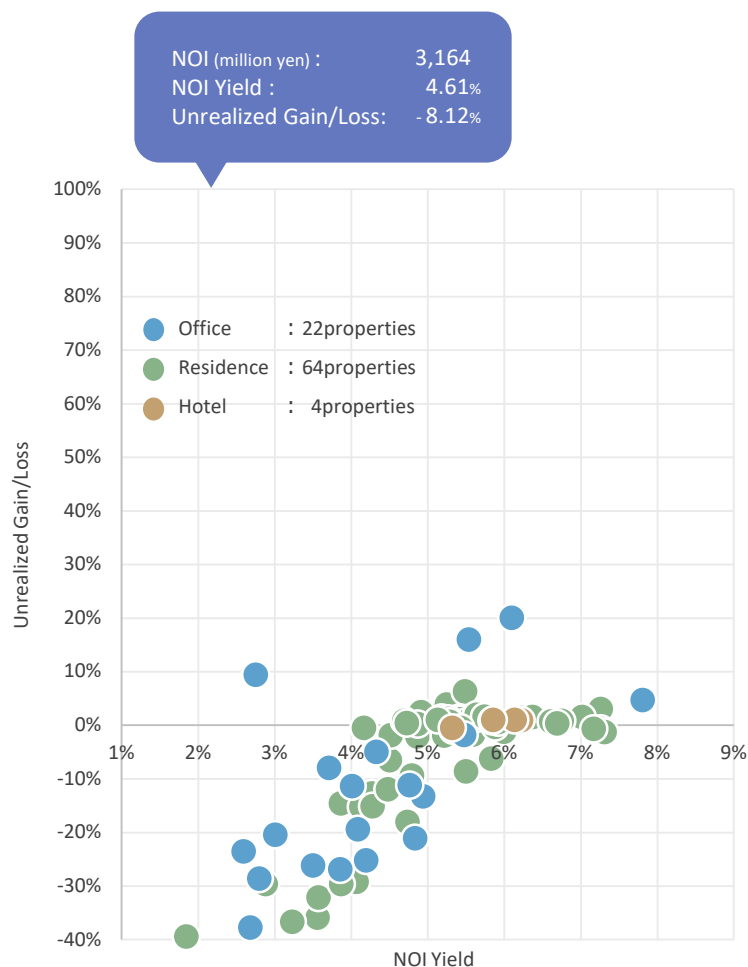
**3,300**  
yen

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## IV. Status of operations



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



**Reconstruction of portfolio**

Utilization of sponsor pipeline,  
continuous property acquisition  
and active portfolio replacement  
Acquired Properties: 56  
Transferred properties: 27

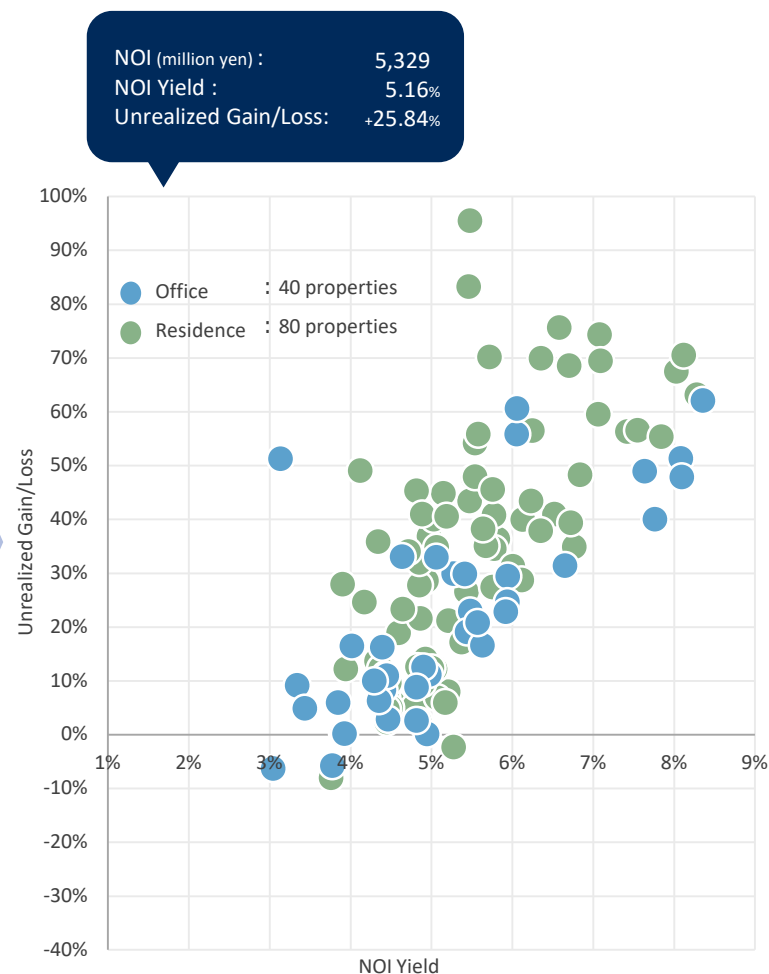
**Improved earning power**

Rise of occupancy rate  
Upward rent revisions  
Cost reductions

**Improvement of real estate market conditions**

Decreased Cap Rate  
Improved appraisal value

► Performance in the 42<sup>nd</sup> FP



(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 Faret East Building (additional acquisition), HF ESAKA BUILDING, HF UENO IRIYA RESIDENCE and HF TSUJIDO RESIDENCE, which are acquired in the 41<sup>st</sup> Fiscal Period, and 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 42<sup>nd</sup> 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.

## Public offering conducted for the second consecutive year

- Robust external growth was achieved with the sponsor's support and the Asset Management Company's unique sourcing capabilities.
- The sponsor's support aiding the Investment Corporation's external growth covers a wide range of fields such as asset replacement, land leasehold development and warehousing functions.
- Activities for the improvement of the portfolio value are ongoing, including asset replacement and the additional acquisition of co-ownership and sectional ownership.

### Shinsaibashi FRONT Building



Asset replacement

Location	Osaka city, Osaka
Total Floor Space	6,201.98 m <sup>2</sup>
Acquisition Date	3 Jun. 2022
Construction Date	27 Nov. 1986
Acquisition Price	7,300 million yen
Appraisal Value	7,860 million yen
NOI yield / After depreciation (Note)	4.38% 4.18%

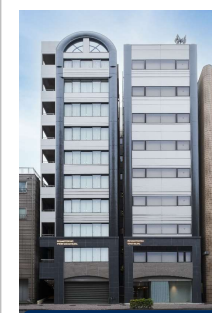
### SAKAE CENTER BUILDING



Sponsor  
Asset replacement

Location	Nagoya city, Nagoya
Total Floor Space	6,653.48 m <sup>2</sup>
Acquisition Date	3 Jun. 2022
Construction Date	20 Mar. 1995
Acquisition Price	4,000 million yen
Appraisal Value	4,390 million yen
NOI yield / After depreciation (Note)	4.95% 4.48%

### IWAMOTOCHO TWIN BUILDING (Right)



Warehousing  
by Sponsor

Location	Chiyoda-ku, Tokyo
Total Floor Space	3,290.36 m <sup>2</sup>
Acquisition Date	3 Jun. 2022
Construction Date	30 Sep. 1986
Acquisition Price	3,380 million yen
Appraisal Value	3,740 million yen
NOI yield / After depreciation (Note)	3.98% 3.64%

### IWAMOTOCHO TWIN SAKAE BUILDING (Left)



Warehousing  
by Sponsor

Location	Chiyoda-ku, Tokyo
Total Floor Space	688.74 m <sup>2</sup>
Acquisition Date	3 Jun. 2022
Construction Date	31 Aug. 1992
Acquisition Price	400 million yen
Appraisal Value	529 million yen
NOI yield / After depreciation (Note)	4.98% 4.62%

### HF KAWAGUCHIEKIMAE RESIDENCE



Development of General land  
leasehold Using Sponsorship

Location	Kawaguchi city, Saitama
Total Floor Space	2,933.22 m <sup>2</sup>
Acquisition Date	3 Jun. 2022
Construction Date	29 Sep. 2021
Acquisition Price	1,260 million yen
Appraisal Value	1,550 million yen
NOI yield / After depreciation (Note)	5.07% 4.08%

### HF HIGASHIOGU RESIDENCE



Development of General land  
leasehold Using Sponsorship

Location	Arakawa-ku, Tokyo
Total Floor Space	2,703.98 m <sup>2</sup>
Acquisition Date	3 Jun. 2022
Construction Date	13 Jan. 2022
Acquisition Price	1,210 million yen
Appraisal Value	1,430 million yen
NOI yield / After depreciation (Note)	5.29% 4.34%

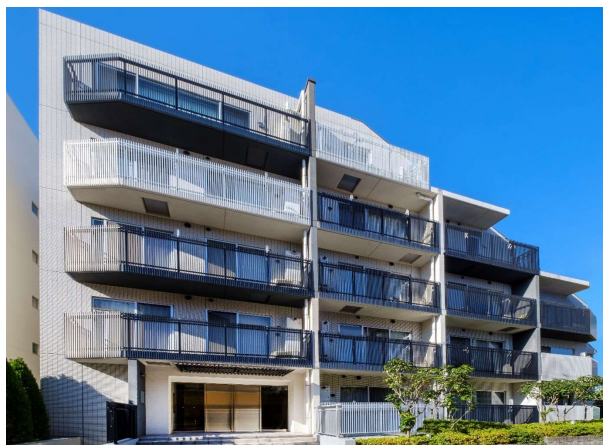
(Note) NOI Yield = NOI ÷ Acquisition price After depreciation (NOI Yield after Depreciation) = (NOI - Depreciation) ÷ Acquisition price  
NOI is NOI for 12 months, which serves as the assumption for the value indicated by the income approach under the direct capitalization method shown in the appraisal report of each acquired asset.  
Depreciation is based on estimates made by the Investment Corporation according to the service life of assets.



## Three residential buildings acquired in the Tokyo 23 wards area and the Nagoya area

### ▶ Tokyo 23 wards

#### HF NAKANO-SAKAE RESIDENCE



- A 5-minute walk from the nearest station, Nakano-sakaue Station on the Tokyo Metro Marunouchi Line and the Toei Oedo Line. From Nakano-sakaue Station, it is 7 minutes to Shinjuku Station and 15 minutes to Shibuya Station. The convenience of the property for travelling to major office areas is excellent.
- There are many convenient facilities used in everyday living in the area around Nakano-sakaue Station, such as retail facilities, supermarkets and restaurants, as well as high-rise office buildings.
- With floor plans from 1R to 2LDK, the building is able to meet the needs of people living a wide range of lifestyles from single people to families.

Location	Nakano-ku, Tokyo
Total Floor Space	1,760.28 m <sup>2</sup>
Scheduled Acquisition date	March 1, 2023
Construction Date	March 14, 2008
Acquisition Price	1,050 million yen
Appraisal Value	1,230 million yen
NOI yield / After depreciation (Note)	4.50% 3.81%



### ▶ Nagoya City

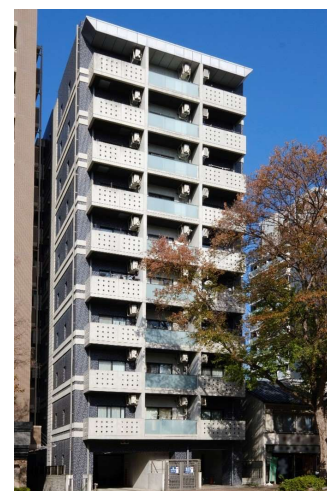
#### HF IMAIKE-MINAMI RESIDENCE



- The property is a 10-minute walk from the nearest station, Imaike Station on the Higashiyama Line and the Sakuradori Line of the Nagoya Municipal Subway. From Imaike Station, it is 11 minutes to Nagoya Station and 5 minutes to Sakae Station. The convenience of the property for travelling to the Nagoya city center is excellent.
- There are many convenient facilities used in everyday living in the area around Imaike Station, such as large supermarkets and restaurants.
- The residence consists of a high-rise building and a low-rise building. The 1K-type floor plan anticipates demand from single people.

Location	Nagoya City, Aichi
Total Floor Space	(East bldg.) 1,580.08 m <sup>2</sup> (West bldg.) 494.35 m <sup>2</sup>
Scheduled Acquisition date	January 31, 2023
Construction Date	(East bldg.) November 8, 2006 (West bldg.) November 2, 2006
Acquisition Price	860 million yen
Appraisal Value	942 million yen
NOI yield / After depreciation (Note)	4.90% 3.76%

#### HF FUSHIMI RESIDENCE



- It is a four-minute walk from the nearest station, Osu Kannon Station on the Tsurumai Line of the Nagoya Municipal Subway, and a 9-minute walk from Fushimi Station on the Higashiyama Line on the same subway system. Also, the residence is within walking distance of Nagoya Station. The convenience of the property for travelling to the Nagoya city center is excellent.
- Located adjacent to the Sakae area, a downtown area representative of Nagoya, it is highly convenient for everyday living. In addition, the natural environment around the property is also great with Shirakawa Park in the neighborhood.
- It has 1K and 1DK floor plans, mainly anticipating demand from single people and DINKs.
- It has a parking lot, the total parking space of which can accommodate 83% of cars owned by the total residence, meeting needs of car owners.

Location	Nagoya City, Aichi
Total Floor Space	1,713.50 m <sup>2</sup>
Scheduled Acquisition date	January 31, 2023
Construction Date	August 10, 2006
Acquisition Price	610 million yen
Appraisal Value	690 million yen
NOI yield / After depreciation (Note)	5.11% 3.98%

(Note)  $\text{NOI Yield} = \text{NOI} \div \text{Acquisition price After depreciation (NOI Yield after Depreciation)} = (\text{NOI} - \text{Depreciation}) \div \text{Acquisition price}$   
 NOI is NOI for 12 months, which serves as the assumption for the value indicated by the income approach under the direct capitalization method shown in the appraisal report of each acquired asset.  
 Depreciation is based on estimates made by the Investment Corporation according to the service life of assets.

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

#### Redevelopment Business

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

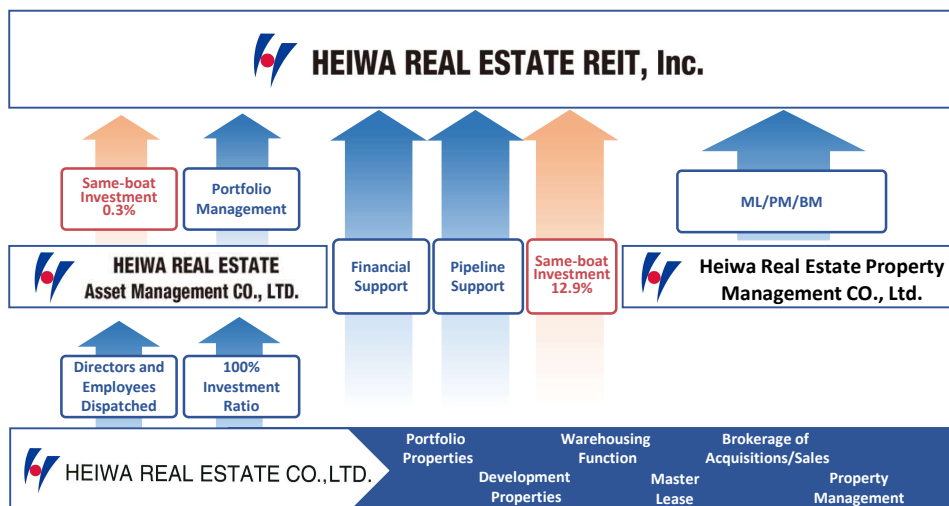
#### Building Business

- 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	310 billion yen	121 billion yen	94.5 billion yen	90 billion yen	291 billion yen	400 billion yen	221.9 billion yen
Appraisal Value	324 billion yen	129 billion yen	106 billion yen	95 billion yen	271.2 billion yen	4,39 billion yen	1.67 billion yen
Construction Date	Sep. 1993	Jun. 2006	Feb. 2008	Aug. 2007	-	March 1995	Jun. 1994

### ► Three-tiered same-boat investment

#### ■ Same-boat investment by the sponsor

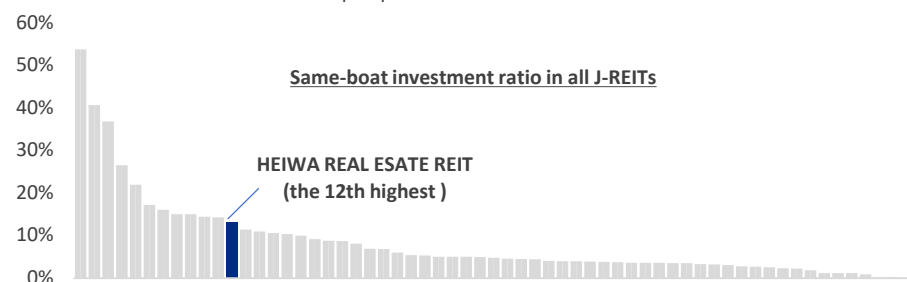
The Sponsor Heiwa Real Estate holds 143,845 units of the Investment Corporation's investment units as of May 18, 2022. The Sponsor responsibly supports the Investment Corporation's operations.

#### ■ 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.



## Sponsor's Real Estate for Sale

- Through public offering in June 2022, the Investment Corporation acquired five properties of Heiwa Real Estate's real estate for sale.
- There are seven real estate properties for sale as of the end of September 2022, and the Investment Corporation intends to use them for external growth through ongoing negotiations with the sponsor.

- **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 four buildings—Nagoya Sakae Office, Osaka Kitahama Offices 1 & 2, and Yokohama Office—were transferred from fixed assets (assets for leasing) to real estate for sale at the end of March 2022.**

<Assets held (As of the end of September 2022)>

\* As of the end of September 2022, floor m<sup>2</sup> for the area owned by our group

	Location	Total floor area	Completion date	Acquisition date
Kayabacho Office	Nihonbashi Kayabacho, Chuo-ku	3,375.83 m <sup>2</sup>	September 1991	December 2013
Nagoya Sakae Office	Naka-ku, Nagoya City	9,459.56 m <sup>2</sup>	March 2004	Same as on the left
Osaka Kitahama Office 1	Chuo-ku, Osaka City	5,562.57 m <sup>2</sup>	February 2015	Same as on the left
Osaka Kitahama Office 2	Chuo-ku, Osaka City	2,313.23 m <sup>2</sup>	October 2011	Same as on the left
Yokohama Office	Naka-ku, Yokohama City	10,836.30 m <sup>2</sup>	February 1986	Same as on the left
Chiba Residence	Chuo-ku, Chiba City	1,703.23 m <sup>2</sup>	December 2018	July 2019
Ogu Residence	Nishiogu, Arakawa-ku	1,253.16 m <sup>2</sup>	February 2017	April 2021

### ▶ Building a pipeline using general land leasehold rights

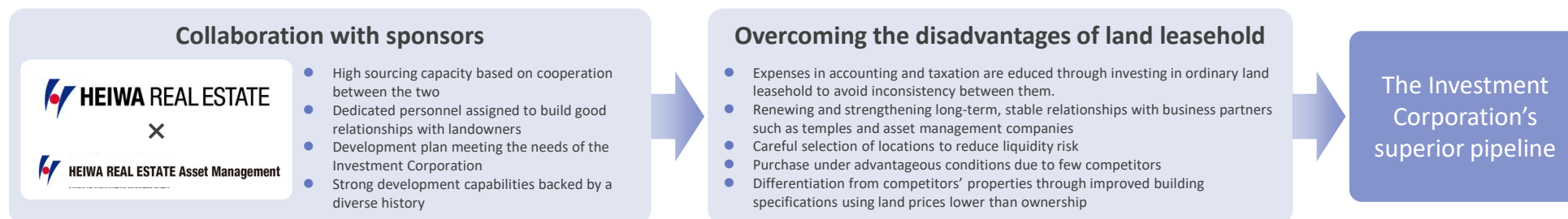
Heiwa Real Estate, the sponsor of the Investment Corporation, is actively developing residential properties using general land leasehold rights. The first building was completed in 2015 and it continues to develop new properties. Eight buildings have been completed to date. The Investment Corporation acquired six of these properties by the 40th Fiscal Period and acquired two other properties through the public offering at the beginning of the 42nd Fiscal Period.



### ▶ Characteristics of land leasehold

	Land leasehold	General land leasehold	Fixed-term land leasehold
<b>Advantages</b>	<ul style="list-style-type: none"> <li>Property can be purchased at a price lower than having ownership.</li> </ul>	<ul style="list-style-type: none"> <li>A basic assumption of the system is that the contract will be renewed and there is no obligation to return the leased land while the building exists.</li> <li>Investment value does not decrease to zero even after the contract expires.</li> </ul>	<ul style="list-style-type: none"> <li>Rights can be acquired at lower prices compared with common leasehold rights.</li> </ul>
<b>Disadvantages</b>	<ul style="list-style-type: none"> <li>More complex relationships between rights</li> <li>Low liquidity</li> <li>Fewer investment opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Generally, a renewal fee is charged at the time of renewal and a transfer approval fee is charged at the time of transfer.</li> </ul>	<ul style="list-style-type: none"> <li>The land is returned as a vacant lot following the expiration of the contract.</li> <li>Investment value decreases over time and becomes zero when the contract expires.</li> </ul>
<b>Accounting/Tax</b>		<ul style="list-style-type: none"> <li>Depreciation in accounting and taxation is the same as if the property were purchased for ownership and there are no inconsistencies between accounting and taxation, making it easier for J-REITs.</li> </ul>	<ul style="list-style-type: none"> <li>Depreciation expenses are high in accounting, asset retirement obligations must be posted, and there is inconsistency between accounting and taxation, making it difficult for J-REITs.</li> </ul>

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





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

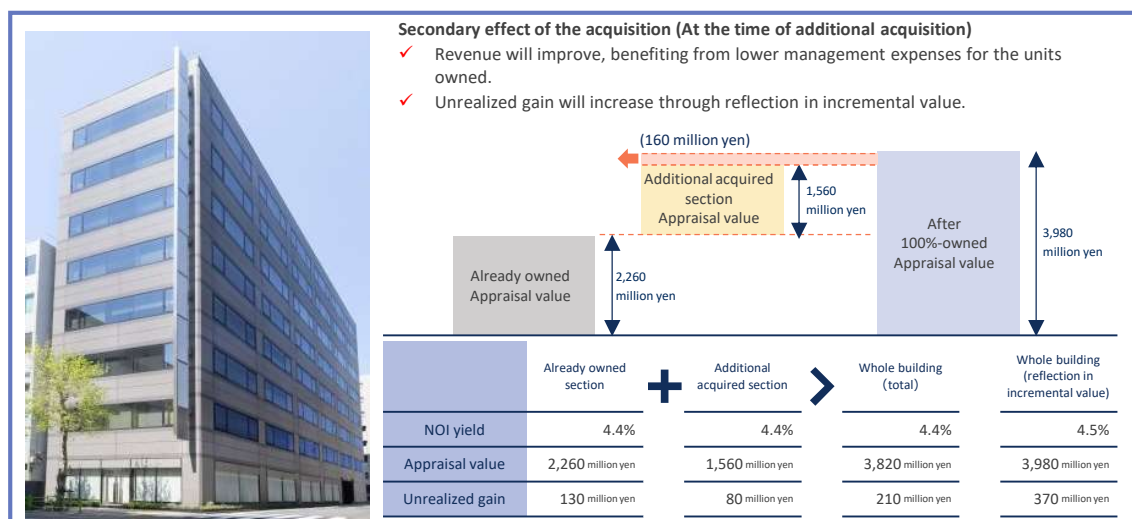
The Investment Corporation is adding properties for co-ownership and sectional ownership as part of its portfolio. This gives a benefit of providing a high yield and large unrealized profit by reflecting in the transaction price while sacrificing certain liquidity. The Investment Corporation aims to 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



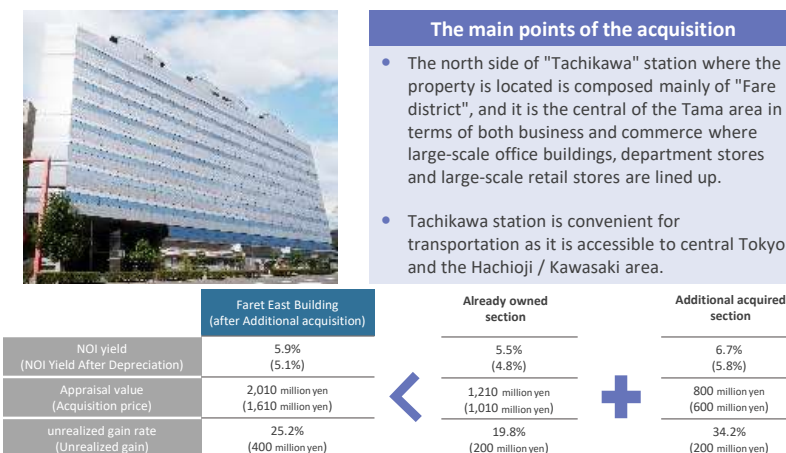
## ► Recent case : KABUTO-CHO UNI-SQUARE



## ► Recent case : Additional acquisition of Faret East Building

October 2021: acquired sectional ownership (site right ratio 12.8%)

December 2021: acquired sectional ownership (site right ratio 10.3%) additionally

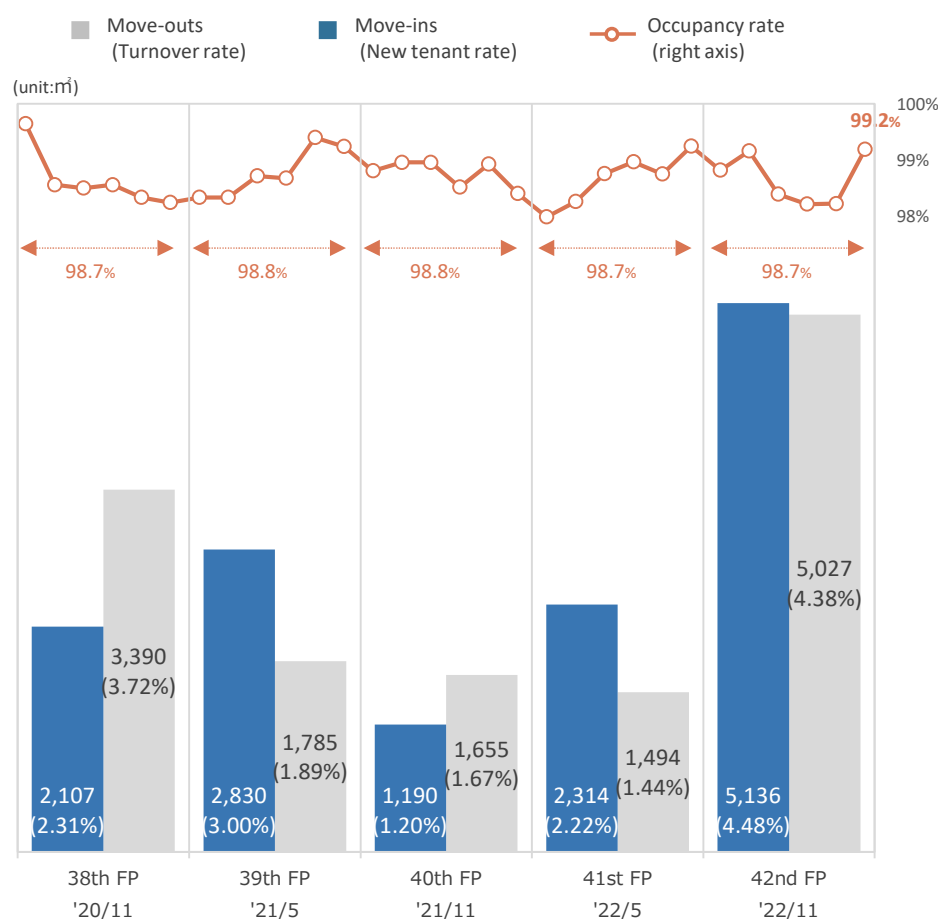




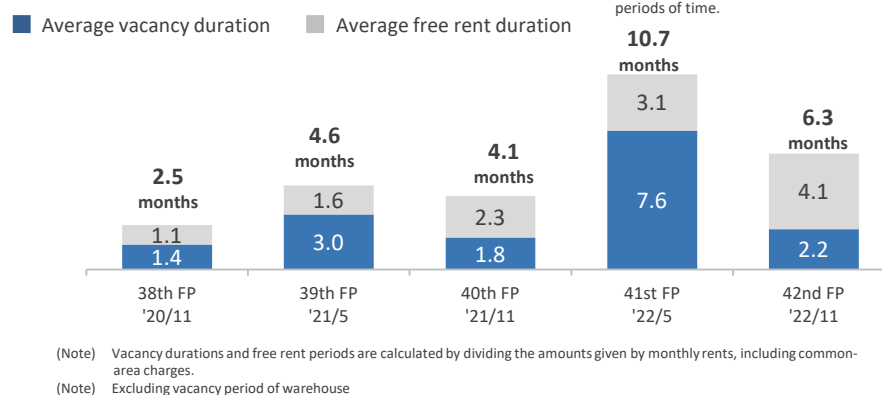
### Period-end occupancy rate was 99.2%. Over 5,000 m<sup>2</sup> leased with short downtime.

- The average occupancy rate during the period was 98.7%. The occupancy rate remained stable in the upper half of the 98% range, significantly surpassing the market average, and the period-end occupancy rate was 99.2%.
- New leasing totaling over 5,000 m<sup>2</sup> in 17 lots was achieved with short vacancy durations. Free rent duration increased somewhat, but it has remained steady for sections of less than 150 tsubo at 3.2 months.

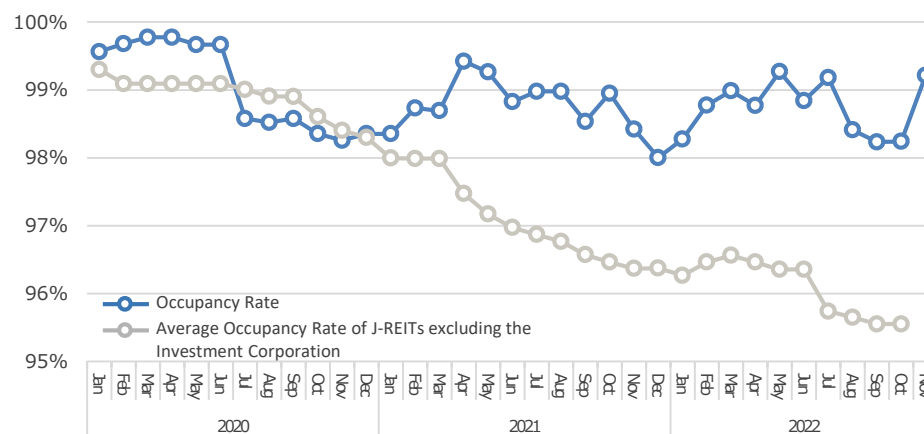
#### ► Status of monthly occupancy rates and office moving in/out



#### ► Vacancy duration and Free rent



#### ► Occupancy rate after the COVID-19 pandemic

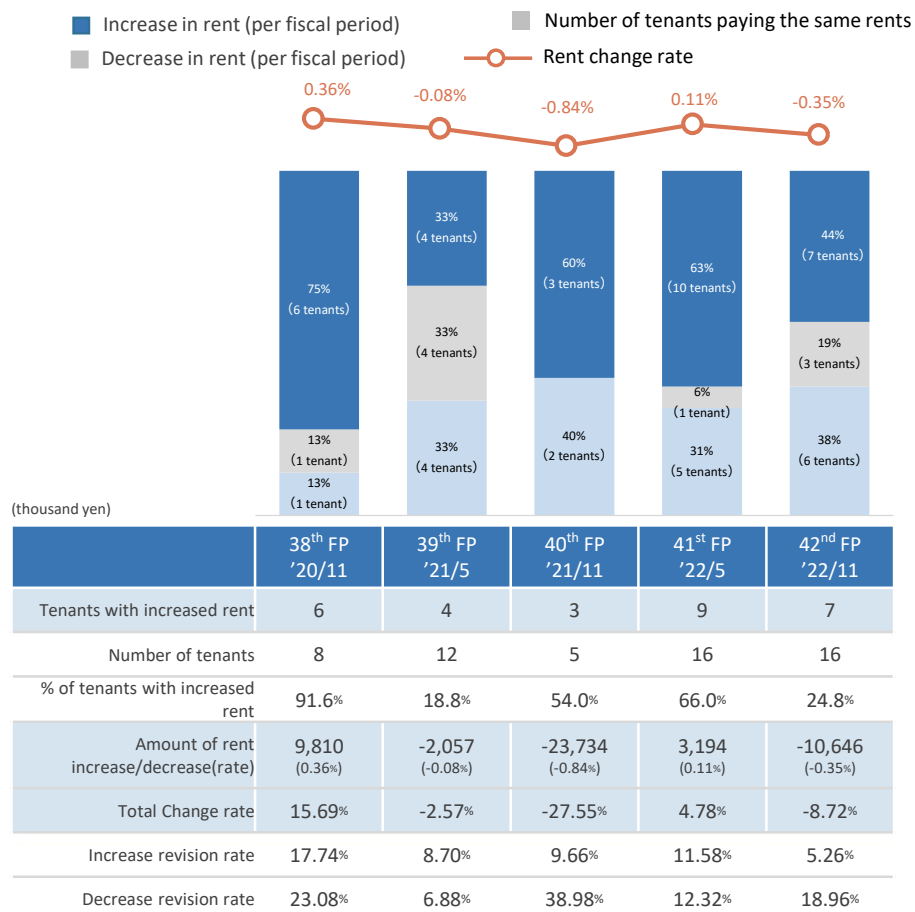


(Source : Prepared by Heiwa Real Estate Asset Management based on The Investment Trusts Association's data.)  
 (Note) The occupancy rate up to November 2022 is shown for the Investment Corporation, and up to October 2022 is shown for J-REITs.

Steady progress was made in upward rent revisions for renewed contracts, reflecting the resumption of face-to-face rent negotiations with tenants.

- In tenant replacement, the size of the floor area and the previous tenant's rent level impacted rent revision.
- With the rent revision rate at **+4.2%**, upward rent revisions continued for renewed contracts. Steady negotiations for the revision of rents achieved the highest rent increase since the fiscal period ended in May 2020. From the 43rd fiscal period, 12 instances where rent was increased have been already achieved.

### Status of newly leased office tenants' rent

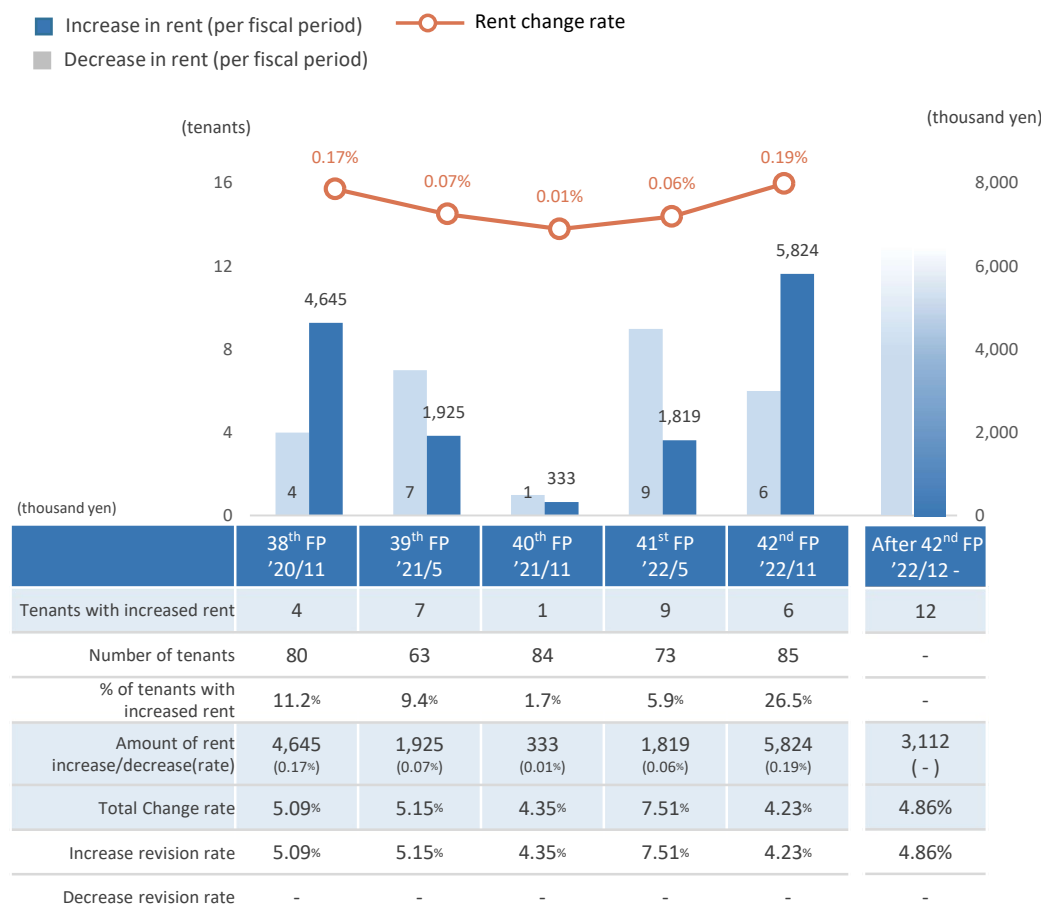


(Note) Excluding sections for which a lease agreement was concluded and moving-in was determined before the Investment Corporation purchased the property and sections which were vacant when the Investment Corporation purchased the property.

(Note) Rent change rate is calculated by dividing the monthly rent increase/decrease amount by the total amount of contracted rent of office portfolio at the end of the previous period.

(Note) With respect to the "Tenants with increased rent" in the 42nd fiscal period, the building management fee of one of the tenants declined due to the switching of the building management contract that had been entrusted to the tenant to another building management company when the tenant evacuated. The reduction in management fee exceeded the amount of the decrease in the rent revision. Therefore, this case is included in "Tenants with increased rent" even though the rent of the tenant decreased.

### Status of rent revisions



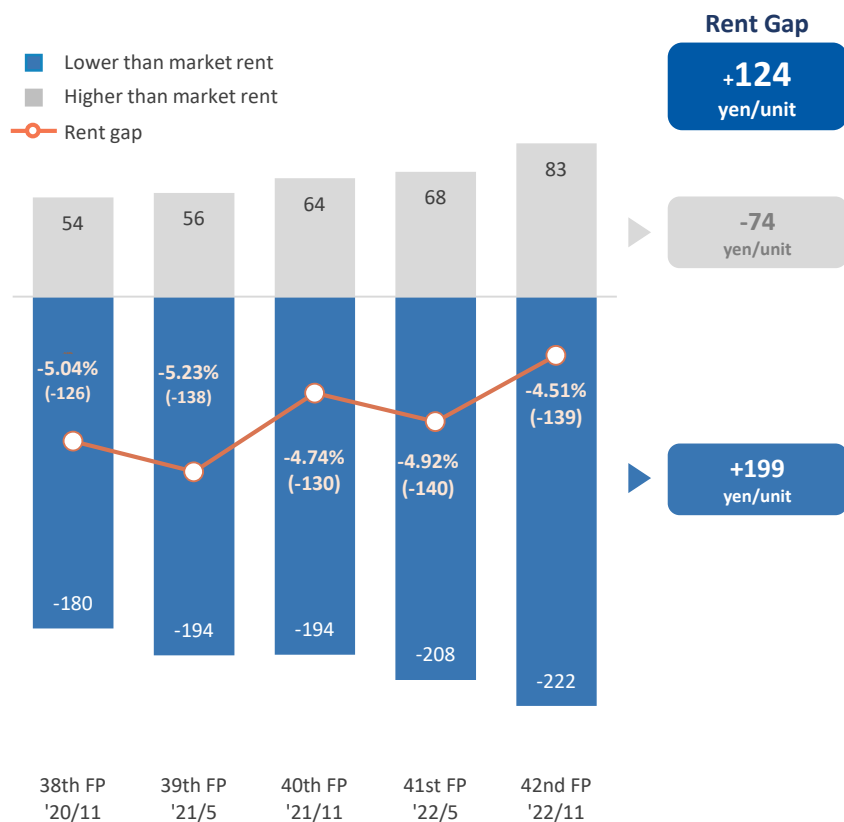
(Note) Data stated for the 42nd and subsequent fiscal periods are data that have been agreed on as of January 18, 2023. Items not confirmed or calculated at the point stated above, including the number of tenants, are not stated.

(Note) Rent change rate is calculated by dividing the monthly rent increase/decrease amount by the total amount of contracted rent of office portfolio at the end of the previous period.

The rent gap remained high, reflecting room for a rent increase of 124 yen per unit.

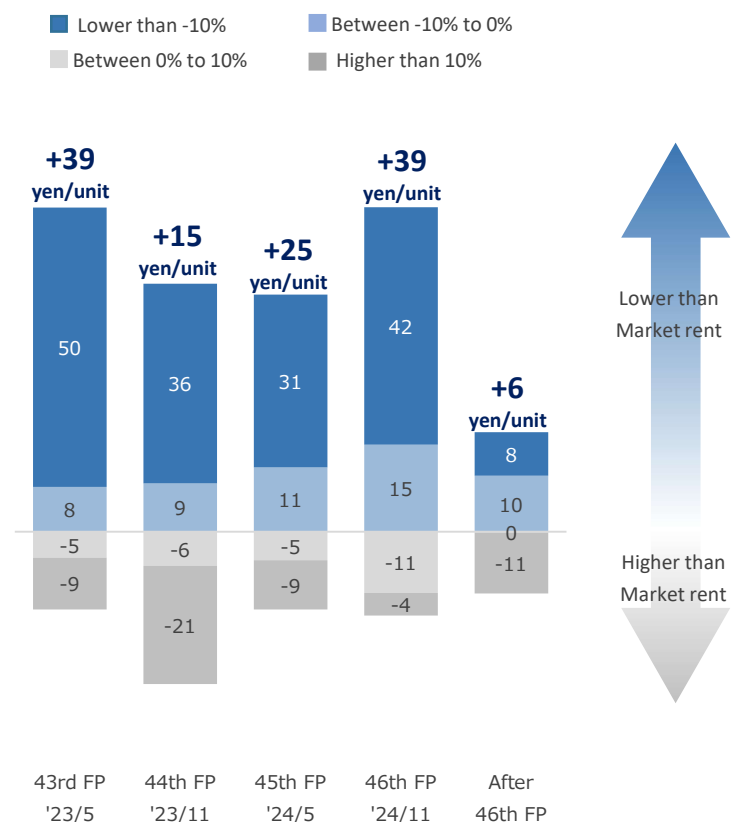
- Market rents declined for eight properties mainly in central Tokyo.
- The positive gap expanded to 199 yen, reflecting progress in the purchase of properties with significant rent gaps. In terms of the net gap, there is still room for a rent increase of 124 yen.

### Rent gap trends



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

### Schedule for renewal of agreement and rent gap



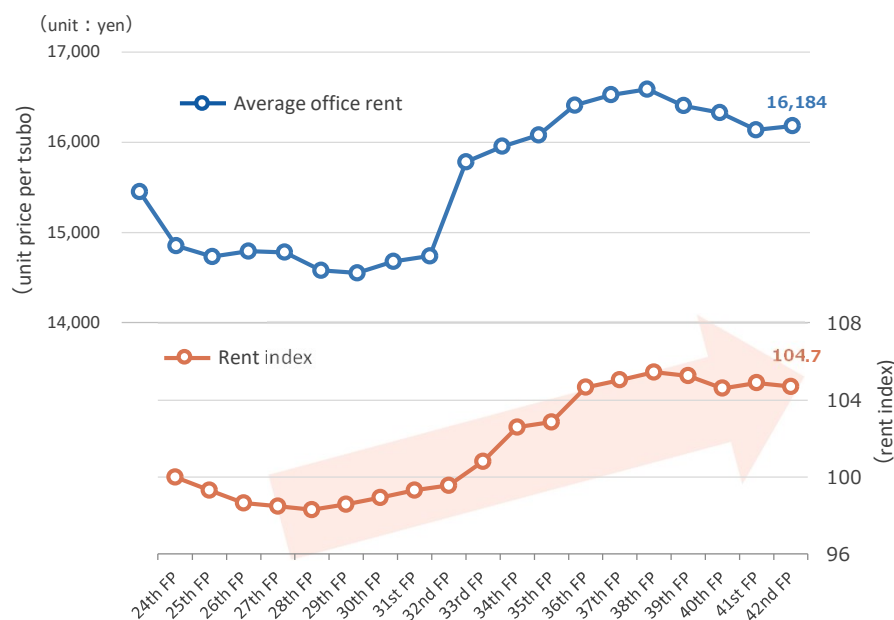
(Note) Excludes KAYABACHO HEIWA BUILDING and NISSO 5 BUILDING.

(Note) Rents for lots for which contract termination has been notified are posted for the periods that include the scheduled termination dates regardless of renewal periods.

## Leveling of the rent index

- Despite downward rent revisions for tenant replacements, the rent index stayed at a level nearly the same as the previous period supported by upward rent revisions for renewed contracts.
- Due to the expansion of the newly moved in area, the total amount of free rent increased, and the autonomous expansion of P/L rents due to the termination of free rent periods is expected to be **+28 yen** per unit in the future.

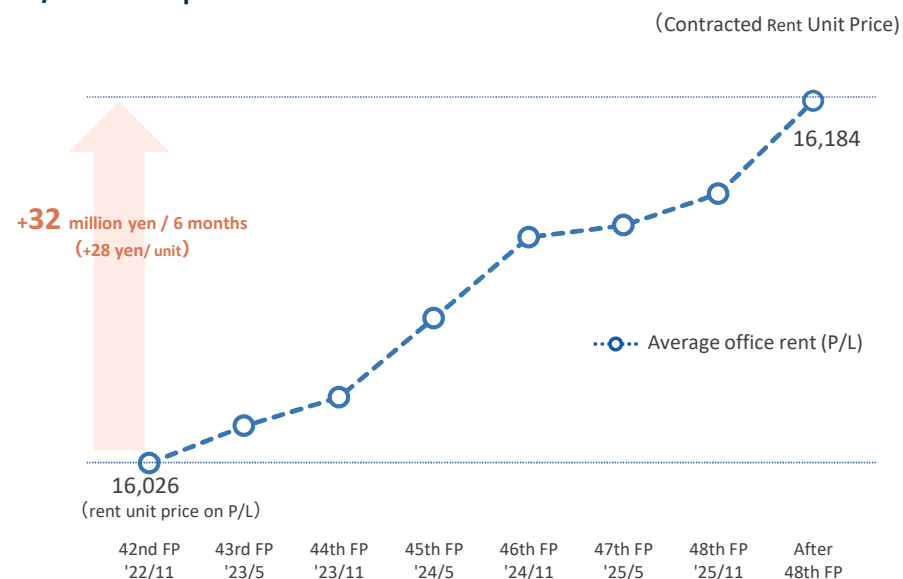
### Transition of contracted average rent unit price and contracted rent index (24th FP=100)



#### Rent Index

It shows the size and direction of portfolio rent fluctuations, excluding the influence of the sale and purchase of properties. The rent index in this chart also shows the stable improvement of the rent unit price of the portfolio from the bottom in the 28th fiscal period, shows a stable improvement amid the COVID-19 pandemic.

### Average rent unit price at the end of the 41<sup>st</sup> fiscal period and prospects for P/L rent unit price



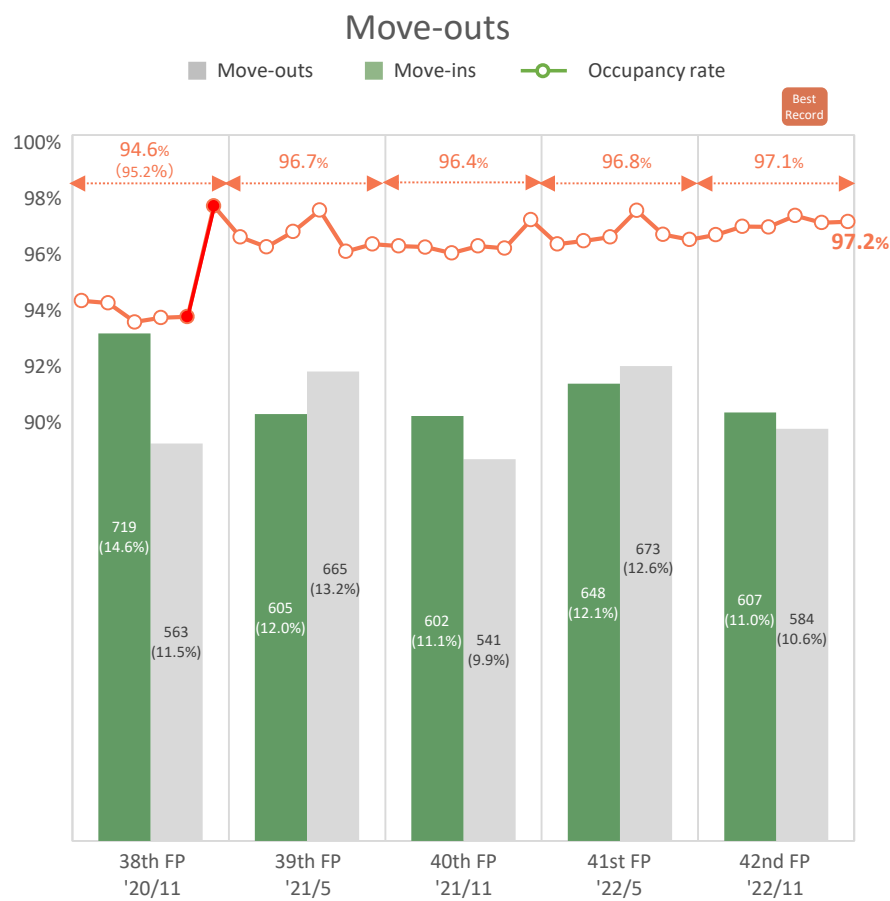
#### Average rent unit price and prospects for P/L rent unit price

- Profit and loss on our free rent is calculated by obtaining the average values throughout the initial lease contract period. Therefore, there is a deviation equivalent to the free rent between the rent unit price under existing agreements and the rent unit price when calculating profit and loss (PL rent unit price). The deviation will be closed at the time of renewal of the agreement for the tenant. This table shows the range of deviation and the schedule for closing as PL rent unit price.
- This table also suggests that an autonomous improvement in distributions can be expected in the future because the rent unit price for the calculation of distributions will also rise together with this recovery in the rent unit price.

### The average occupancy rate hit a record high of 97.1%

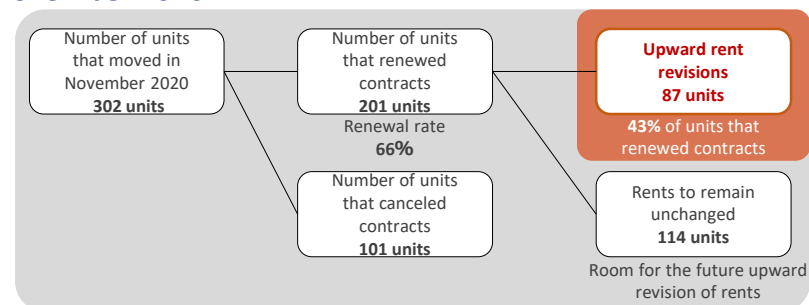
- The average occupancy rate, **97.1%**, was a **record high since being listed**. From the high period-end occupancy rate of 97.2%, we are entering a busy season in the next fiscal period.
- Rent increases were negotiated with targeted tenants for which leasing measures were taken in November 2020 for the purpose of recovering occupancy rates. Upward revisions were applied to 43% of the units that renewed contracts.

#### Monthly occupancy rates and trends of tenants turnover

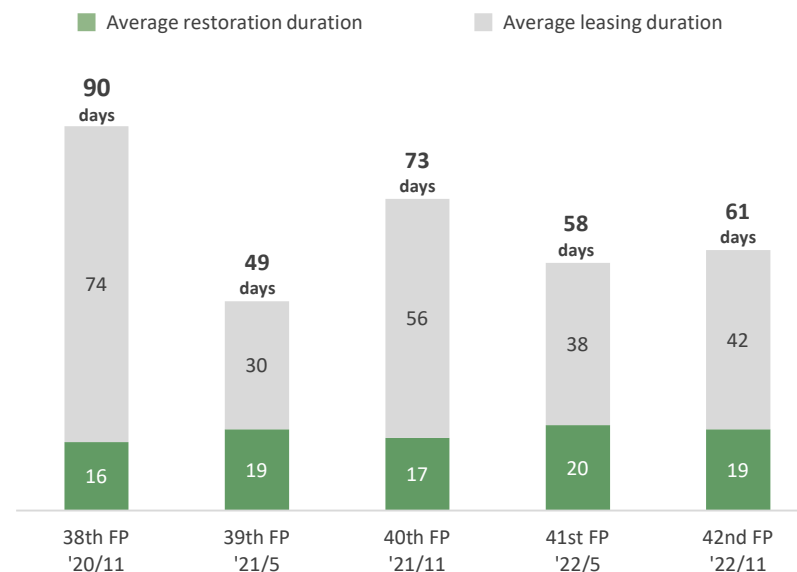


(Note) Figures stated in brackets are occupancy rates for properties, excluding HF SENDAI HONCHO RESIDENCE.

#### Status of upward revisions made for tenants that moved in November 2020



#### Vacancy duration



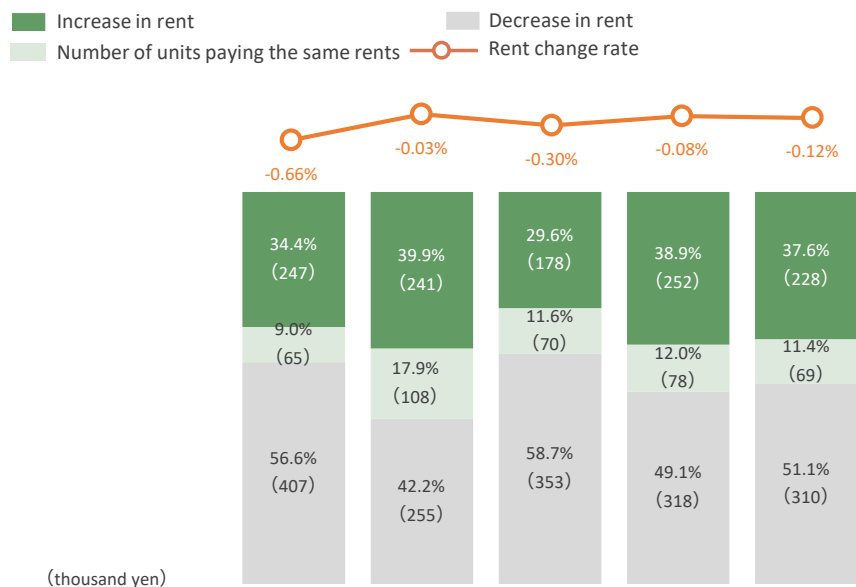
(Note) Average restoration duration is measured from the day of lease termination to the day of restoration work completion.

(Note) The figures for the 38th FP and 39th FP are for the properties excluding HF SENDAI HONCHO RESIDENCE.

## Upward revision continued in total of unit replacements and unit renewals

- Rent revision rates for new tenants that moved in continued to improve from levels during off-peak periods although priority was given to occupancy rate-conscious operations through a range of measures including setting rents in a flexible way for some properties in urban areas.
- The rent revision rate for unit renewals was a record high of 4.75%.

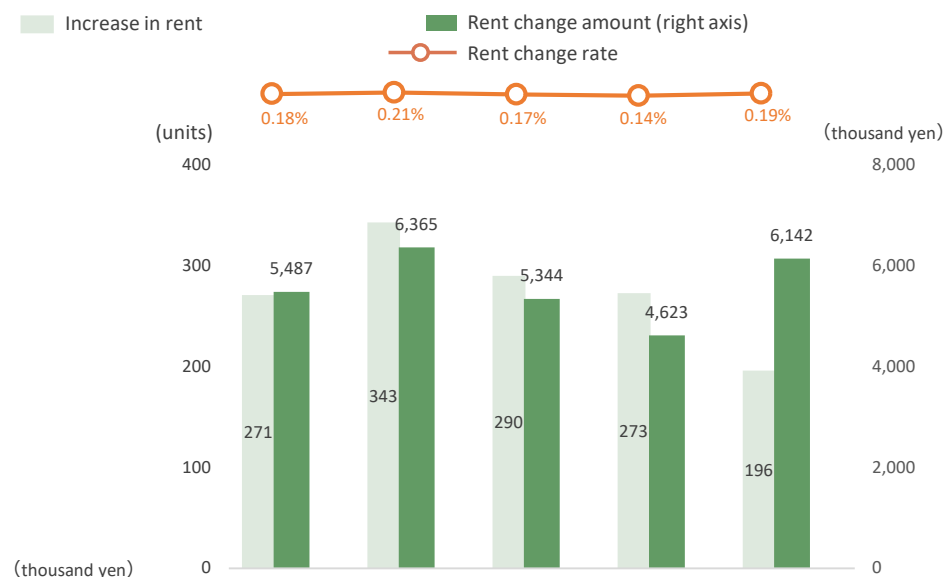
### Rent trends at units replacements (excluding non-residential properties)



	38 <sup>th</sup> FP '20/11	39 <sup>th</sup> FP '21/5	40 <sup>th</sup> FP '21/11	41 <sup>st</sup> FP '22/5	42 <sup>nd</sup> FP '22/11
Units with increased rent	247	241	178	252	228
Number of replacement units	719	605	602	648	607
% of units with increased rent	34.4%	39.9%	29.6%	38.9%	37.6%
Amount of rent increase/decrease(rate)	-20,182 (-0.66%)	-982 (-0.03%)	-9,492 (-0.30%)	-2,537 (-0.08%)	-3,860 (-0.12%)
Total Change rate	-4.60%	-0.27%	-2.57%	-0.64%	-1.02%
Increase revision rate	5.48%	5.29%	6.01%	7.16%	6.06%
Decrease revision rate	12.20%	5.60%	7.85%	6.86%	7.03%

(Note) Rent change rate is calculated by dividing monthly rent change amount during a targeted fiscal period by the total amount of contracted rents of the residence portfolio at the end of the previous fiscal period.

### Rent trends at units renewals (excluding non-residential properties)



	38 <sup>th</sup> FP '20/11	39 <sup>th</sup> FP '21/5	40 <sup>th</sup> FP '21/11	41 <sup>st</sup> FP '22/5	42 <sup>nd</sup> FP '22/11
Units with increased rent	271	343	290	273	196
Number of renewal units	688	920	772	955	797
% of units with increased rent	39.4%	37.3%	37.6%	28.6%	24.6%
Amount of rent increase/decrease(rate)	5,487 (0.18%)	6,364 (0.21%)	5,344 (0.17%)	4,623 (0.14%)	6,142 (0.19%)
Total Change rate	1.26%	1.12%	1.08%	0.76%	1.26%
Increase revision rate	2.95%	2.77%	2.59%	2.43%	4.75%
Decrease revision rate	-	-	-	-	-

(Note) Rent change rate is calculated by dividing monthly rent change amount during a targeted fiscal period by the total amount of contracted rents of the residence portfolio at the end of the previous fiscal period.

Best Record

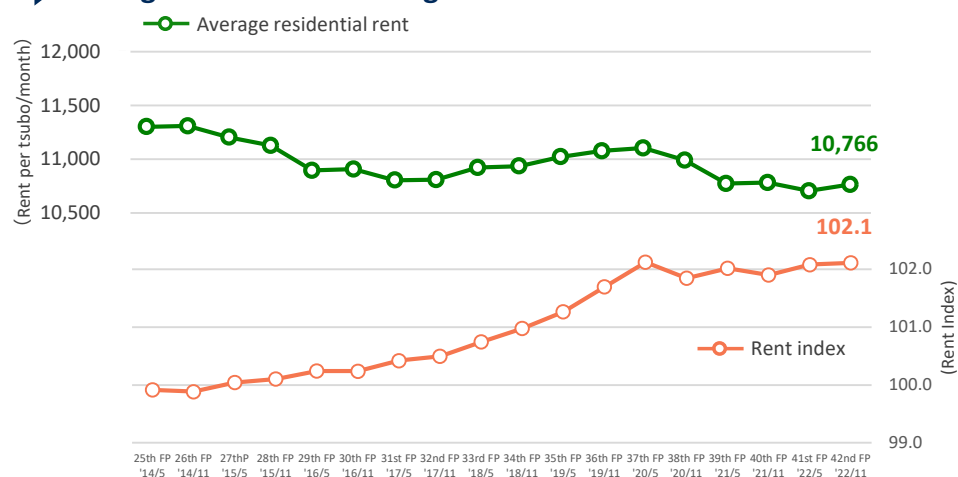
Best Record



Rent levels are rising due to the results of upward revisions. Average occupancy rates in urban areas are improving significantly during the fiscal period.

- Both the contracted rent unit price and rent index increased due to upward rent revisions.
- Period-end occupancy rates in **central Tokyo recovered to 97%** In terms of occupancy rate by type, family-type occupancy stayed strong and compact-type occupancy significantly improved to over 98%.

### Change in residence average rents and rent index



### Average occupancy rates by investment area

	No. of properties at the end of 42 <sup>nd</sup> FP	Ratio of Total floor space	38 <sup>th</sup> FP '20/11	39 <sup>th</sup> FP '21/5	40 <sup>th</sup> FP '21/11	41 <sup>st</sup> FP '22/5	42 <sup>nd</sup> FP '22/11	At the end of 42 <sup>nd</sup> FP
Sapporo	1	3.1%	94.86%	96.56%	99.09%	98.27%	98.23%	95.39%
Sendai	9	11.8%	88.38%	96.50%	96.80%	97.84%	97.33%	97.13%
Tokyo Central 5 Wards	18	21.0%	94.44%	95.96%	95.46%	95.76%	96.51%	97.23%
Tokyo23 Wards	29	29.8%	96.41%	97.26%	96.58%	96.59%	97.44%	97.71%
Tokyo Metro. Area	9	12.0%	97.18%	97.16%	96.97%	97.43%	97.37%	97.74%
Nagoya	3	4.9%	91.09%	97.08%	96.88%	96.22%	95.84%	95.02%
Kyoto	3	3.6%	96.07%	96.38%	96.51%	97.31%	97.96%	97.73%
Osaka	3	2.2%	96.23%	96.57%	95.50%	96.68%	96.21%	95.98%
Fukuoka	5	10.9%	97.13%	96.41%	96.44%	97.07%	96.92%	96.94%

### Trends in key money, renewal fees and credit loss rate

		38 <sup>th</sup> FP '20/11	39 <sup>th</sup> FP '21/5	40 <sup>th</sup> FP '21/11	41 <sup>st</sup> FP '22/5	42 <sup>nd</sup> FP '22/11
Key money	Number of units (Receiving ratio)	279 (38.8%)	278 (46.0%)	226 (37.6%)	278 (42.9%)	208 (34.2%)
	Number of months	1.01	1.06	1.01	1.04	1.01
Rental fees	Number of units (Renewal ratio)	688 (78.1%)	920 (79.9%)	772 (80.4%)	955 (82.8%)	837 (75.1%)
	Number of months	0.85	0.80	0.85	0.88	0.70
Credit loss rate		0.000%	0.000%	0.000%	0.000%	0.000%

(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.

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

	At the end of 42 <sup>nd</sup> FP	38 <sup>th</sup> FP '20/11	39 <sup>th</sup> FP '21/5	40 <sup>th</sup> FP '21/11	41 <sup>st</sup> FP '22/5	42 <sup>nd</sup> FP '22/11
Single Type (Under 40㎡)	82.27%	97.67%	96.47%	96.97%	96.54%	96.75%
Compact Type (Between 40㎡ to 60㎡)	13.70%	97.89%	96.18%	97.42%	96.07%	98.34%
Family Type (Above 60㎡)	4.02%	97.97%	96.41%	99.04%	97.30%	97.71%
<b>Total</b>		97.74%	96.40%	97.24%	96.52%	97.17%

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

(Note) Excluding shops and office areas.

### ► Free internet



Made capital investment to raise tenant satisfaction.

**79 properties** /80 properties completed

**Rent revision** 2,142 yen per month and unit  
**Invested expenses** 608 yen per month and unit

(as of 30 November 2022)

\* Amounts and the number of units are the sum of the increased amount and the number of units for properties to which free internet access was installed at the time of renewal. There were no rent reductions for subject tenants.

\* Expenses were calculated by adding running costs to numbers calculated by dividing expenses for installation work by depreciation periods.

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

(as of 30 November 2022)

Properties for singles (71 properties)		Rank Order	Properties for families (9 properties)	
Equipment/Utility	Properties completed		Equipment/Utility	Properties completed
Free Internet	70/71 properties completed	1 <sup>st</sup>	Free Internet	9/9 properties completed
Automatic lock system at entrance	71/71 properties completed	2 <sup>nd</sup>	Bath reheating function	9/9 properties completed
High-speed Internet	70/71 properties completed	3 <sup>rd</sup>	Automatic lock system at entrance	9/9 properties completed
Unattended delivery boxes	69/71 properties completed	4 <sup>th</sup>	High-speed Internet	9/9 properties completed
Bathroom dryer vent	51/71 properties completed	5 <sup>th</sup>	Modular kitchen	9/9 properties completed
Stand-alone vanity	33/71 properties completed	6 <sup>th</sup>	Unattended delivery boxes	8/9 properties completed
Modular kitchen	70/71 properties completed	7 <sup>th</sup>	Bathroom dryer vent	8/9 properties completed
Garbage disposal space that can be used 24 hours a day	71/71 properties completed	8 <sup>th</sup>	Garage (outside and inside)	8/9 properties completed
Security camera	71/71 properties completed	9 <sup>th</sup>	Home security	2/9 properties completed
Bath reheating function	17/71 properties completed	10 <sup>th</sup>	Garbage disposal space that can be used 24 hours a day	9/9 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.



3 持続可能な社会を築く  
 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

11 持続可能な都市とコミュニティを築く  
 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

13 気候変動に具体的な対策を  
 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

- Reduction of environmental loads through the installation of LED lighting and the introduction of highly efficient air-conditioning equipment and plumbing facilities, etc.
- Increase in customer satisfaction through the introduction of free Internet

### HF ATAGOBASHI RESIDENCE

#### Renovation of outward wall and common areas

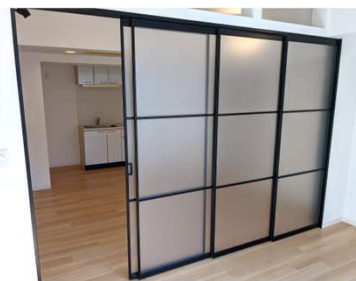


After



### HF MEGURO RESIDENCE

#### Renovation of exclusive areas



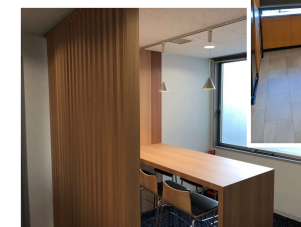
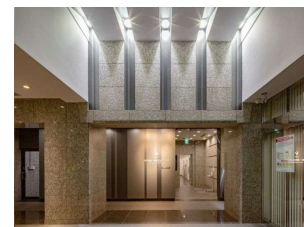
### Renovation of common areas

After

### ACROSS SHINKAWA BUILDING

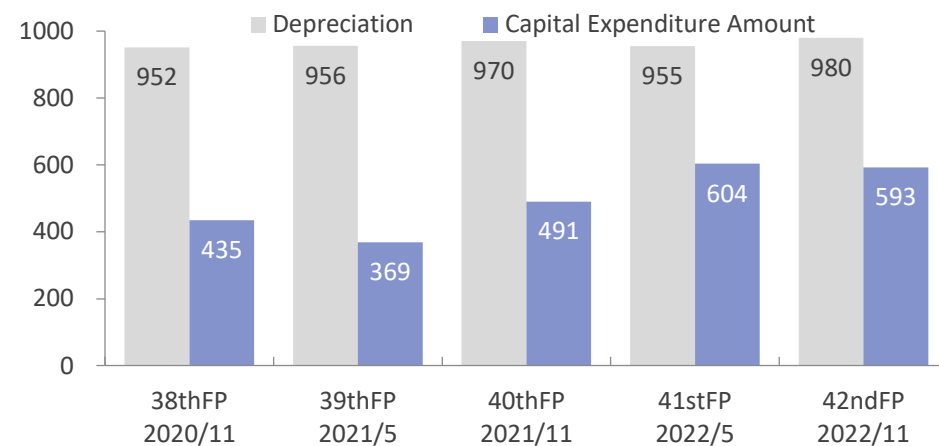


### HF SENDAI ICHIBANCHO BUILDING



### History of capital expenditure

(million yen)



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

- Unrealized gain grew **4,412 million yen** to 53,291 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 **25.8%**.
- The cap rate of 8 office buildings and 77 residence buildings decreased. **The appraisal value and unrealize gain continue to improve.**

#### Appraisal Value

**259,464**  
million yen

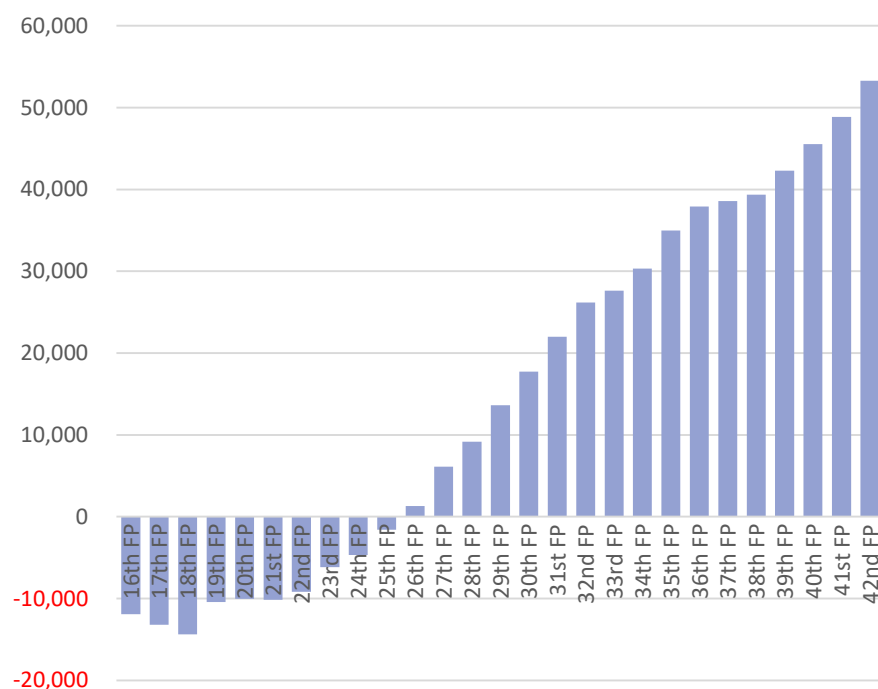
#### Unrealized Gain

**53,291**  
million yen

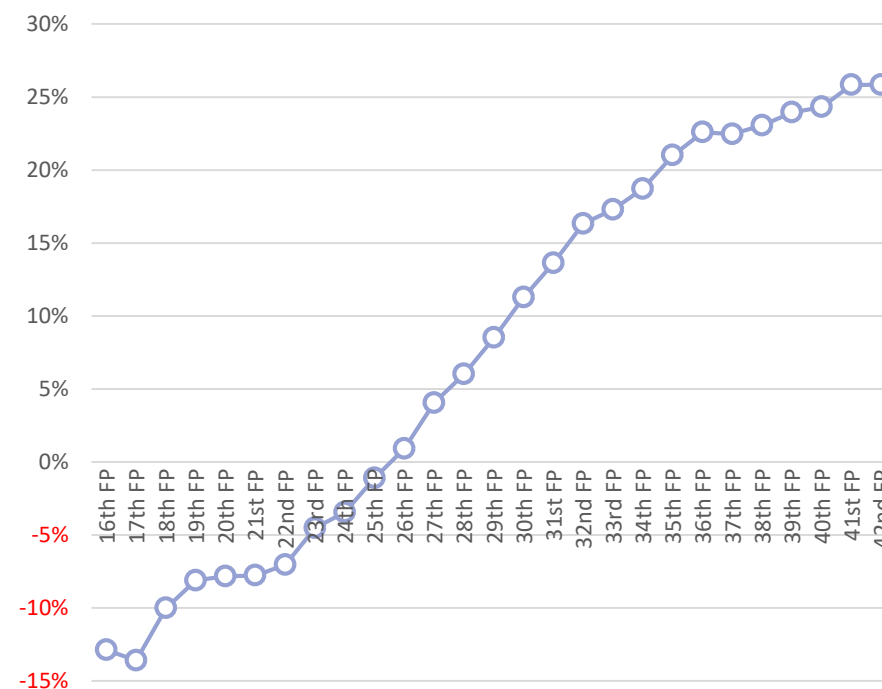
#### Unrealized Gain Ratio

**25.8%**

#### History of unrealized gain/loss



#### History of unrealized gain/loss ratio



**Progress was made in the creation of a solid financial structure through public offering, resulting in the improvement of the rating to AA-.**

- Investment units were offered publicly at the beginning of the fiscal period under review. The offering contributed to a **decline in the LTV ratio and an improvement of the rating**.
- The Investment Corporation solicited Kansai Mirai Bank, Limited to be a new lender in the fiscal period under review, while **issuing its first issued green bonds** at the beginning of the 43rd fiscal period. As a result, progress was made in the efforts to enhance means of financing.

#### Summary of interest-bearing liabilities (at the end of 42<sup>nd</sup> FP)

Average Interest Rate	Long-term Loan Ratio	LTV <sup>(note1)</sup>	Appraisal-based LTV <sup>(note2)</sup>
0.724%	99.8%	44.9%	38.4%
Fixed interest Rate Ratio	Average Loan Term	Average Remaining Term to Maturity	Issuer Rating <sup>(note3)</sup>
74.7%	7.18 year	3.93 year	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

(Note 3) Issuer rating by Japan Credit Rating Agency, Ltd.

#### Financing status of 42<sup>nd</sup> FP

Term Loan	Loan Amount (million yen)	Interest Rate	Borrowing Date	Maturity Date	Term (year)
61A	2,300	3M Tibor+0.600%	Jun 3, 2022	May 31, 2029	6.9
61B	500	0.859%	Jun 3, 2022	May 31, 2029	6.9
62	1,000	1M Tibor+0.200%	Jun 27, 2022	Jun 30, 2023	1.0
63A	3,920	3M Tibor+0.560%	Oct 31, 2022	Nov 30, 2029	7.0
63B	900	0.984%	Oct 31, 2022	Nov 30, 2029	7.0
64	480	3M Tibor+0.450%	Oct 31, 2022	Nov 30, 2032	10.0
<b>Total/ Average</b>	<b>9,100</b>	<b>0.629% (Note)</b>	-	-	<b>6.5</b>

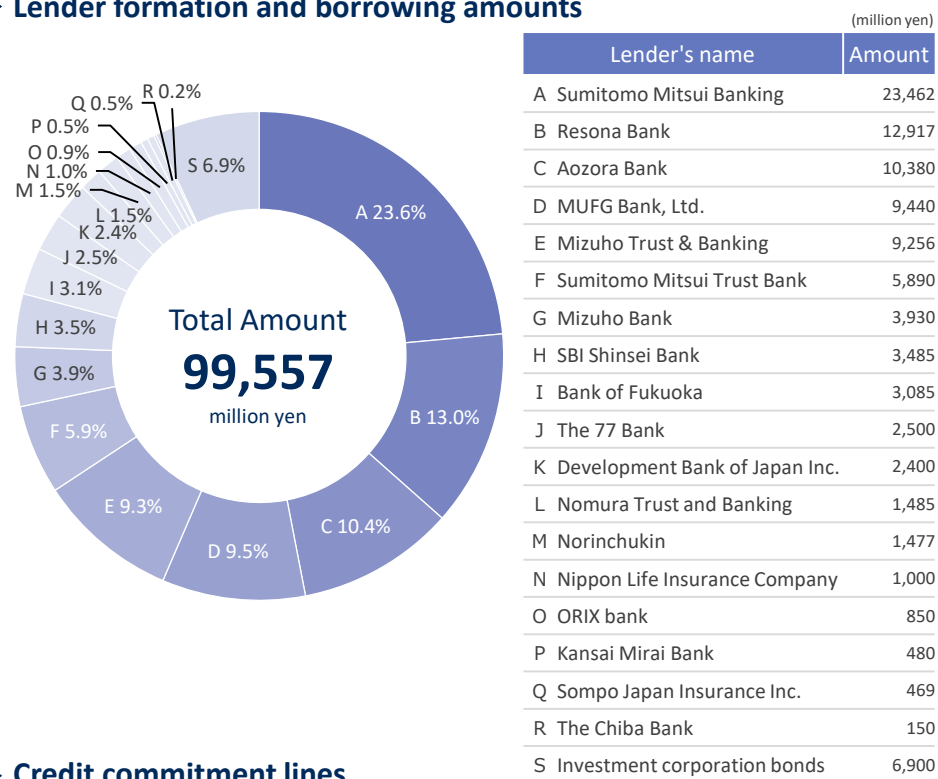
(Note) The average interest rate is calculated using the base rate at the end of November 2022.

#### Issuance of Green Bonds

At the beginning of the 43rd fiscal period, the Investment Corporation issued green bonds for the first time.

Bond Name	Loan Amount (million yen)	Interest Rate	Issue Date	Redemption Date	Term (year)
Unsecured Investment Corporation Bonds No. 7 (Green Bonds)	2,000	0.880%	Dec 12, 2022	Dec 10, 2032	10.0

#### Lender formation and borrowing amounts



#### Credit commitment lines

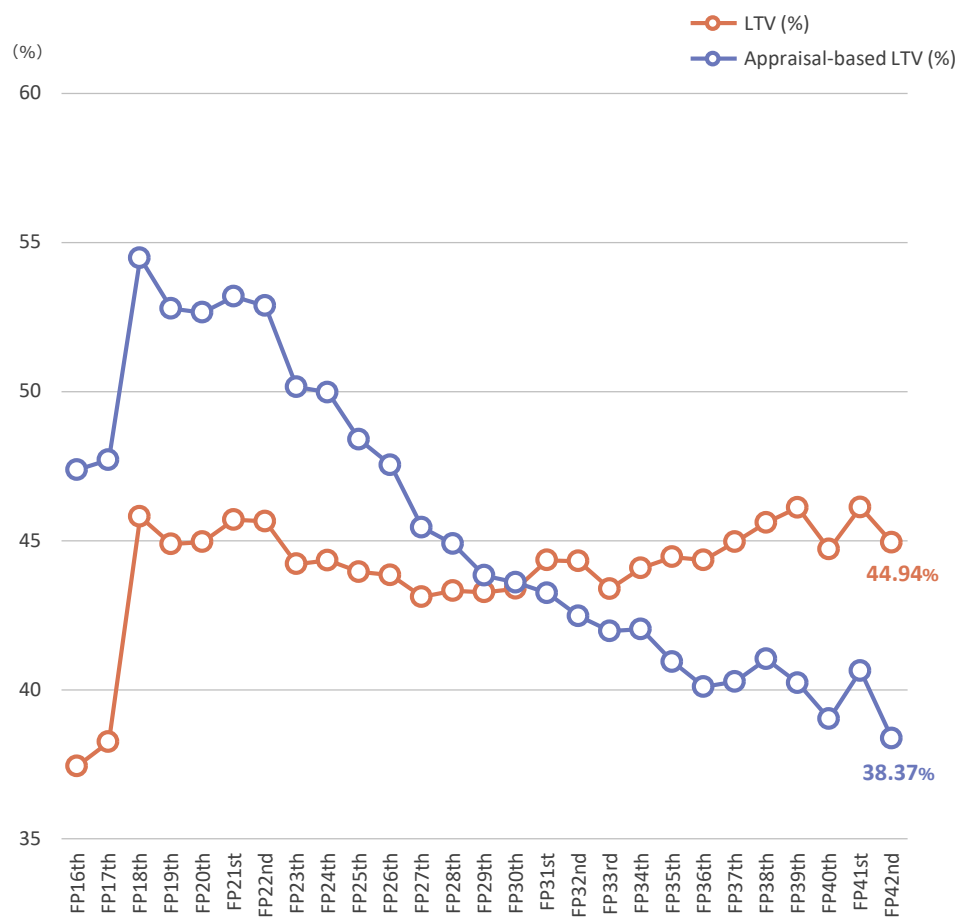
Bank	Loan Commitment	Commitment Period	Remarks
Sumitomo Mitsui Banking	7,000 million yen	From: Jun 1, 2022 To: May 31, 2023	Unsecured, Unguaranteed
MUFG Bank, Ltd.			
Mizuho Bank			
Resona Bank			

(Note) The lender name is described by omitting a part of the official name of each company.

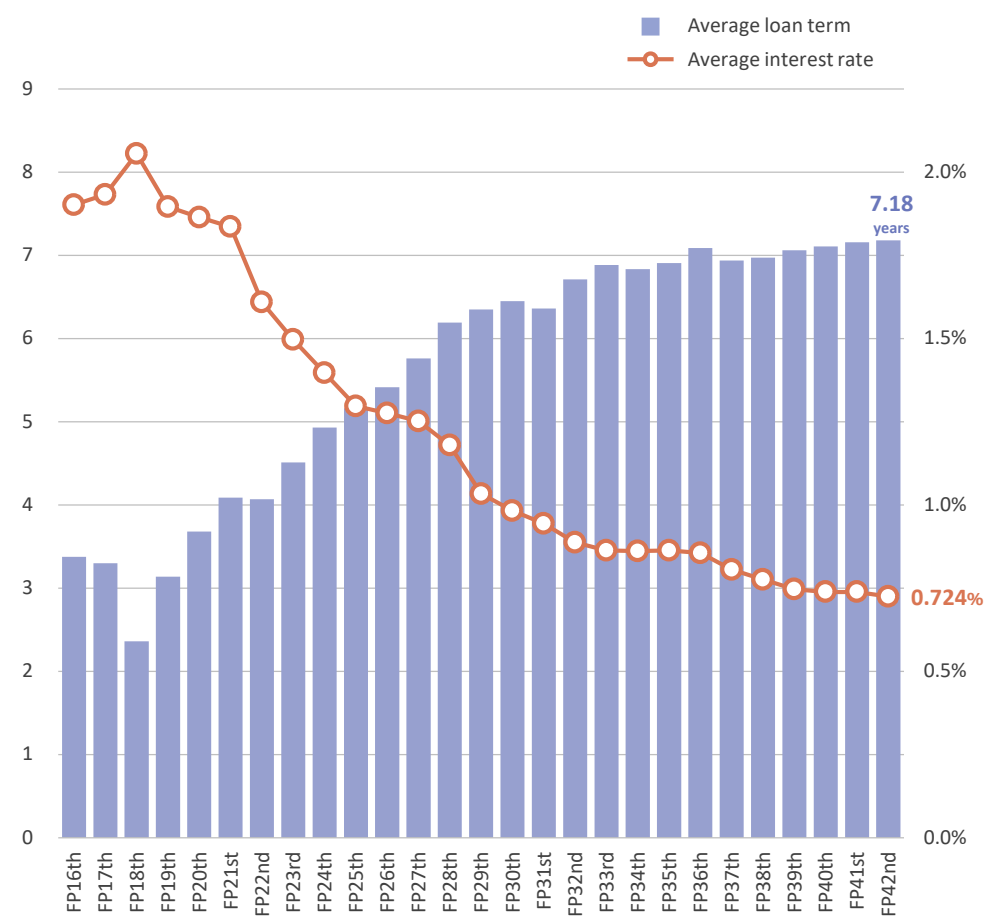
### Progress made in the reduction of LTV and financing costs and the extension of financing period

- Appraisal LTV lowered to **38.37%** due to public offering. Borrowing capability expanded to **31.2 billion yen** (Appraisal LTV=45%).
- Average financing cost at end of period was **0.724%**, **down 0.014%** from the previous fiscal period, while the financing period **became longer**.

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



#### ► Change in average loan maturity and average interest rate

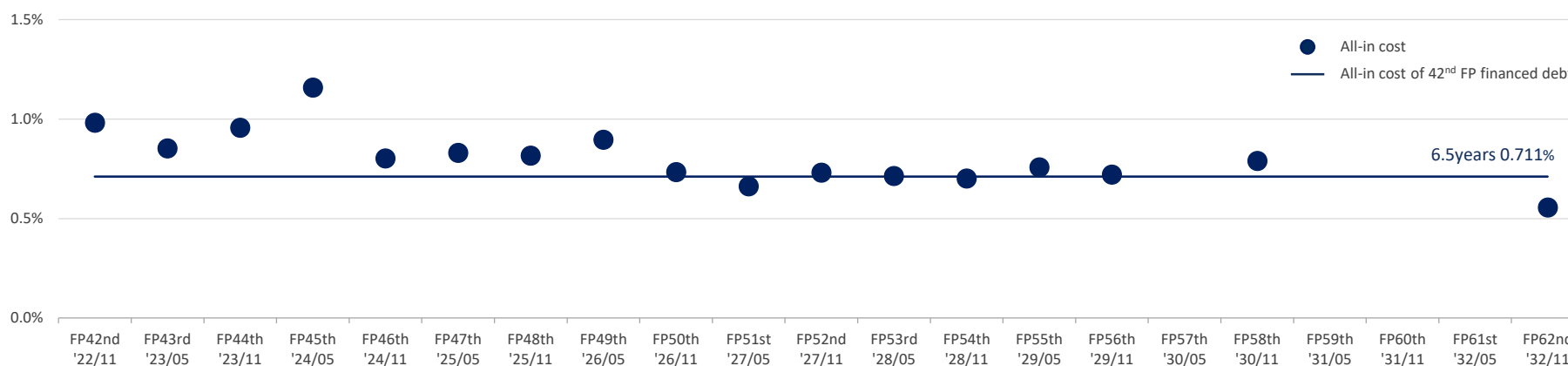




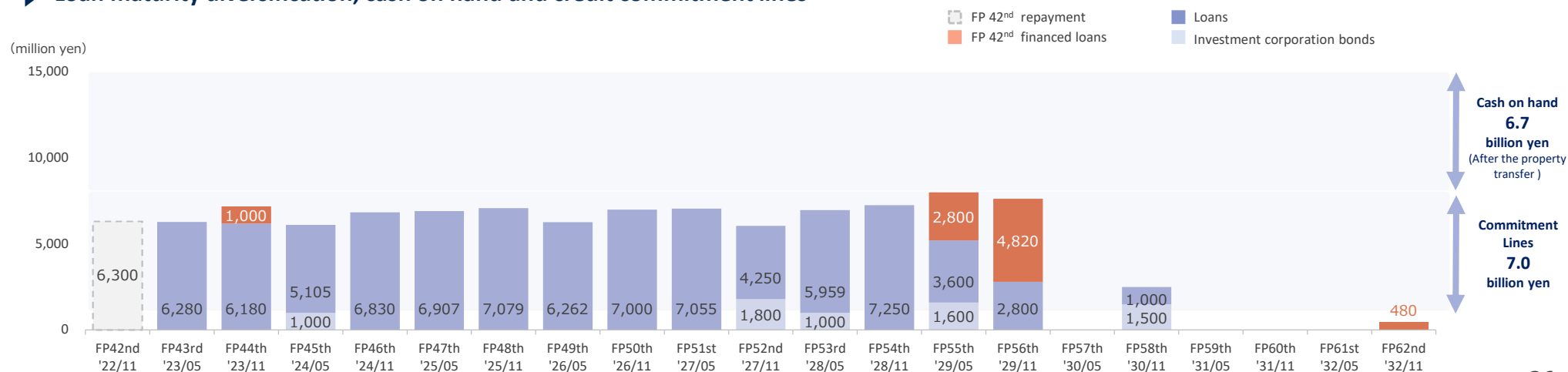
### Stable repayment structure and sufficient liquidity on hand

- Financing costs decreased due to refinancing and new borrowings.
- A stable loan repayment schedule is set (with the average repayment of 6,930 million yen per fiscal period). The Investment Corporation has prepared for unforeseen circumstances with sufficient credit commitment lines and cash on hand (total 13.7 billion yen).

#### ► Most recent finance costs and loans that reached maturity dates (all-in interest rates)



#### ► 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

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


GRESBスコアの推移



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

**Preparation of the ESG Report**


The Investment Corporation's ESG-related initiatives have been strengthened. To organize them in a systematic way and introduce them in a way that is easy to understand, the ESG-related website has been refurbished. We hope you will enjoy it.

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



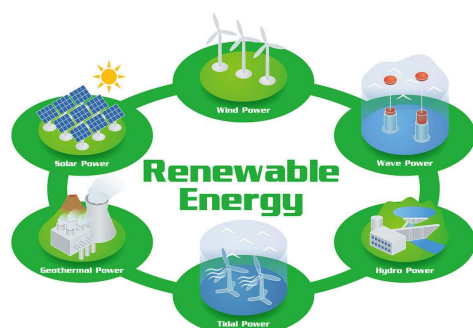
The Investment Corporation's ESG-related initiatives were compiled into a brochure. We would like to help various stakeholders deepen their understanding about our activities by providing detailed disclosures as well as expanding our range of initiatives.

<https://www.heiwa-re.co.jp/assets/sustainability/en/disclosures/report/esg-report-2022.pdf>

## Environment

## Shift to renewable energy

The Investment Corporation will change the power used in all properties that it owns to power from renewable energy. Shift generally to power plans conforming to the RE100 standards was completed at all 113 properties subject to the shift by the end of the fiscal period under review. The shift is expected to result in the reduction of GHG emissions in 2021 by 8,583 tons (down 97.4%) compared to the level in 2019. 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 in 2021 (note)

**-8,583t**  
(-97.4%)

(comparison to 2019)

## 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 120 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

## Environment

## Conduct TCFD scenario analysis



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 21.7% (overlaps eliminated, 21.8% as of December 9, 2022)

HF SAKURADORI BUILDING  DBJ Green Building 2021 〇〇	KAYABACHO HEIWA BUILDING  DBJ Green Building 2020 〇〇	ARK Mori Building  CASBEE 不動産 2019 エネルギー・省エネ・省資源・省コスト	KABUTO-CHO UNI-SQUARE  CASBEE 不動産 2021 エネルギー・省エネ・省資源・省コスト	HF ESAKA BUILDING  CASBEE 不動産 2022 エネルギー・省エネ・省資源・省コスト	HF TABATA RESIDENCE  BELS この建物のエネルギー消費係数4.61は、 2019年改訂のBELS基準に適合する。BELS
HF KOMAZAWA-KOEN RESIDENCE TOWER  DBJ Green Building 2020 〇〇	HF SENDAI HONCHO BUILDING  DBJ Green Building 2020 〇〇	HF SAKURADORI BUILDING  CASBEE 不動産 2020 エネルギー・省エネ・省資源・省コスト	HF NIHONBASHI HAMACHO BUILDING  CASBEE 不動産 2020 エネルギー・省エネ・省資源・省コスト	Shinsaibashi FRONT Building  CASBEE 不動産 2021 エネルギー・省エネ・省資源・省コスト	KOBE KYUKYORYUCHI HEIWA BUILDING  BELS この建物のエネルギー消費係数1.4は、 2019年改訂のBELS基準に適合する。BELS
HF SHIROKANE TAKANAWA RESIDENCE  DBJ Green Building 2020 〇〇	HF SENDAI HONCHO BUILDING  CASBEE 不動産 2020 エネルギー・省エネ・省資源・省コスト	HF UENO BUILDING  CASBEE 不動産 2020 エネルギー・省エネ・省資源・省コスト	Nihonbashi Horidomecho First Certified on December 9  CASBEE 不動産 2022 日本版BELS	BELS: Total floor ratio 2.7% (2.7% as of December 9, 2022)	

DBJ Green Building: Total floor ratio 11.8%  
(11.8% as of December 9, 2022)

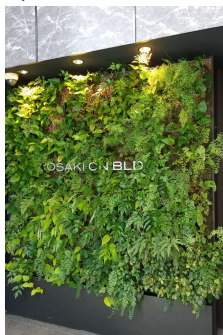
CASBEE: Total floor ratio 13.1%  
(13.9% as of December 9, 2022)

BELS: Total floor ratio 2.7%  
(2.7% as of December 9, 2022)

## Environment

## Promotion of wall greening

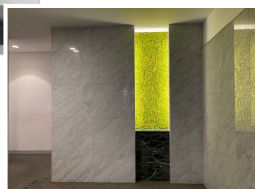
The Investment Corporation has promoted wall greening. By arranging plants not only in the tree planting spaces outside the building but also on the walls of the entrance and communal areas, the Investment Corporation has taken steps to reduce carbon dioxide and provide comfortable and healthy office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



OSAKI CN BUILDING



HF HAMAMATSUCHO BUILDING



KOJIMACHI HF BUILDING

## Environment

## 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.



## 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

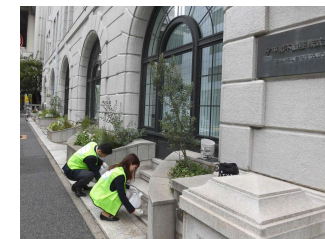
The Investment Corporation has concluded an agreement on supplying drinking water at the time of disaster with Chuo-ku, Tokyo and a neighborhood disaster mitigation association. If drinking water is in short supply due to a major earthquake, the Investment Corporation will supply drinking water from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

## Promotion of diversity

Directors of the Investment Corporation and outside committee members and officers of the Asset Management Company are not appointed from Group companies and investment decisions are made from an objective standpoint.

Diversity is promoted among officers and employees, and efforts are made to incorporate expertise from all walks of life into asset management and to translate multi-faceted perspectives into corporate competitiveness.

## Investment Corporation

Lawyer	2
Certified public accountant	1

## Asset Management Company (incl. duplication)

Real estate notary	23
ARES Certified Master	19
Certified Building Administrator	17
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

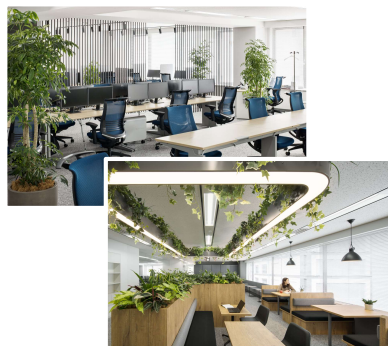
## ■Health support

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 2022 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 fourth consecutive certification since FY2019. In addition, the company received Silver 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	○	○	○

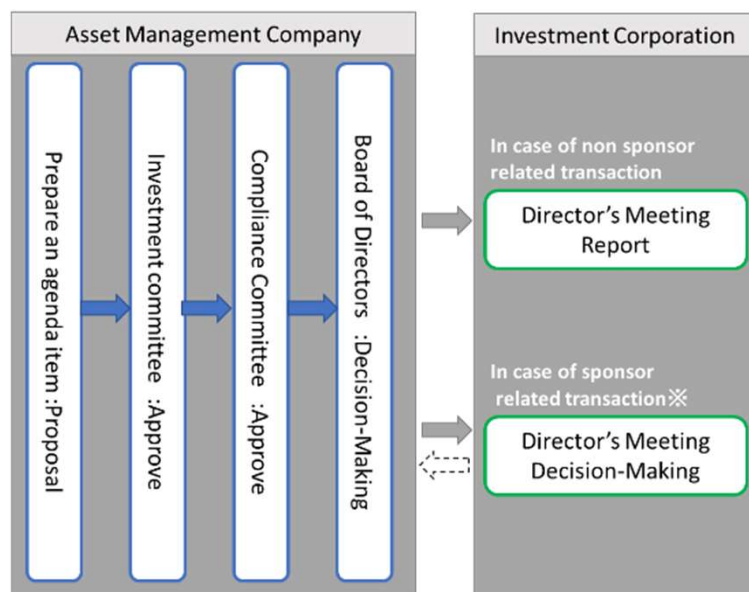


## Governance

## 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.

## 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

### ■ Carefully selected Asset type/ Area

- Policy of carefully selective investment in blue-chip offices and residences.
- Retain Tokyo wards as main area, but also carry out selective investment in large regional cities where support from sponsors can be obtained.

## 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

## 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

## 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.

## 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.

## Forecast DPU

43<sup>rd</sup> FP : 3,130 yen/unit

44<sup>th</sup> FP : 3,150 yen/unit

## Activities to achieve the NEXT VISION

While the COVID-19 pandemic has a certain level of impact, the impact on the entire portfolio has been limited and steady progress is being made to achieve the new medium- to long-term targets. At the beginning of the 42nd fiscal period (June 2022), significant external growth was achieved through a public offering conducted for the second consecutive year. New properties acquired have large scope for a rise in rents and the occupancy rate of existing properties remains high. Despite the current unstable financial environment, equity has been securely procured. Scope for borrowing based on abundant free cash and low LTV is available, enabling flexible external growth. There are also adequate internal reserves to provide funds for distribution. 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.

## NEXT VISION

DPU : 3,300 yen/unit

AUM : 300 billion yen



## Yoshimasa Oba

Chief Compliance Officer

### Career

He worked for a company in the securities and financial services industry for many years, mainly engaged in legal and compliance operations. April 2019: Advisor to the Investment Corporation, March 2020: Chief Compliance Officer (incumbent)

## Enhance the system for thorough compliance!

Investment corporations have a compliance officer in each of their asset management companies. The compliance officer is in charge of managing the status of compliance with laws and regulations to enhance internal control systems and facilitate the proper operation of the businesses of financial instruments business operators.

One of the important responsibilities of the compliance officers of asset management companies is managing transactions that involve conflicts of interest. Investment corporations have sponsors who support the growth of their investment corporations by providing properties, properties information, warehousing and other services to their investment corporations and asset management companies.

However, in transactions such as the purchase and sale of a property between an investment corporation and its sponsor or other interested party, there is the risk that there will be a conflict of interest. To prevent conflicts of interest from adversely impacting the Investment Corporation, we have established various internal rules to ensure fairness, transparency and objectivity. For example, we have established the Compliance Committee to examine businesses from the perspective of compliance, and it includes an external committee member (a lawyer). The purchase and sale of properties are also deliberated by the Compliance Committee. For transactions with interested parties in particular, the unanimous consent of the Compliance Committee members is required.

Recently, another asset management company was identified as having violated laws and regulations in a transaction with its sponsor and was subject to administrative action. In consideration of situations like that, we endeavor to continue improving our system to ensure thorough compliance so that you can invest in the Investment Corporation with peace of mind.

## We have taken measures to ensure that all the officers and employees have a strong awareness of compliance

Since I joined the Company, I attended the Securities and Exchange Surveillance Commission inspections in 2007 and 2014. In the inspection conducted in 2007, various issues were pointed out. Subsequently, at the time of the merger with Japan Single-residence Asset Management Corp. in 2010, we concluded a business alliance with a major audit firm and implemented a period-end internal audit and business improvement project to improve the issues pointed out every year. As a result, we did not have any significant issues pointed out in the inspection in 2014, which gave us a sense of confidence concerning our internal controls. At present, we have continued this PDCA cycle, which has become a major driving force in the development of the foundation of our internal controls.

REIT management companies operate in an environment where it is possible that many transactions could involve conflicts of interest with sponsors or other interested parties. Naturally, companies are not in a position where they can do whatever they want to pursue profit. It is important to profit using with proper methods and conduct legitimate and fair transactions with all concerned parties.

In Our Five Ideals, our corporate philosophy, a strong awareness of compliance is advocated as the fourth ideal. The Compliance & Risk Management Office formulates a compliance program every year for the implementation of the measures necessary for the facilitation of the compliance system, including compliance training, compliance awareness surveys, the improvement of the effective risk management system within each division and department, and the maintenance of internal rules, so that all the officers and employees understand the significance of compliance, have high corporate ethics and act in line with compliance.

## Hiroyasu Matsuda

Senior Manager,  
Compliance & Risk Management Office

### Career

Joined then Canal Investment Trust (current Heiwa Real Estate Asset Management) in January 2002. Involved in the establishment of Crescendo Investment Corporation, which is the forerunner of the Investment Corporation, and the listing of investment units. Since then, he has been continually engaged in compliance, risk management and internal auditing.



## **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.

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### III. Appendix



(unit: thousand yen)						
Assets						
Category	41st Fiscal Period May 31, 2022		42nd Fiscal Period November 30, 2022		Variation	
	Amount	Share (%)	Amount	Share (%)	Amount	Change (%)
(Assets)						
I						
Cash and deposits	15,571,779		9,841,698		-5,730,081	
Cash and deposits in trust	3,725,431		3,822,174		96,743	
Accounts receivable-trade	71,359		94,063		22,704	
Prepaid expenses	133,948		142,422		8,474	
Consumption taxes receivable	-		9,775		9,775	
Other	11,302		13,606		2,304	
Allowance for doubtful accounts	-117		-117		0	
Current assets	19,513,703	9.3	13,923,623	6.3	-5,590,080	-28.6
II						
1. Property, plant and equipment	Note 1					
Buildings	14,670,751		15,383,649		712,898	
Structures	45,169		50,110		4,941	
Machinery and equipment	69,402		65,492		-3,910	
Tools, furniture and fixtures	130,137		137,823		7,686	
Land	37,326,134		37,328,942		2,808	
Buildings in trust	34,307,245		35,132,673		825,428	
Structures in trust	136,642		138,908		2,266	
Machinery and equipment in trust	357,049		347,031		-10,018	
Tools, furniture and fixtures in trust	410,801		434,312		23,511	
Land in trust	93,387,652		107,493,984		14,106,332	
Total property, plant and equipment	180,840,987	86.2	196,512,927	88.7	15,671,940	8.7
2. Intangible assets						
Leasehold right	5,033,146		6,766,382		1,733,236	
Leasehold rights in trust	3,315,665		2,893,960		-421,705	
Software	4,033		3,011		-1,022	
Other	227		227		0	
Total intangible assets	8,353,072	4.0	9,663,581	4.4	1,310,509	15.7
3. Investments and other assets						
Guarantee deposits	19,617		19,617		0	
Long-term prepaid expenses	241,223		238,946		-2,277	
Derivatives	276,237		564,402		288,165	
Other	478,127		509,386		31,259	
Total investments and other assets	1,015,206	0.5	1,332,353	0.6	317,147	31.2
Total noncurrent assets	190,209,265	90.7	207,508,862	93.7	17,299,597	9.1
III Deferred assets						
Investment unit issuance expenses	33,456		63,888		30,432	
Investment corporation bonds issuance expenses	38,251		34,751		-3,500	
Total deferred assets	71,707	0.0	98,639	0.0	26,932	37.6
Total assets	209,794,677	100.0	221,531,125	100.0	11,736,448	5.6

■ Liabilities and net assets				(unit: thousand yen)			
Period		41st Fiscal Period May 31, 2022		42nd Fiscal Period November 30, 2022		Variation	
Category		Amount	Share (%)	Amount	Share (%)	Amount	Change (%)
(Liabilities)							
I Current Liabilities							
Accounts payable		667,082		630,465		-36,617	
Current portion of investment corporation bonds		1,000,000		-		-1,000,000	
Current portion of short-term loans payable		200,000		200,000		0	
Current portion of long-term loans payable		11,380,000		13,260,000		1,880,000	
Accured expenses		831,238		810,749		-20,489	
Income taxes payable		595		518		-77	
Accrued consumption taxes		69,780		-		-69,780	
Advances received		1,153,143		1,258,496		105,353	
Other		28,811		86,678		57,867	
Total current liabilities		15,330,651	7.3	16,246,908	7.3	916,257	6.0
II Noncurrent liabilities							
Investment corporation Bonds		6,900,000		6,900,000		0	
Long-term loans payable		77,277,200		79,197,200		1,920,000	
Tenant leasehold and security deposits		939,402		963,976		24,574	
Tenant leasehold and security deposits in trust		4,710,548		5,215,652		505,104	
Derivatives liabilities		18,538		-		-18,538	
Total noncurrent liabilities		89,845,689	42.8	92,276,829	41.7	2,431,140	2.7
Total liabilities		105,176,340	50.1	108,523,737	49.0	3,347,397	3.2
(Net assets)							
I Unitholders' equity							
1. Unitholders' capital	Note 2	90,063,406	42.9	97,799,794	44.1	7,736,388	8.6
2. Surplus							
Capital surplus		7,406,652	3.5	7,406,652	3.3	0	
Capital surplus deduction amount		-1,699,990		-1,699,990		0	
Capital surplus (net base)		5,706,661	2.7	5,706,661	2.6	0	0.0
Voluntary retained earnings							
Reserve for reduction entry		415,683		415,683		0	
Reserve for temporary difference adjustment		1,883,482		1,841,253		-42,229	
Total Voluntary retained earnings		2,299,166	1.1	2,256,936	1.0	-42,230	-1.8
Unappropriated retained earnings		6,304,797	3.0	6,692,914	3.0	388,117	6.2
Total surplus		14,310,624	6.8	14,656,512	6.6	345,888	2.4
Total unitholders' equity		104,374,031	49.8	112,456,307	50.8	8,082,276	7.7
II Valuation and translation adjustments							
Deferred gains or losses on hedges		244,304		551,080		306,776	
Total valuation and translation adjustments		244,304	0.1	551,080	0.2	306,776	125.6
Total net assets	Note 3	104,618,336	49.9	113,007,387	51.0	8,389,051	8.0
Total liabilities and net assets		209,794,677	100.0	221,531,125	100.0	11,736,448	5.6

Note 1 The cumulated depreciation is directly subtracted from property, plant and equipment cumulated depreciation.  
41st fiscal period : 20,256,387 thousand yen 42nd fiscal period : 21,097,528 thousand yen

Note 2 Total outstanding investment units  
41st fiscal period : 1,055,733 units 42nd fiscal period : 1,113,733 units

Note 3 Net assets per investment unit  
41st fiscal period : 99,095 yen 42nd fiscal period : 101,467 yen

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



(unit: thousand yen)

(Unit : thousand yen)

Category	Period		41st Fiscal period ( Dec. 1, 2021-May 31, 2022 )		42nd Fiscal period ( Jun. 1, 2022-Nov 30, 2022 )		Variation	
			Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Operating revenue	Note 1							
Rent revenue-real estate			6,293,129		6,676,198			
Other lease business revenue			566,647		610,109			
Gain on sales of real estate properties			462,979	7,322,756	549,904	7,836,212	513,456	7.0
Operating expenses	Note 2							
Expenses related to rent business			2,831,691		2,936,675			
Asset management fee			648,938		675,020			
Asset custody fee			12,668		13,011			
Administrative service fees			28,929		28,050			
Directors' compensations			6,102		6,102			
Audit fee			11,660		12,000			
Other operating expenses			173,173	3,713,163	147,285	3,818,146	104,983	2.8
Operating income (loss)				3,609,593		4,018,065	408,472	11.3
Non-operating income								
Interest income			311		286			
Reversal of dividends payable			519		534			
Insurance income			1,501		910			
Other			1,551	3,883	153	1,884	-1,999	-51.5
Non-operating expenses								
Interest expenses			326,214		345,390			
Borrowing related expenses			49,800		52,699			
Interest expenses on corporate bonds			25,085		23,835			
Amortization of corporate bonds issuance costs			4,104		3,500			
Amortization of investment unit issuance expenses			8,364		16,123			
Other			5,980	419,549	11,923	453,472	33,923	8.1
Ordinary income (loss)				3,193,926		3,566,478	372,552	11.7
Income (Loss) before income taxes				3,193,926		3,566,478	372,552	11.7
Income taxes-current			605		605			
Income taxes				605		605	0	0
Net income (loss)				3,193,321		3,565,873	372,552	11.7
Retained earnings brought forward				3,111,475		3,127,041	15,566	
Unappropriated retained earnings (undisposed)				6,304,797		6,692,914	388,117	

\* 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 182 days for the 41st fiscal period and 183 days for the 42nd fiscal period.

Note 2 The depreciation costs of this total are 954,944 thousand yen for the 41st fiscal period and 980,148 thousand yen for the 42nd fiscal period.

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
<b>Rental business income total</b>	<b>3,761,853</b>	<b>3,524,454</b>	<b>7,286,308</b>
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
<b>Rental business expenses total</b>	<b>1,114,177</b>	<b>842,350</b>	<b>1,956,527</b>
<b>NOI</b>	<b>2,647,676</b>	<b>2,682,103</b>	<b>5,329,780</b>
Depreciation	398,616	581,531	980,148
<b>Rental business profit</b>	<b>2,249,059</b>	<b>2,100,572</b>	<b>4,349,632</b>

41st FP ('22/5)	Office	Residence	Total
Rents and common	2,990,184	3,302,944	6,293,129
Other income	343,182	223,464	566,647
<b>Rental business income total</b>	<b>3,333,367</b>	<b>3,526,409</b>	<b>6,859,776</b>
PM fees	365,459	348,277	713,736
Public charges and taxes	241,941	189,698	431,640
Utilities	193,476	48,319	241,795
Maintenance and repair	64,659	242,265	306,925
Insurance fees	4,224	4,935	9,159
Trust fees	11,128	20,925	32,054
Other expenses	99,699	41,736	141,435
<b>Rental business expenses total</b>	<b>980,588</b>	<b>896,158</b>	<b>1,876,747</b>
<b>NOI</b>	<b>2,352,778</b>	<b>2,630,250</b>	<b>4,983,029</b>
Depreciation	371,723	583,220	954,944
<b>Rental business profit</b>	<b>1,981,055</b>	<b>2,047,030</b>	<b>4,028,085</b>

(As of November 30, 2022)

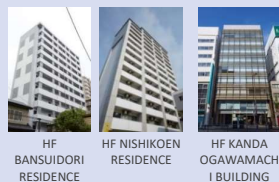
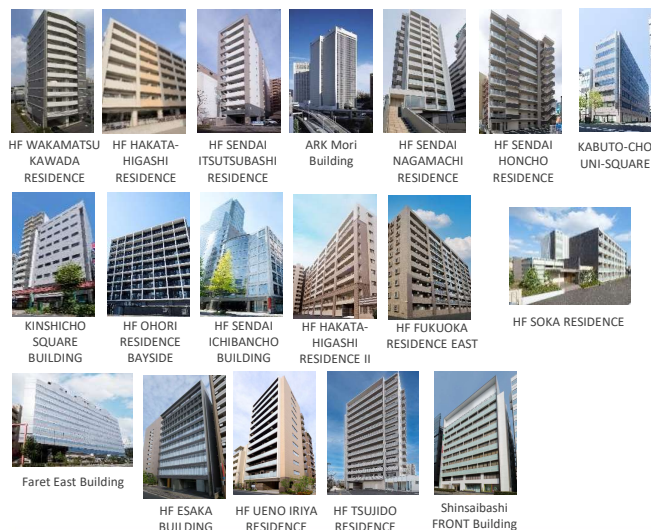
	Breakdown	Balance at Period End (million yen)	Interest Rate (%)	Borrowing Date	Repayment Date	Description
	Lender					
Short-term loan	Sumitomo Mitsui Banking Corporation	200	0.25545	May 31, 2022	May 31, 2023	Unsecured and Unguaranteed
	Subtotal	200				
Long-term loans, Investment Corporation Bonds payable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

	Breakdown	Balance at Period End (million yen)	Interest Rate (%)	Borrowing Date	Repayment Date	Description
	Lender					
Long-term loans payable	Aozora Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Banking Corporation Resona Bank, Limited. Aozora Bank, Ltd. MUFG Bank, Ltd. Mizuho Trust & Banking Co., Ltd. Sumitomo Mitsui Trust Bank, Limited. Shinsei Bank, Limited.	1,200	0.50500	October 31, 2019	May 30, 2025	Unsecured and Unguaranteed
	Sumitomo Mitsui Banking Corporation Resona Bank, Limited. Aozora Bank, Ltd. MUFG Bank, Ltd. Mizuho Trust & Banking Co., Ltd. Sumitomo Mitsui Trust Bank, Limited. Shinsei Bank, Limited.	2,100	0.57700	October 31, 2019	November 30, 2026	
	Sumitomo Mitsui Banking Corporation Resona Bank, Limited.	1,000	0.47100	March 31, 2020	October 31, 2024	
	Sumitomo Mitsui Banking Corporation Resona Bank, Limited. Mizuho Trust & Banking Co., Ltd.	3,520	0.66475	March 31, 2020	May 31, 2027	
	The 77 Bank, Ltd.	1,100	0.56475	April 24, 2020	May 31, 2027	
	Sumitomo Mitsui Banking Corporation Resona Bank, Limited. Aozora Bank, Ltd. Mizuho Trust & Banking Co., Ltd. Sumitomo Mitsui Trust Bank, Limited.	4,250	0.66900	October 30, 2020	October 29, 2027	
	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. Mizuho Trust & Banking Co., Ltd. Sumitomo Mitsui Trust Bank, Limited.	3,559	0.65800	May 31, 2021	May 31, 2028	
	Development Bank of Japan Sumitomo Mitsui Banking Corporation The Chiba Bank, Ltd.	1,000	0.64125	May 31, 2021	May 31, 2028	
	Mizuho Trust & Banking Co., Ltd.	400	0.40500	June 04, 2021	October 31, 2024	
	MUFG Bank, Ltd.	1,390	0.55364	September 29, 2021	November 30, 2028	
	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. Sumitomo Mitsui Trust Bank, Limited. Mizuho Bank, Ltd. Shinsei Bank, Limited.	3,860	0.65364	October 29, 2021	October 31, 2028	
	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.	950	0.37970	May 31, 2022	May 30, 2025	
	The Nomura Trust and Banking Co., Ltd. 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. The Bank of Fukuoka The Nomura Trust and Banking Co., Ltd.	2,435	0.50364	May 31, 2022	May 31, 2027	
	Sumitomo Mitsui Banking Corporation Aozora Bank, Ltd. The Norinchukin Bank	1,400	0.57364	May 31, 2022	May 31, 2028	
	Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd.	2,300	0.65364	June 03, 2022	May 31, 2029	
	Development Bank of Japan Sumitomo Mitsui Banking Corporation Aozora Bank, Ltd. Mizuho Trust & Banking Co., Ltd. The Bank of Fukuoka, Ltd.	500	0.85947	June 03, 2022	May 31, 2029	
	Sumitomo Mitsui Banking Corporation Aozora Bank, Ltd.	3,920	0.61364	October 31, 2022	November 30, 2029	
	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

## Direct acquisition from Third Parties

**21 Properties 41,753 million yen**


(Sponsors Brokerage Properties)

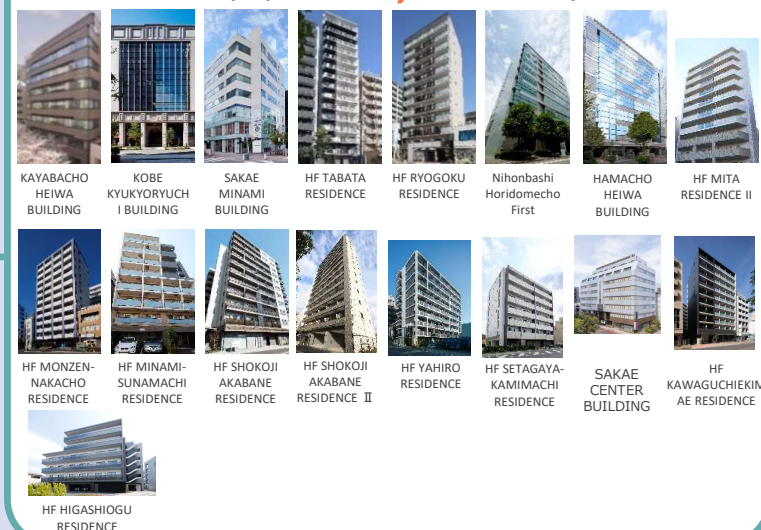
## Bridge Fund

**2 Properties 4,750 million yen**

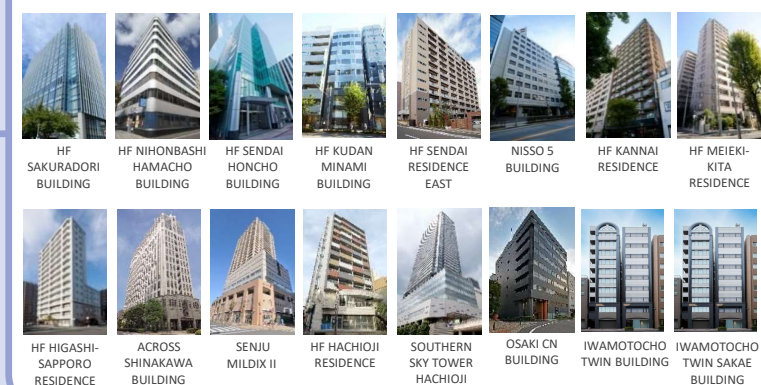
**Total Acquired prices  
since sponsor change**
**121,415**
**million yen**  
(As of 30 September 2022)

**Sponsor's Support**

## Direct Acquisitions from Sponsor

**18 properties 32,943 million yen**


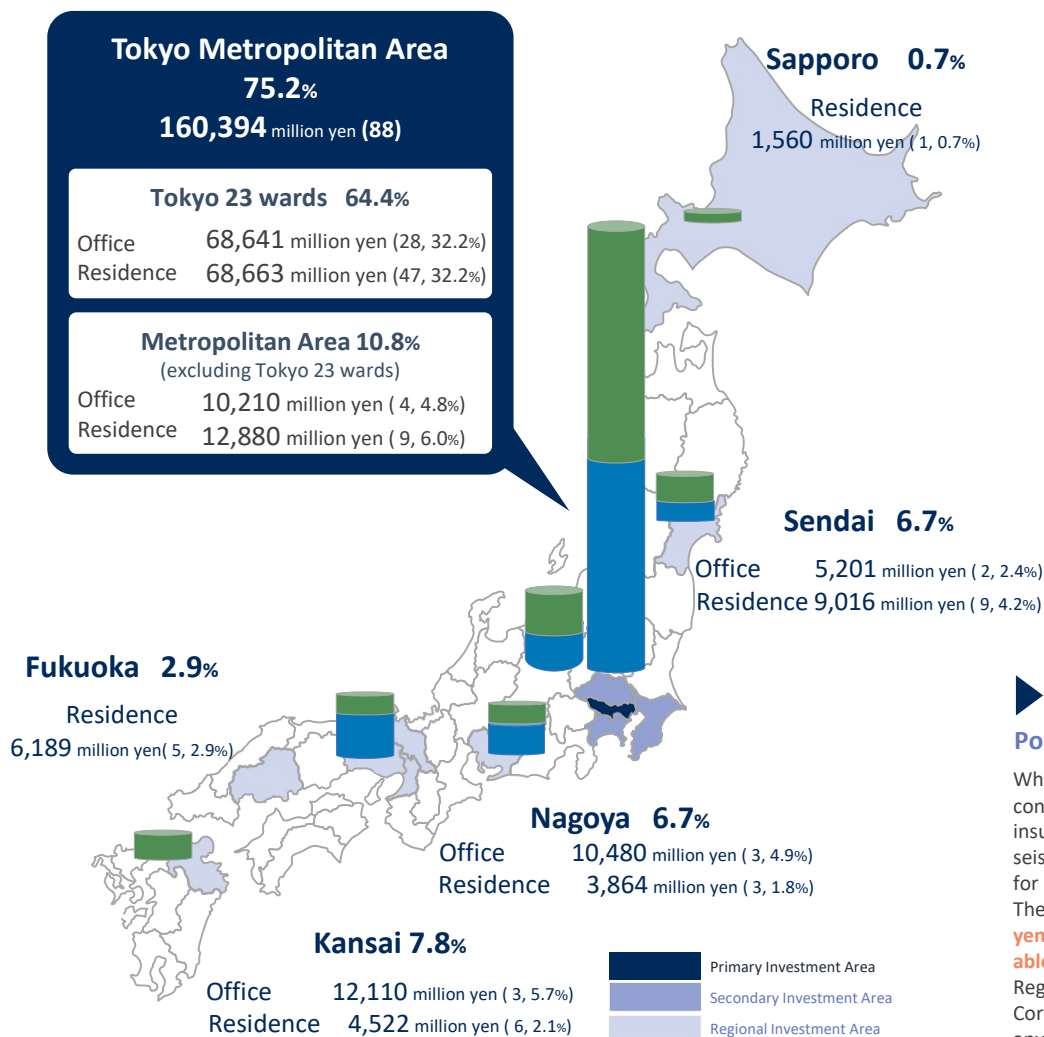
## Acquisition through warehousing and taking over contractual positions from Heiwa Real Estate

**17 properties 41,969 million yen**


(Note) HIROKOJI AQUA PLACE and MITA HEIWA BUILDING (leasehold land) have already been transferred as of today's date. However, a photograph of these properties that are included in the total amount is not presented because they were acquired after the change of the sponsor.



### ► Diversification of investment areas (as of November 30, 2022)

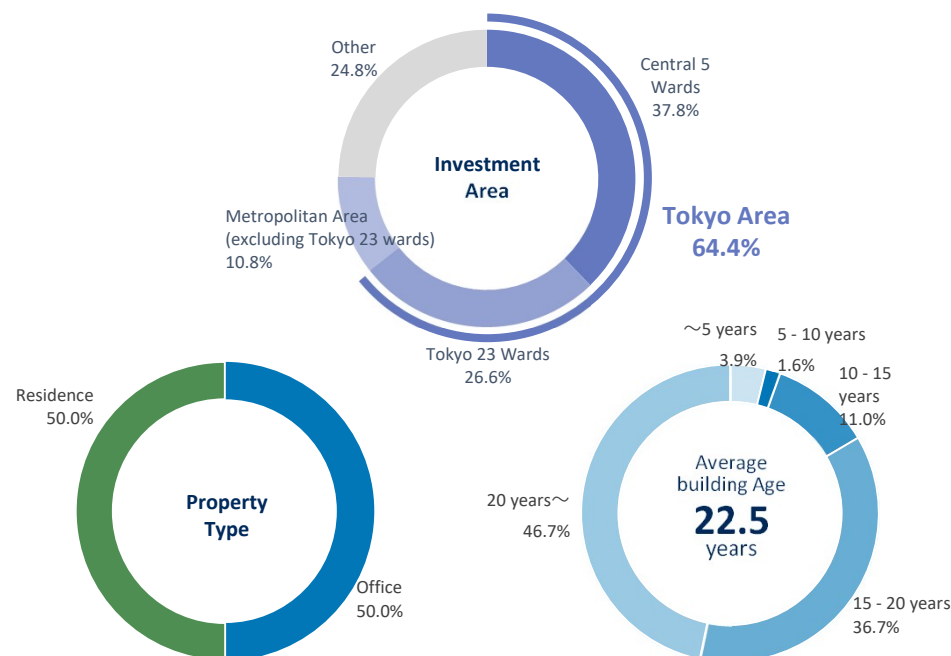


(Note) The figures in the graphs indicate the ratio of acquisition price of each item versus the total acquisition price of each category and are rounded to the second decimal place.

(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 November 30, 2022)



### ► Risk of large-scale earthquake and its countermeasures

#### Portfolio PML : 3.5%

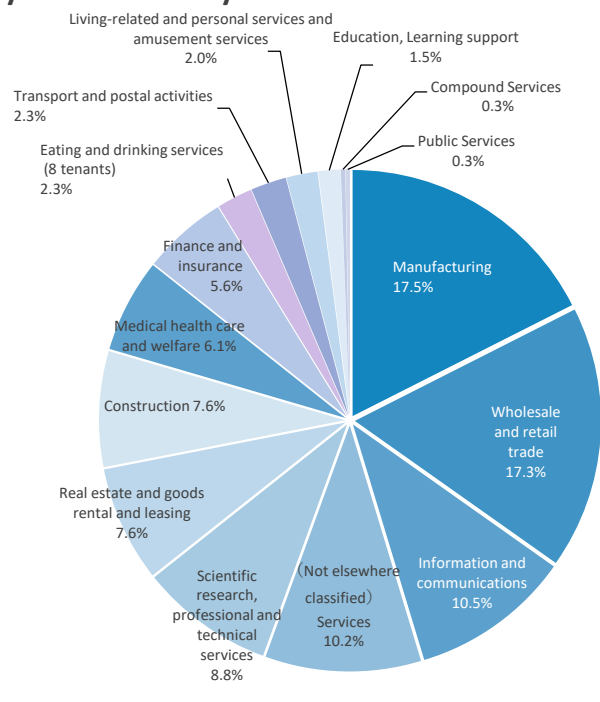
When we acquire a property, we measure the earthquake risk based on a PML\* (Probable Maximum Loss) survey conducted by a specialist third-party institution. For properties with a high PML value, we purchase earthquake insurance and conduct seismic strengthening work. All the properties we currently 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 120 properties we own.

The PML of our portfolio is 3.5%, **but the maximum probable loss calculated based on this value is 2,955 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

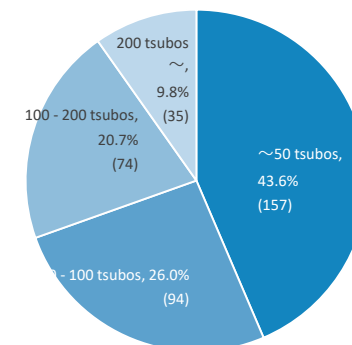
Ranking	Tenant	Property Name	Share of total rent
1	Company A	Kayabacho Heiwa Bldg.	3.02%
2	Company B	Shinsaibashi FRONT Bldg.	1.27%
3	Company C	NISSO 5 Bldg.	1.25%
4	Company D	ARK Mori Bldg.	1.24%
5	Company E	HF SAKURADORI Bldg.	1.09%
Total			7.87%

(Note) The figures are calculated based on the data as of November 30, 2022

### Distribution by Tenant Leasing Area

Total Number of tenants  
**358**

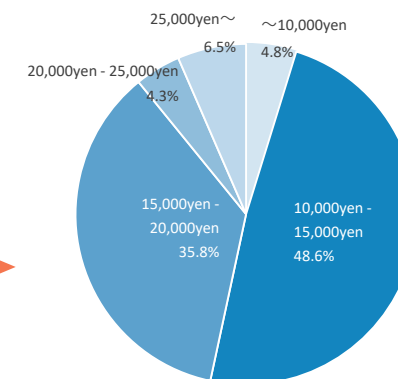
(Note) Figures in parenthesis indicate the number of office tenants by area.



### Distribution by Rent (per tsubo)

Average Rent of tenants  
**16,184 yen**

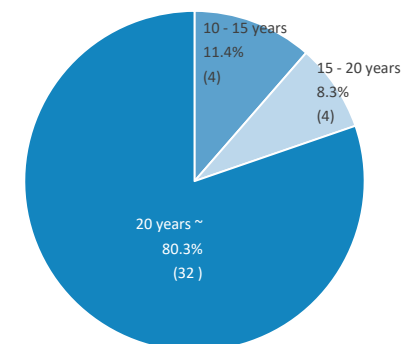
(Note) Based on the tenants' monthly rent per tsubo. Tenants leasing more than one property are counted as 1 tenant for each building.



### Age of Office Buildings

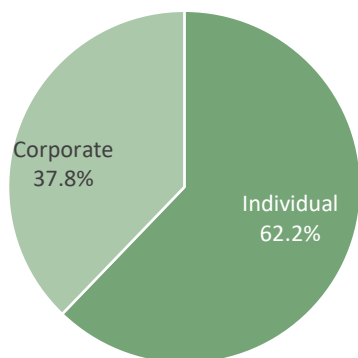
Average building age  
**29.1 years**

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

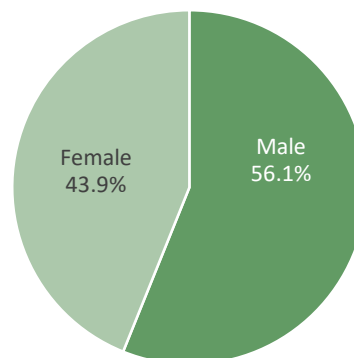




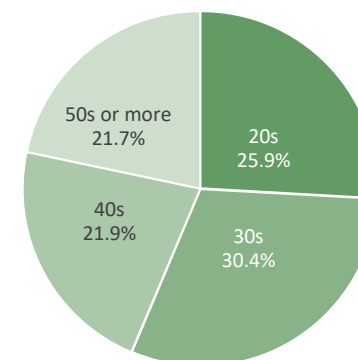
Agreement Categories



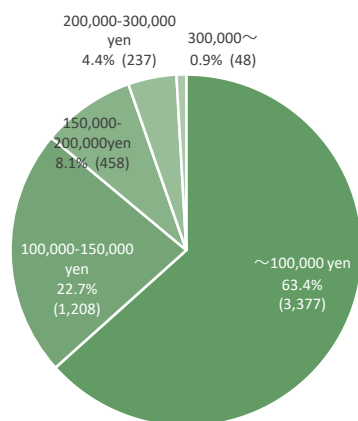
Breakdown for Individual Contracts



Age Distribution



Status by Monthly Rent



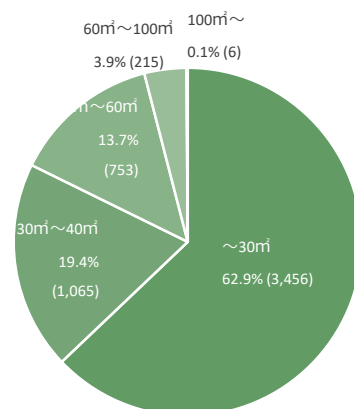
Number of tenants

5,328

(Note)

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

Status by Leasable Units



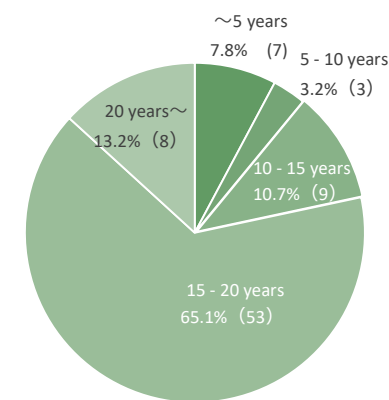
Number of leasable units

5,495

(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

15.9 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-09 GRACE BUILDING SENGAKUJIMAE (Note)		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	
Property Photo																				
Address	Chuo-ku, Tokyo		Koto-ku, Tokyo		Minato-ku, Tokyo		Minato-ku, Tokyo		Minato-ku, Tokyo		Chuo-ku, Tokyo		Chuo-ku, Tokyo		Chuo-ku, Tokyo		Shibuya-ku, Tokyo		Funabashi City, Chiba	
Lot Area (㎡)	316.73		748.36		294.50		533.32		269.25		520.69		543.31		205.83		264.36		488.13	
Total Floor Area (㎡)	2,177.81		4,558.01		2,184.76		3,089.73		1,200.87		3,455.35		3,425.91		1,432.44		1,290.12		4,033.72	
Constructed	August 1991		December 1990		December 1991		February 1992		June 1994		March 1988		October 1991		January 1988		January 1970		April 2003	
Acquisition Price (mm yen)	1,550		2,500		1,530		2,700		610		2,150		3,092		1,110		3,418		3,900	
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		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	
PML (%)	10.0		5.7		8.0		7.3		7.5		16.5		12.5		14.7		9.8		5.9	
Rental business balance	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP
Operation days	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183
Rents and common expenses	53,015	52,538	86,078	74,551	52,374	48,007	76,603	73,085	53,141	26,856	58,058	60,714	69,139	69,335	30,698	30,698	60,768	72,950	115,331	115,331
Other income	6,078	7,986	9,651	8,837	5,474	5,608	7,289	7,771	11,745	4,354	7,998	8,591	7,431	7,956	2,638	2,733	5,356	8,233	4,721	5,252
Rental business income total	59,093	60,524	95,729	83,389	57,849	53,615	83,893	80,857	64,887	31,211	66,057	69,305	76,571	77,291	33,336	33,432	66,124	81,184	120,053	120,584
PM fees	7,045	8,729	11,737	15,444	4,432	4,437	5,663	8,674	5,811	2,484	8,334	6,008	5,299	6,029	3,228	3,239	7,876	5,197	17,940	17,391
Public charges and taxes	5,104	5,202	6,598	6,697	6,759	6,875	7,504	7,659	2,224	2,211	4,884	5,139	8,483	8,444	2,714	2,780	7,813	8,380	8,132	8,038
Utilities	3,880	4,877	5,339	5,081	3,433	3,427	3,847	4,239	3,754	3,909	3,560	4,198	4,441	5,248	2,179	2,373	2,798	3,667	8,249	8,564
Maintenance and repair fees	203	1,709	721	1,282	1,175	52	1,153	2,513	2,160	746	2,925	2,885	548	630	401	1,178	1,570	2,507	1,823	-
Insurance	62	64	115	117	58	59	86	88	70	43	91	93	97	99	37	38	46	47	110	113
Trust fees	400	400	400	400	400	400	850	850	535	273	650	650	-	-	-	-	400	400	-	-
Other expenses	97	356	617	1,045	148	556	431	699	7,138	4,018	330	506	208	437	169	100	334	69	7	9
Rental business expenses total	16,794	21,338	25,529	30,068	16,407	15,809	19,537	24,723	21,695	13,686	20,776	19,481	19,079	20,889	8,729	9,710	20,840	20,269	36,265	34,116
NOI	42,299	39,186	70,200	53,320	41,441	37,806	64,355	56,133	43,192	17,524	45,280	49,824	57,491	56,401	24,606	23,722	45,284	60,914	83,788	86,467
Depreciation	8,008	8,224	18,130	19,418	8,158	8,308	8,831	9,363	6,955	4,060	16,590	16,615	9,312	9,370	5,143	5,143	9,456	9,565	9,768	9,756
Rental business profit	34,291	30,961	52,069	33,901	33,283	29,497	55,524	46,770	36,236	13,464	28,690	33,208	48,179	47,031	19,463	18,578	35,828	51,349	74,019	76,711

(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) Of-09 GRACE BUILDING SENGAKUJIMAE was transferred 50% of the quasi-co-ownership interest on June 3, 2022.

Property Name	Of-21 ADESSO NISHIAZABU		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	
Property Photo																				
Address	Minato-ku, Tokyo		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	
Lot Area (㎡)	125.91		188.31		400.86		811.59		1,008.86		707.05		1,662.49		599.34		1,598.83		718.47	
Total Floor Area (㎡)	371.59		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	
Constructed	October 2003		December 1993		July 1989		April 1992		February 1998		July 2002		February 2009		February 1987		September 2003		February 1990	
Acquisition Price (mm yen)	640		1,314		1,624		4,798		2,310		1,580		4,900		1,900		2,700		3,400	
Property Management Company	Heiwa Real Estate Property Management		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	
PML (%)	11.1		5.5		10.9		11.7		7.5		10.8		9.2		12.7		2.6		2.5	
Rental business balance	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP
Operation days	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183
Rents and common expenses	11,082	12,022	38,280	39,089	46,222	46,011	200,809	200,809	132,314	133,249	79,185	79,185	292,914	293,730	77,664	77,753	125,037	126,190	117,737	117,274
Other income	2,797	1,383	4,421	4,919	4,241	4,890	8,762	14,365	13,753	19,532	10,770	12,735	34,230	38,142	14,807	16,334	24,544	25,382	22,165	25,064
Rental business income total	13,880	13,405	42,702	44,008	50,463	50,901	209,571	215,174	146,067	152,781	89,956	91,920	327,145	331,872	92,472	94,087	149,581	151,572	139,903	142,339
PM fees	2,554	1,584	3,553	2,795	4,186	4,175	9,254	9,018	22,543	20,925	12,647	13,045	37,296	37,420	9,390	9,548	19,489	19,254	13,911	14,099
Public charges and taxes	808	837	2,208	2,283	3,750	3,866	9,194	9,445	12,509	12,660	7,632	7,779	14,746	14,711	7,124	7,062	10,175	10,223	11,137	10,917
Utilities	711	1,020	2,117	2,400	2,354	2,865	8,676	15,478	10,878	16,285	6,732	9,312	17,953	21,771	5,457	6,775	14,709	13,051	8,493	10,546
Maintenance and repair fees	235	1,174	210	1,045	153	1,084	290	188	3,388	795	376	611	2,136	4,870	1,734	4,110	948	8,681	1,860	4,774
Insurance	12	13	39	40	61	62	153	158	242	246	120	122	391	398	115	117	221	224	186	189
Trust fees	-	-	-	-	-	-	337	337	324	324	324	324	339	339	339	339	439	439	329	329
Other expenses	102	153	414	383	101	108	77	68	643	620	216	139	76,126	76,285	2,565	428	493	384	1,059	1,063
Rental business expenses total	4,425	4,782	8,543	8,947	10,605	12,162	27,983	34,695	50,530	51,858	28,051	31,335	148,990	155,799	26,726	28,383	46,475	52,259	36,978	41,920
NOI	9,454	8,623	34,159	35,060	39,857	38,739	181,588	180,478	95,536	100,922	61,905	60,585	178,155	176,073	65,746	65,704	103,105	99,313	102,925	100,418
Depreciation	1,590	1,599	5,314	5,301	7,665	7,663	9,959	10,933	27,000	27,296	10,680	10,603	35,894	36,003	11,628	12,827	23,362	22,833	18,224	18,228
Rental business profit	7,864	7,023	28,844	29,759	32,191	31,075	171,628	169,545	68,535	73,626	51,224	49,982	142,260	140,069	54,117	52,877	79,743	76,480	84,700	82,190

(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-34 KOJIMACHI HF BUILDING		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	
Property Photo																				
Address	Chiyoda-ku, Tokyo		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	
Lot Area (㎡)	409.15		530.00		432.54		1,029.42		561.90		549.85		346.57		436.25		496.76		554.80	
Total Floor Area (㎡)	3,314.53		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	
Constructed	March 1994		March 1991		March 2008		July 1987		June 1994		February 2004		March 1986		July 1995		September 2010		September 1993	
Acquisition Price (mm yen)	1,350		2,720		3,150		3,100		3,750		1,650		3,085		2,140		1,600		3,100	
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		Mori Building		ITOCHU Urban Community		Toyo Real Estate Property Management		Heiwa Real Estate Property Management	
PML (%)	2.5		6.7		4.0		14.2		2.3		0.7		1.2		7.3		2.4		5.5	
Rental business balance	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP
Operation days	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183
Rents and common expenses	57,597	62,499	87,572	71,030	102,043	102,043	82,778	82,778	117,254	116,686	64,594	69,277	non-disclosure (note)		56,734	56,734	63,261	63,261	69,469	74,666
Other income	6,000	6,511	11,177	11,112	8,631	9,931	4,440	4,440	17,123	17,106	3,875	-	non-disclosure (note)		6,009	7,601	7,777	8,935	11,631	11,542
Rental business income total	63,597	69,011	98,750	82,142	110,675	111,975	87,218	87,218	134,377	133,793	68,469	69,277	non-disclosure (note)		62,744	64,336	71,039	72,197	81,101	86,209
PM fees	7,530	10,279	9,046	14,805	7,769	7,579	-	380	20,399	20,908	14,439	13,850	non-disclosure (note)		5,030	5,472	8,853	8,671	7,255	8,534
Public charges and taxes	10,976	11,230	10,786	11,037	10,780	11,088	9,123	9,258	8,549	10,112	3,576	3,628	non-disclosure (note)		4,214	4,296	6,116	6,138	7,455	7,528
Utilities	3,399	3,993	5,549	6,105	6,973	8,352	-	-	5,827	7,774	3	3	non-disclosure (note)		3,972	5,115	6,846	8,822	5,132	5,296
Maintenance and repair fees	972	460	6,393	2,466	3,274	1,357	1,580	4,968	656	2,122	6,745	110	non-disclosure (note)		1,658	443	2,557	143	1,406	2,607
Insurance	102	104	108	111	89	91	153	155	175	179	85	87	non-disclosure (note)		78	79	140	142	112	114
Trust fees	329	329	339	339	414	414	329	329	391	391	339	339	non-disclosure (note)		340	340	339	339	414	414
Other expenses	540	428	1,310	1,091	1,156	1,327	339	9	135	151	307	9	non-disclosure (note)		292	231	1,251	1,259	460	466
Rental business expenses total	23,852	26,825	33,535	35,956	30,458	30,211	11,526	15,101	36,135	41,640	25,497	18,028	non-disclosure (note)		15,587	15,978	26,106	25,516	22,238	24,962
NOI	39,744	42,185	65,215	46,186	80,217	81,763	75,691	72,116	98,241	92,152	42,972	51,248	47,736	57,509	47,157	48,357	44,932	46,680	58,863	61,246
Depreciation	5,195	5,271	10,946	12,351	8,017	8,037	15,647	15,993	8,005	8,198	6,071	6,116	2,205	2,480	5,231	5,145	7,318	7,318	8,859	7,895
Rental business profit	34,549	36,913	54,268	33,834	72,199	73,725	60,043	56,122	90,236	83,954	36,901	45,132	45,531	55,028	41,926	43,211	37,614	39,361	50,004	53,351

(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-44 KINSHICHO SQUARE BUILDING		Of-45 KABUTO-CHO UNI-SQUARE		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 (left)	
Property Photo																				
Address	Sumida-ku, Tokyo		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	
Lot Area (㎡)	424.97		646.36		808.01		1,256.73		542.12		666.62		785.17		1,117.00		496.30		96.09	
Total Floor Area (㎡)	2,932.42		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	
Constructed	September 1986		March 1993		March 1996		October 1992		1994 年 12 月		June 2008		November 1986		March 1995		September 1986		August 1992	
Acquisition Price (mm yen)	2,840		3,580		2,501		5,160		1,610		2,500		7,300		4,000		3,380		400	
Property Management Company	Taisay Building Management		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	
PML (%)	10.8		5.9		1.6		4.5		3.6		12.7		12.8		8.4		8.0		5.9	
Rental business balance	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP
Operation days	182	183	182	183	182	183	182	183	182	183	160	183	-	181	-	181	-	181	-	181
Rents and common expenses	66,743	66,731	97,181	97,181	62,957	66,304	97,502	104,580	56,352	58,962	50,201	56,405	-	171,628	-	114,867	-	74,540	-	11,319
Other income	9,120	9,706	11,381	12,313	15,763	15,408	9,982	10,442	4,127	6,437	7,258	9,959	-	14,560	-	14,502	-	6,185	-	1,912
Rental business income total	75,864	76,438	108,563	109,495	78,721	81,712	107,484	115,022	60,479	65,400	57,459	66,365	-	186,188	-	129,370	-	80,725	-	13,232
PM fees	6,195	5,748	12,734	12,886	11,988	9,741	9,708	7,467	9,972	10,603	5,023	7,180	-	12,914	-	16,979	-	5,900	-	1,411
Public charges and taxes	4,495	4,734	6,438	9,810	7,388	7,470	348	8,028	2,409	4,778	3,146	6,288	-	-	-	-	-	-	-	-
Utilities	6,981	7,762	5,535	6,601	7,099	7,236	6,747	7,221	6,629	8,352	3,208	6,986	-	11,414	-	10,244	-	6,230	-	983
Maintenance and repair fees	1,067	1,489	335	916	2,081	1,847	2,251	1,024	7	181	194	1,271	-	215	-	1,979	-	613	-	96
Insurance	81	83	112	117	117	120	97	103	221	224	82	86	-	126	-	136	-	67	-	14
Trust fees	390	390	429	429	-	-	434	434	-	-	374	418	-	359	-	364	-	362	-	364
Other expenses	787	446	275	241	573	477	270	384	21	67	683	352	-	704	-	641	-	507	-	302
Rental business expenses total	19,999	20,655	25,862	31,003	29,248	26,894	19,858	24,665	19,261	24,207	12,714	22,583	-	25,735	-	30,345	-	13,681	-	3,172
NOI	55,865	55,782	82,700	78,491	49,473	54,818	87,625	90,357	41,218	41,192	44,745	43,781	-	160,453	-	99,024	-	67,044	-	10,059
Depreciation	6,583	6,676	4,898	5,087	9,244	9,751	8,297	8,449	5,403	5,438	8,121	8,173	-	7,313	-	9,398	-	5,670	-	730
Rental business profit	49,281	49,105	77,802	73,404	40,228	45,066	79,328	81,907	35,815	35,754	36,624	35,608	-	153,139	-	89,625	-	61,374	-	9,329

(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-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		5.5	
Rental business balance	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP
Operation days	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183
Rents and common expenses	17,280	17,280	18,147	18,769	23,578	23,395	111,967	114,384	43,560	44,484	34,554	34,620	25,660	25,839	35,873	35,008	41,384	40,408	24,251	23,610
Other income	19	-	601	1,022	3,118	2,976	9,816	10,307	2,372	2,660	984	1,461	1,903	3,306	1,584	2,228	1,987	1,549	1,590	1,029
Rental business income total	17,299	17,280	18,749	19,791	26,697	26,371	121,783	124,692	45,932	47,144	35,539	36,082	27,563	29,146	37,457	37,236	43,372	41,957	25,841	24,640
PM fees	1,081	1,081	3,017	2,536	2,722	2,547	9,863	9,496	3,375	3,605	3,953	3,370	2,662	3,175	3,322	4,051	3,390	4,272	2,437	2,758
Public charges and taxes	713	714	992	999	1,224	1,225	6,439	6,463	2,559	2,575	1,933	1,958	1,362	1,376	1,493	1,495	2,007	2,027	1,196	1,204
Utilities	150	177	262	268	229	259	1,241	1,461	307	336	343	373	259	397	268	281	397	446	270	315
Maintenance and repair fees	270	22	1,512	1,488	1,853	948	3,101	3,178	1,617	813	2,668	2,008	1,028	1,455	13,543	2,014	16,045	3,107	893	1,990
Insurance	19	20	21	22	28	28	161	164	53	54	37	38	35	35	42	43	55	56	32	33
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	20	183	109	406	352	558	586	318	241	203	350	178	260	149	134	176	138	152	163
Rental business expenses total	2,656	2,436	6,391	5,826	6,865	5,763	21,780	21,764	8,633	8,028	9,542	8,503	5,953	7,126	19,246	8,446	22,499	10,474	5,359	6,842
NOI	14,642	14,843	12,357	13,965	19,831	20,608	100,002	102,928	37,298	39,116	25,997	27,578	21,609	22,019	18,211	28,789	20,873	31,483	20,482	17,798
Depreciation	2,245	2,234	2,630	2,668	3,653	3,675	18,345	18,220	5,702	5,723	4,165	4,187	3,433	3,177	7,591	7,982	8,470	8,693	5,430	5,460
Rental business profit	12,397	12,608	9,727	11,296	16,178	16,933	81,657	84,708	31,595	33,392	21,831	23,391	18,176	18,841	10,619	20,807	12,402	22,789	15,051	12,337

(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	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP
Operation days	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183
Rents and common expenses	112,912	118,173	27,084	27,957	32,044	32,502	30,983	31,288	31,648	32,085	121,179	122,698	79,791	79,079	40,234	41,149	34,850	35,959	31,806	31,063
Other income	9,341	8,408	1,421	1,682	1,890	2,548	1,030	1,531	1,080	1,288	12,291	10,154	6,571	6,263	5,345	4,759	487	1,597	432	551
Rental business income total	122,254	126,581	28,506	29,639	33,934	35,050	32,013	32,819	32,728	33,374	133,471	132,853	86,363	85,343	45,579	45,909	35,338	37,556	32,239	31,614
PM fees	9,716	9,443	4,104	2,937	3,351	3,745	3,193	3,332	3,239	3,332	11,098	10,331	7,799	8,626	4,720	3,997	3,161	3,008	3,178	3,165
Public charges and taxes	5,684	5,758	1,490	1,506	1,566	1,581	1,762	1,771	1,424	1,428	6,438	6,464	4,647	4,658	3,192	3,216	1,926	1,967	1,788	1,793
Utilities	1,215	1,172	228	280	459	516	297	328	370	432	1,222	1,484	440	456	456	494	266	278	478	474
Maintenance and repair fees	6,369	3,858	1,943	571	2,466	1,595	1,771	3,853	1,180	1,690	8,934	5,831	2,174	3,703	5,210	3,659	1,331	709	1,558	1,116
Insurance	153	156	37	37	42	42	47	47	42	42	166	169	126	128	82	83	47	47	46	47
Trust fees	-	-	-	-	454	453	-	-	-	-	-	-	-	-	-	-	414	414	-	-
Other expenses	600	811	473	401	602	416	199	246	347	224	525	424	671	641	210	516	197	167	572	534
Rental business expenses total	23,740	21,200	8,277	5,734	8,942	8,351	7,269	9,579	6,602	7,151	28,384	24,706	15,860	18,214	13,872	11,967	7,343	6,592	7,623	7,131
NOI	98,513	105,381	20,229	23,905	24,991	26,698	24,744	23,239	26,126	26,223	105,086	108,147	70,502	67,129	31,707	33,942	27,994	30,964	24,616	24,483
Depreciation	14,105	14,420	4,086	4,192	4,360	4,431	5,897	4,034	4,646	4,679	20,462	20,687	21,119	20,074	9,642	9,777	5,308	5,338	6,311	6,331
Rental business profit	84,408	90,960	16,142	19,713	20,631	22,266	18,846	19,204	21,479	21,543	84,624	87,460	49,383	47,055	22,064	24,164	22,686	25,626	18,305	18,151

(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 TOWER		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	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP
Operation days	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183
Rents and common expenses	30,622	30,428	25,636	24,804	48,149	48,236	55,807	54,991	29,790	28,365	31,812	31,956	192,980	196,922	17,981	17,742	23,181	22,966	25,345	24,179
Other income	2,307	1,881	1,098	1,056	1,625	1,170	3,282	4,175	1,716	1,914	1,143	861	11,959	13,438	1,208	1,354	255	381	1,449	1,179
Rental business income total	32,929	32,309	26,734	25,860	49,775	49,406	59,090	59,166	31,506	30,280	32,955	32,817	204,939	210,361	19,189	19,096	23,436	23,348	26,795	25,358
PM fees	3,576	3,562	3,513	4,343	6,733	6,265	5,657	7,318	2,450	3,621	2,861	2,827	23,637	23,454	2,662	2,667	2,184	2,174	2,645	3,037
Public charges and taxes	2,431	2,440	1,568	1,602	2,056	2,081	2,984	3,011	1,818	1,827	1,623	1,633	11,294	11,388	1,357	1,379	1,713	1,727	1,659	1,658
Utilities	344	373	-	0	547	641	715	841	363	415	434	478	4,900	5,087	314	411	263	281	294	332
Maintenance and repair fees	3,880	2,307	599	2,070	5,366	5,456	5,058	5,207	30	1,487	1,403	2,331	15,467	9,555	3,238	1,113	1,040	806	1,127	2,964
Insurance	70	71	31	31	60	61	83	84	46	46	35	36	296	304	38	38	48	49	51	52
Trust fees	-	-	404	404	457	457	450	450	372	372	447	447	392	426	450	450	451	451	452	452
Other expenses	136	473	-	7	321	195	446	446	218	292	165	252	1,507	1,476	258	209	139	102	228	276
Rental business expenses total	10,438	9,227	6,116	8,460	15,543	15,159	15,396	17,361	5,300	8,062	6,972	8,007	57,497	51,692	8,319	6,271	5,842	5,592	6,458	8,774
NOI	22,490	23,082	20,617	17,400	34,231	34,246	43,693	41,805	26,205	22,217	25,983	24,810	147,442	158,668	10,869	12,824	17,593	17,755	20,336	16,584
Depreciation	9,918	9,937	2,623	2,696	7,375	7,409	12,171	11,959	4,940	4,852	5,220	5,560	34,727	36,295	4,660	4,660	4,222	4,218	4,681	4,770
Rental business profit	12,572	13,145	17,994	14,703	26,856	26,837	31,521	29,846	21,265	17,364	20,763	19,249	112,715	122,373	6,209	8,164	13,370	13,536	15,655	11,813

(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 NUO 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 HISAYADORI 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	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP
Operation days	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183
Rents and common expenses	75,296	74,819	18,436	18,809	69,132	70,438	28,583	27,620	31,283	31,145	19,434	19,069	30,560	30,403	29,841	29,828	40,456	41,100	21,503	20,860
Other income	6,688	5,931	890	840	5,786	5,654	3,689	-	4,391	154	618	851	1,064	1,531	1,088	1,329	1,542	1,880	1,352	1,275
Rental business income total	81,984	80,751	19,327	19,649	74,919	76,092	32,272	27,620	35,675	31,299	20,053	19,921	31,625	31,935	30,929	31,157	41,998	42,981	22,856	22,135
PM fees	6,623	6,261	1,879	1,639	6,632	6,375	4,815	3,245	5,464	3,966	2,670	2,549	3,112	3,655	2,812	2,557	4,188	3,217	2,017	2,604
Public charges and taxes	5,431	5,433	1,190	1,208	4,519	4,557	1,309	1,322	1,589	1,601	1,341	1,379	1,524	1,541	1,552	1,549	2,758	2,771	1,125	1,127
Utilities	3,010	2,650	883	945	2,129	2,333	2	6	3	5	265	310	335	345	280	260	380	486	514	538
Maintenance and repair fees	6,180	6,802	580	943	2,467	5,115	975	920	996	615	1,061	1,001	1,116	2,018	1,228	896	2,819	775	199	1,191
Insurance	162	163	33	33	120	122	28	28	36	37	28	28	36	36	35	35	79	80	33	33
Trust fees	527	527	450	450	391	391	423	423	423	423	396	396	390	390	414	414	399	399	391	391
Other expenses	363	664	180	98	1,284	1,290	144	144	144	144	254	169	346	308	148	181	621	515	169	91
Rental business expenses total	22,298	22,503	5,197	5,319	17,546	20,186	7,699	6,091	8,657	6,794	6,017	5,835	6,863	8,296	6,470	5,893	11,247	8,244	4,450	5,978
NOI	59,686	58,248	14,130	14,330	57,373	55,905	24,573	21,528	27,017	24,505	14,035	14,086	24,761	23,639	24,458	25,264	30,751	34,736	18,406	16,157
Depreciation	11,568	11,499	2,411	2,433	9,490	9,740	3,062	2,914	3,668	3,473	3,519	3,244	3,336	3,423	4,419	4,179	6,764	6,665	2,798	2,819
Rental business profit	48,118	46,748	11,718	11,896	47,882	46,165	21,511	18,613	23,349	21,031	10,516	10,841	21,425	20,215	20,038	21,084	23,987	28,070	15,608	13,337

(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	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP
Operation days	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183
Rents and common expenses	64,967	66,534	38,087	38,349	43,097	43,555	20,930	20,671	36,014	36,333	30,523	31,036	25,644	26,140	38,554	38,432	30,264	29,772	72,354	73,871
Other income	3,705	4,198	3,550	2,233	1,007	350	117	232	2,441	1,755	2,738	2,203	913	890	2,555	1,987	957	1,523	4,898	3,194
Rental business income total	68,672	70,732	41,638	40,582	44,105	43,906	21,047	20,904	38,456	38,088	33,262	33,239	26,558	27,031	41,110	40,420	31,222	31,296	77,252	77,066
PM fees	7,484	6,937	5,276	6,155	6,465	6,391	1,885	2,895	4,039	3,551	3,188	2,353	3,347	2,458	4,084	3,691	2,974	3,547	13,592	12,142
Public charges and taxes	3,166	3,210	1,991	2,021	2,420	2,452	1,252	1,263	2,299	2,323	2,268	2,265	1,321	1,338	2,659	2,678	1,664	1,687	3,356	3,377
Utilities	751	715	972	965	632	603	150	165	669	645	640	718	386	400	345	393	316	326	852	972
Maintenance and repair fees	5,676	2,926	6,739	2,264	3,242	4,007	2,814	805	3,283	1,359	2,285	19,307	11,809	901	2,925	2,258	1,326	595	3,670	1,632
Insurance	79	81	48	49	55	56	31	31	64	65	60	61	37	38	62	62	40	41	91	92
Trust fees	414	414	414	414	401	401	401	401	401	401	401	401	401	401	401	401	392	392	413	413
Other expenses	849	486	400	361	217	179	113	75	658	252	623	182	228	525	625	346	200	176	763	1,111
Rental business expenses total	18,423	14,772	15,843	12,233	13,435	14,091	6,648	5,637	11,415	8,598	9,468	25,291	17,532	6,064	11,103	9,832	6,913	6,767	22,740	19,742
NOI	50,249	55,960	25,794	28,348	30,669	29,815	14,398	15,266	27,040	29,489	23,793	7,947	9,025	20,966	30,006	30,587	24,308	24,529	54,512	57,323
Depreciation	7,621	7,671	4,843	4,951	6,810	6,925	2,566	2,582	7,017	7,100	6,458	6,548	3,255	3,456	5,857	6,012	4,078	4,214	8,135	8,262
Rental business profit	42,628	48,289	20,951	23,397	23,859	22,889	11,832	12,684	20,023	22,388	17,334	1,399	5,769	17,510	24,148	24,575	20,230	20,315	46,377	49,061

(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		(west)12.8 (east)12.9		0.1		8.0		2.0	
Rental business balance	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP
Operation days	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183
Rents and common expenses	28,836	30,277	38,284	35,571	64,448	65,081	41,600	40,093	26,070	26,570	57,646	54,514	56,337	56,593	53,028	53,292	28,193	28,339	25,192	24,322
Other income	1,164	529	5,018	2,516	4,526	4,624	3,312	3,323	1,441	1,340	6,988	5,866	6,137	6,220	5,708	5,218	1,944	2,263	1,522	1,641
Rental business income total	30,001	30,807	43,303	38,087	68,975	69,705	44,912	43,417	27,512	27,911	64,635	60,381	62,474	62,814	58,737	58,510	30,138	30,603	26,714	25,963
PM fees	5,907	4,274	3,982	4,669	6,249	5,861	3,022	4,253	2,514	2,528	5,469	6,153	6,269	6,165	4,402	4,025	1,964	2,069	2,322	2,979
Public charges and taxes	1,366	1,380	1,886	1,937	4,002	4,004	2,573	2,584	1,779	1,794	3,179	3,176	3,641	3,638	5,294	5,305	2,415	2,416	1,820	1,818
Utilities	434	490	307	337	931	914	557	465	300	290	826	938	1,306	1,364	2,539	636	263	284	467	485
Maintenance and repair fees	1,815	917	686	1,724	11,735	2,558	3,073	2,863	1,611	1,228	2,885	3,342	4,905	4,603	1,887	2,385	1,713	1,530	596	1,469
Insurance	36	37	48	49	111	112	65	66	41	42	85	86	93	95	116	117	61	61	48	49
Trust fees	415	415	440	440	331	331	416	416	416	416	391	391	320	320	340	340	-	-	-	-
Other expenses	405	752	311	283	794	494	624	996	581	195	318	280	609	490	364	378	293	342	614	268
Rental business expenses total	10,381	8,267	7,664	9,443	24,155	14,277	10,332	11,646	7,244	6,496	13,156	14,369	17,147	16,678	14,945	13,189	6,712	6,706	5,869	7,069
NOI	19,620	22,539	35,638	28,644	44,819	55,427	34,579	31,770	20,267	21,414	51,479	46,011	45,327	46,136	43,791	45,320	23,425	23,897	20,845	18,894
Depreciation	3,303	3,367	5,043	5,077	15,469	15,213	12,644	12,710	7,535	7,626	13,381	13,545	13,985	14,203	12,657	12,659	5,601	5,640	6,166	6,195
Rental business profit	16,317	19,172	30,594	23,567	29,350	40,213	21,935	19,060	12,731	13,787	38,097	32,465	31,342	31,932	31,134	32,661	17,823	18,256	14,678	12,698

(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	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP
Operation days	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183	182	183
Rents and common expenses	38,270	39,161	48,974	49,242	32,857	32,926	30,014	29,989	27,299	27,816	25,640	25,381	32,235	30,815	35,805	37,927	31,924	31,654	32,159	31,505
Other income	7,278	1,886	1,205	1,472	2,749	6,446	960	1,329	1,209	994	1,623	1,418	2,697	1,834	115	613	1,950	3,688	2,531	1,999
Rental business income total	45,548	41,047	50,179	50,714	35,606	39,372	30,975	31,318	28,508	28,811	27,264	26,799	34,933	32,649	35,920	38,540	33,874	35,343	34,690	33,504
PM fees	4,406	2,454	4,216	4,557	3,433	3,042	2,954	3,116	3,396	2,860	2,270	2,628	3,334	3,440	3,894	2,093	2,300	3,219	2,141	2,133
Public charges and taxes	2,445	2,428	2,380	2,365	1,772	1,766	1,626	1,648	1,313	1,317	1,252	1,257	2,274	2,276	2,172	2,146	2,614	2,616	2,563	2,582
Utilities	542	599	438	477	994	1,389	244	268	232	256	527	524	426	528	310	347	265	289	588	590
Maintenance and repair fees	870	429	1,448	1,514	2,464	1,328	1,427	2,630	1,265	598	814	1,456	1,562	4,666	314	237	187	401	1,385	2,114
Insurance	56	57	63	64	40	41	32	33	34	34	33	34	60	61	46	47	35	37	57	58
Trust fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	2,154	2,002	1,903	1,994	206	223	211	196	553	412	520	483	170	275	2,158	2,094	377	543	202	102
Rental business expenses total	10,475	7,972	10,451	10,973	8,912	7,791	6,497	7,892	6,795	5,479	5,419	6,384	7,829	11,248	8,897	6,965	5,782	7,107	6,937	7,581
NOI	35,072	33,075	39,727	39,740	26,693	31,581	24,477	23,425	21,712	23,331	21,844	20,415	27,103	21,400	27,022	31,574	28,092	28,235	27,753	25,922
Depreciation	7,731	7,731	8,986	9,014	5,302	5,392	3,197	3,211	4,111	4,175	4,365	4,466	8,276	8,260	6,672	6,672	6,524	6,524	5,832	5,864
Rental business profit	27,341	25,343	30,741	30,725	21,391	26,188	21,280	20,214	17,601	19,155	17,479	15,949	18,826	13,140	20,349	24,902	21,568	21,711	21,920	20,058

(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 II		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	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP	41st FP	42nd FP
Operation days	182	183	182	183	182	183	182	183	182	183	182	183	161	183	93	183	-	181	-	181
Rents and common expenses	38,683	38,995	41,281	42,014	52,222	52,272	39,305	38,556	19,232	18,944	37,695	39,125	20,078	22,586	24,007	47,975	-	54,241	-	38,092
Other income	2,956	2,966	4,153	4,207	5,569	1,791	444	624	606	231	346	556	662	1,339	1,145	1,353	-	653	-	1,713
Rental business income total	41,639	41,962	45,435	46,221	57,792	54,064	39,749	39,180	19,838	19,176	38,042	39,682	20,740	23,925	25,153	49,329	-	54,894	-	39,805
PM fees	2,616	2,446	3,873	3,036	4,707	3,992	3,907	4,389	1,575	1,663	3,158	4,009	2,418	2,764	2,508	3,481	-	3,541	-	3,137
Public charges and taxes	1,380	2,759	1,509	3,014	-	3,235	-	2,702	-	1,251	1,160	2,327	-	1,202	-	-	-	-	-	-
Utilities	487	443	453	266	672	639	370	436	220	238	483	523	302	296	293	598	-	895	-	520
Maintenance and repair fees	6,310	2,919	5,562	2,151	431	321	599	606	199	112	2,248	747	1,396	654	1,469	4,903	-	218	-	271
Insurance	61	63	71	73	47	50	37	39	17	18	59	61	19	20	35	72	-	49	-	43
Trust fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	696	343	1,500	296	2,742	2,288	1,451	1,087	1,032	592	553	741	858	1,237	247	424	-	15,466	-	2,484
Rental business expenses total	11,552	8,975	12,969	8,839	8,601	10,527	6,366	9,263	3,045	3,876	7,663	8,410	4,995	6,176	4,555	9,480	-	20,170	-	6,456
NOI	30,086	32,986	32,465	37,382	49,191	43,536	33,383	29,916	16,793	15,300	30,379	31,271	15,745	17,749	20,598	39,848	-	34,723	-	33,349
Depreciation	5,332	5,416	9,473	9,604	10,100	10,100	7,377	7,384	2,677	2,680	7,146	7,388	3,525	3,587	4,230	8,571	-	6,793	-	5,978
Rental business profit	24,754	27,570	22,991	27,777	39,091	33,436	26,005	22,532	14,116	12,619	23,232	23,883	12,219	14,162	16,367	31,277	-	27,930	-	27,371

(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				Appraisal Value(mn yen)			Direct cap (NCF cap)		DCF discount rate		DCF terminal cap		42nd FP	Unrealized	Property Name				Appraisal Value(mn yen)			Direct cap (NCF cap)		DCF discount rate		DCF terminal cap		42nd FP	Unrealized					
				42nd FP	41st FP	Change	42nd FP	Change	42nd FP	Change	42nd FP	Change	Book Value (mn yen)	Profits and Losses					42nd FP	Change	42nd FP	Change	42nd FP	Change	Book Value (mn yen)	Profits and Losses								
Of-05	SUITENGU HEIWA BUILDING	1,787	1,765	22	3.8%	-0.1%	3.8%	-0.1%	4.0%	-0.1%	1,381	406	Re-39	HF GINZA RESIDENCE EAST II	1,920	1,910	10	3.8%	-0.1%	3.6%	-0.1%	4.0%	-0.1%	1,325	595									
Of-06	HF MONZENNAKACHO BUILDING	2,830	2,860	-30	4.1%	0.0%	4.0%	0.0%	4.3%	0.0%	2,302	528	Re-40	HF HATCHOBORI RESIDENCE II	2,370	2,370	0	3.8%	-0.1%	3.6%	-0.1%	4.0%	-0.1%	1,693	677									
Of-07	HF HAMAMATSUCHO BUILDING	1,950	1,920	30	3.6%	0.0%	3.5%	0.0%	3.7%	0.0%	1,501	449	Re-41	HF HATCHOBORI RESIDENCE III	1,150	1,110	40	3.7%	-0.1%	3.5%	-0.1%	3.9%	-0.1%	679	471									
Of-08	HF TAMEIKE BUILDING	3,200	3,200	0	3.6%	0.0%	3.5%	0.0%	3.7%	0.0%	2,752	448	Re-42	HF GINZA RESIDENCE	1,360	1,350	10	3.6%	-0.1%	3.4%	-0.1%	3.8%	-0.1%	800	560									
Of-09	GRACE BUILDING SENGAKUJIMAE *1	1,109	1,700	-	-	-	-	-	-	-	545	564	Re-43	HF KOMAZAWA-KOEN RESIDENCE TOWER	8,060	8,040	20	3.7%	-0.1%	3.5%	-0.1%	3.9%	-0.1%	6,306	1,754									
Of-11	NIHONBASHI DAICHI BUILDING	2,320	2,320	0	3.7%	0.0%	3.6%	0.0%	3.8%	0.0%	2,141	179	Re-45	HF NAKANOSHIMA RESIDENCE	549	546	3	4.6%	-0.1%	4.4%	-0.1%	4.8%	-0.1%	408	141									
Of-12	HF HATCHOBORI BUILDING	2,840	2,810	30	3.6%	0.0%	3.5%	0.0%	3.7%	0.0%	3,012	-172	Re-46	HF AWAZA RESIDENCE	739	735	4	4.4%	-0.1%	4.2%	-0.1%	4.6%	-0.1%	473	266									
Of-17	HATCHOBORI MF BUILDING	1,110	1,090	20	3.7%	0.0%	3.6%	0.0%	3.8%	0.0%	1,079	31	Re-47	HF MARUNOUCHI RESIDENCE	763	761	2	4.5%	-0.1%	4.3%	-0.1%	4.7%	-0.1%	487	276									
Of-18	M2 HARAJUKU	5,121	5,102	19	3.2%	0.0%	3.2%	0.0%	3.4%	0.0%	3,385	1,736	Re-48	HF HIRAO RESIDENCE	2,320	2,280	40	4.7%	-0.1%	4.5%	-0.1%	4.9%	-0.1%	1,493	827									
Of-20	FUNABASHI FACE BUILDING	3,440	3,430	10	4.5%	-0.1%	4.3%	-0.1%	4.7%	-0.1%	3,436	4	Re-49	HF KAWARAMACHI NIJO RESIDENCE	620	620	0	4.4%	-0.1%	4.2%	-0.1%	4.6%	-0.1%	472	148									
Of-21	ADESSO NISHIAZABU	557	557	0	3.5%	0.0%	3.4%	0.0%	3.7%	0.0%	594	-37	Re-53	HF SHUJO KAWARAMACHI RESIDENCE	2,550	2,490	60	4.2%	-0.1%	4.0%	-0.1%	4.4%	-0.1%	1,598	952									
Of-23	HF IKEBUKURO BUILDING	1,510	1,510	0	4.0%	0.0%	3.8%	0.0%	4.2%	0.0%	1,268	242	Re-54	La Residence de Sendagi	1,050	1,050	0	3.9%	-0.1%	3.7%	-0.1%	4.1%	-0.1%	750	300									
Of-24	HF YUSHIMA BUILDING	1,750	1,730	20	3.9%	0.0%	3.8%	0.0%	4.0%	0.0%	1,574	176	Re-55	HF SENDAGI RESIDENCE	1,110	1,110	0	4.0%	-0.1%	3.8%	-0.1%	4.2%	-0.1%	787	323									
Of-25	KAYABACHO HEIWA BUILDING	7,080	7,010	70	4.4%	0.0%	4.3%	0.0%	4.5%	0.0%	4,753	2,327	Re-56	HF KOMAZAWA-KOEN RESIDENCE	762	748	14	3.9%	-0.1%	3.7%	-0.1%	4.1%	-0.1%	577	185									
Of-27	KOBE KYUKORYUCHI HEIWA BUILDING	3,520	3,490	30	4.7%	-0.1%	4.5%	-0.1%	4.9%	-0.1%	2,513	1,007	Re-57	HF MUSASHIKOYAMA RESIDENCE	1,210	1,210	0	3.9%	-0.1%	3.7%	-0.1%	4.1%	-0.1%	773	437									
Of-29	SAKAE MINAMI HEIWA BUILDING	2,360	2,340	20	4.6%	-0.1%	4.4%	-0.1%	4.8%	-0.1%	1,456	904	Re-58	HF KOKUBUNJI RESIDENCE	1,140	1,130	10	4.2%	-0.1%	4.0%	-0.1%	4.4%	-0.1%	795	345									
Of-30	HF SAKURADORI BUILDING	6,600	6,590	10	4.6%	0.0%	4.4%	0.0%	4.8%	0.0%	4,362	2,238	Re-59	HF HISAYADORI RESIDENCE	1,300	1,300	0	4.3%	-0.1%	4.1%	-0.1%	4.5%	-0.1%	963	337									
Of-31	HF NIHONBASHI HAMACHO BUILDING	2,640	2,640	0	4.3%	0.0%	4.1%	0.0%	4.5%	0.0%	2,009	631	Re-60	HF KARASUMA KURAMAGUCHI RESIDENCE	747	731	16	4.5%	-0.1%	4.3%	-0.1%	4.7%	-0.1%	504	243									
Of-32	HF SENDAI HONCHO BUILDING	3,670	3,670	0	5.0%	0.0%	4.8%	0.0%	5.2%	0.0%	2,481	1,189	Re-61	HF NISHI-SHINJUKU RESIDENCE WEST	2,830	2,800	30	3.8%	-0.1%	3.6%	-0.1%	4.0%	-0.1%	1,913	917									
Of-33	HF UENO BUILDING	4,250	4,260	-10	4.2%	0.0%	4.0%	0.0%	4.4%	0.0%	3,408	842	Re-62	HF NISHI-SHINJUKU RESIDENCE EAST	1,630	1,630	0	3.8%	-0.1%	3.6%	-0.1%	4.0%	-0.1%	1,121	509									
Of-34	KOJIMACHI HF BUILDING	2,170	2,160	10	3.6%	0.0%	3.4%	0.0%	3.8%	0.0%	1,351	819	Re-63	HF HIGASHI-SHINJUKU RESIDENCE	1,740	1,740	0	3.9%	-0.1%	3.7%	-0.1%	4.1%	-0.1%	1,234	506									
Of-35	HF KUDAN MINAMI BUILDING	3,280	3,300	-20	3.8%	0.0%	3.6%	0.0%	4.0%	0.0%	2,817	463	Re-64	HF HIGASHI-SHINSAIBASHI RESIDENCE	721	717	4	4.2%	-0.1%	4.0%	-0.1%	4.4%	-0.1%	512	209									
Of-36	HF KANDA OGAWAMACHI BUILDING	4,250	4,250	0	3.6%	0.0%	3.4%	0.0%	3.8%	0.0%	3,196	1,054	Re-65	HF KITA-YOBANCHO RESIDENCE	1,180	1,180	0	4.5%	0.0%	4.3%	0.0%	4.7%	0.0%	692	488									
Of-37	NISSO 5 BUILDING	4,230	4,090	140	3.4%	-0.1%	3.2%	-0.1%	3.5%	-0.1%	3,179	1,051	Re-66	HF ATAGOBASHI RESIDENCE	945	945	0	4.7%	0.0%	4.5%	0.0%	4.9%	0.0%	613	332									
Of-38	ACROSS SHINKAWA BUILDING	4,380	4,380	0	3.9%	0.0%	3.7%	0.0%	4.1%	0.0%	3,891	489	Re-68	HF ASAKUSABASHI RESIDENCE	1,090	1,070	20	3.9%	-0.1%	3.7%	-0.1%	4.1%	-0.1%	731	359									
Of-39	SENUJ MILDIX II	1,950	1,950	0	4.2%	0.0%	4.0%	0.0%	4.4%	0.0%	1,588	362	Re-69	HF ICHIBANCHO RESIDENCE	1,190	1,190	0	4.5%	0.0%	4.3%	0.0%	4.7%	0.0%	729	461									
Of-40	ARK Mori Building	3,450	3,480	-30	3.1%	-0.1%	3.2%	-0.1%	3.3%	-0.1%	3,160	290	Re-70	HF HIGASHI-NAKANO RESIDENCE	1,160	1,140	20	3.9%	-0.1%	3.7%	-0.1%	4.1%	-0.1%	859	301									
Of-41	Itopia Nihonbashi SA Building	2,400	2,400	0	3.6%	-0.1%	3.7%	-0.1%	3.8%	-0.1%	2,161	239	Re-72	HF WASEDA RESIDENCE	2,820	2,800	20	3.7%	-0.1%	3.5%	-0.1%	3.9%	-0.1%	1,937	883									
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	269	Re-73	HF WASEDA RESIDENCE II	1,140	1,140	0	3.7%	-0.1%	3.5%	-0.1%	3.9%	-0.1%	811	329									
Of-43	HAMACHO HEIWA BUILDING	3,330	3,350	-20	3.6%	0.0%	3.4%	0.0%	3.7%	0.0%	3,143	187	Re-74	HF WAKAMATSUKAWADA RESIDENCE	1,790	1,750	40	3.6%	-0.1%	3.4%	-0.1%	3.8%	-0.1%	1,149	641									
Of-44	KINSHICHO SQUARE BUILDING	2,880	2,910	-30	3.8%	0.0%	3.6%	0.0%	4.0%	0.0%	2,871	9	Re-75	HF SENDAI RESIDENCE EAST	2,060	2,020	40	4.8%	-0.1%	4.6%	-0.1%	5.0%	-0.1%	1,478	582									
Of-45	KABUTO-CHO UNI-SQUARE	4,020	3,990	30	3.7%	0.0%	3.5%	0.0%	3.9%	0.0%	3,623	397	Re-76	HF NISHIKOEN RESIDENCE	1,530	1,490	40	4.2%	-0.2%	4.0%	-0.2%	4.3%	-0.2%	1,262	268									
Of-46	HF SENDAI ICHIBANCHO BUILDING	2,670	2,670	0	4.2%	0.0%	4.0%	0.0%	4.4%	0.0%	2,664	6	Re-77	HF BANSUIDORI RESIDENCE	964	938	26	4.2%	-0.2%	4.0%	-0.2%	4.3%	-0.2%	761	203									
Of-47	OSAKI CN BUILDING	5,440	5,440	0	3.6%	0.0%	3.7%	0.0%	3.8%	0.0%	5,185	255	Re-78	HF KANNAI RESIDENCE	2,380	2,360	20	3.7%	-0.2%	3.5%	-0.2%	3.8%	-0.2%	1,722	658									
Of-48	Faret East Building	2,000	2,000	0	4.2%	0.0%	4.0%	0.0%	4.4%	0.0%	1,655	345	Re-79	HF MEIEKI-KITA RESIDENCE	2,400	2,340	60	3.8%	-0.2%	3.6%	-0.2%	3.9%	-0.2%	2,111	289									
Of-49	HF ESAKA Building	2,660	2,660	0	4.1%	-0.1%	3.8%	-0.1%	4.1%	-0.1%	2,592	68	Re-80	HF HIGASHI-SAPPORO RESIDENCE	1,860	1,790	70	4.4%	-0.2%	4.2%	-0.2%	4.5%	-0.2%	1,445	415									
Of-50	Shinsaibashi FRONT Building *2	7,860	-	-	3.8%	-	3.6%	-	4.0%	-	7,392	468	Re-81	HF HAKATA-HIGASHI RESIDENCE	978	977	1	4.3%	0.0%	4.1%	0.0%	4.5%	0.0%	906	72									
Of-51	SAKAE CENTER BUILDING *2	4,390	-	-	3.9%	-	4.0%	-	4.1%	-	4,035	355	Re-82	HF SENDAI ITSUTSUBASHI RESIDENCE	951	932	19	4.1%	-0.2%	3.9%	-0.2%	4.2%	-0.2%	890	61									
Of-52	IWAMOTOCHO TWIN BUILDING *2	3,740	-	-	3.5%	-	3.6%	-	3.7%	-	3,400	340	Re-83	HF TABATA RESIDENCE	1,470	1,470	0	4.1%	-0.1%	3.9%	-0.1%	4.3%	-0.1%	1,066	404									
Of-53	IWAMOTOCHO TWIN SAKAE BUILDING *2	529	-	-	3.5%	-	3.6%	-	3.7%	-	407	122	Re-84	HF RYOGOKU RESIDENCE	1,750	1,720	30	4.2%	-0.1%	4.0%	-0.1%	4.4%	-0.1%	1,373	377									
Total Office Buildings														127,163	110,914	321				105,886	21,277	Re-85	HF HACHIOJI RESIDENCE	1,280	1,260	20	4.2%	-0.1%	4.0%	-0.1%	4.4%	-0.1%	1,217	63
Re-03	HF ICHIKAWA RESIDENCE	612	598	14	4.2%	-0.1%	4.0%	-0.1%	4.5%	-0.1%	365	247	Re-86	HF MITA RESIDENCE II	1,570	1,490	80	3.1%	-0.3%	2.9%	-0.2%	3.2%	-0.2%	1,227	343									
Re-05	HF MEGURO RESIDENCE	823	802	21	3.3%	-0.1%	3.3%	-0.1%	3.5%	-0.1%																								

Property Name	37th FP (20/5)	38th FP (20/11)	39th FP (21/5)	40th FP (21/11)	41st FP (22/5)	42nd FP (22/11)
Of-05 SUITENGU HEIWA BUILDING	5.55	6.10	6.04	6.13	6.18	5.70
Of-06 HF MONZENNAKACHO BUILDING	6.33	6.55	5.13	6.03	6.26	4.69
Of-07 HF HAMAMATSUCHO BUILDING	5.30	5.42	5.43	5.35	5.51	5.03
Of-08 HF TAMEIKE BUILDING	4.24	3.89	4.04	4.66	4.69	4.09
Of-09 GRACE BUILDING SENGAKUJIMAE *1	8.02	7.12	7.34	7.25	7.85	4.26
Of-11 HF NIHONBASHI ODENMACHO BUILDING	4.71	4.64	4.63	4.36	4.18	4.64
Of-12 HF HATCHOBORI BUILDING	3.67	3.75	3.77	3.74	3.80	3.74
Of-17 HATCHOBORI MF BUILDING	4.25	4.17	4.10	4.10	4.53	4.39
Of-18 M2 HARAJUKU	5.06	4.58	4.65	2.62	2.67	3.60
Of-20 FUNABASHI FACE BUILDING	4.81	5.47	4.93	4.98	4.86	5.03
Of-21 ADESSO NISHIAZABU	2.71	2.36	1.56	1.46	3.18	2.90
Of-23 HF IKEBUKURO BUILDING	4.99	5.39	5.41	4.93	5.35	5.52
Of-24 HF YUSHIMA BUILDING	4.86	4.20	4.55	4.90	5.03	4.91
Of-25 KAYABACHO HEIWA BUILDING	7.63	7.66	7.69	7.69	7.67	7.60
Of-27 KOBE KYUKORYUCHI HEIWA BUILDING	7.29	7.13	7.50	7.40	7.52	8.00
Of-29 SAKAE MINAMI HEIWA BUILDING	8.14	8.01	7.09	8.19	8.41	8.29
Of-30 HF SAKURADORI BUILDING	7.45	7.42	8.11	8.18	8.10	8.06
Of-31 HF NIHONBASHI HAMACHO BUILDING	6.94	7.15	6.92	7.04	6.69	6.60
Of-32 HF SENDAI HONCHO BUILDING	7.69	7.74	8.23	8.14	8.21	7.97
Of-33 HF UENO BUILDING	5.89	5.92	5.98	5.76	5.99	5.88
Of-34 KOJIMACHI HF BUILDING	7.22	7.33	7.26	7.20	5.87	6.24
Of-35 HF KUDAN MINAMI BUILDING	5.04	4.63	4.97	5.27	4.73	3.30
Of-36 HF KANDA OGAWAMACHI BUILDING	5.11	5.04	5.15	5.03	5.00	5.11
Of-37 NISSO 5 BUILDING	4.81	4.80	4.78	4.70	4.74	4.53
Of-38 ACROSS SHINKAWA BUILDING	4.57	4.68	4.86	4.76	5.06	4.74
Of-39 SENJU MILDIX II	5.94	6.12	6.31	5.58	5.39	6.44
Of-40 ARK Mori Building	3.38	3.70	3.67	3.67	3.03	3.64
Of-41 Nihonbashi Horidomecho First	4.50	4.45	4.55	4.37	4.37	4.48
Of-42 SOUTHERN SKY TOWER HACHIOJI	5.57	5.72	5.51	5.71	5.51	5.75
Of-43 HAMACHO HEIWA BUILDING	4.65	4.70	4.60	4.31	3.77	3.91
Of-44 KINSHICHO SQUARE BUILDING	4.49	3.95	4.07	3.86	3.90	3.89
Of-45 KABUTO-CHO UNI-SQUARE	4.48	4.89	4.59	4.55	4.56	4.33
Of-46 HF SENDAI ICHIBANCHO BUILDING	-	-	4.65	4.24	3.73	4.12
Of-47 OSAKI CN BUILDING	-	-	-	3.16	3.38	3.49
Of-48 Faret East Building	-	-	-	6.39	6.15	4.98
Of-49 HF ESKA Building	-	-	-	-	3.93	3.38
Of-50 Shinsaibashi FRONT Building *2	-	-	-	-	-	4.38
Of-51 SAKAE CENTER BUILDING *2	-	-	-	-	-	4.95
Of-52 IWAMOTOCHO TWIN BUILDING *2	-	-	-	-	-	3.98
Of-53 IWAMOTOCHO TWIN SAKAE BUILDING *2	-	-	-	-	-	4.98
<b>Total Office Buildings</b>	<b>5.52</b>	<b>5.51</b>	<b>5.48</b>	<b>5.25</b>	<b>5.17</b>	<b>4.99</b>
Re-03 HF ICHIKAWA RESIDENCE	7.61	7.80	7.95	8.05	7.95	8.10
Re-05 HF MEGURO RESIDENCE	5.12	5.40	5.05	4.67	4.07	4.61
Re-09 HF KASAI RESIDENCE	6.92	6.98	6.95	7.21	6.92	7.23
Re-11 HF WAKABAYASHI-KOEN RESIDENCE	6.07	6.27	6.26	6.53	6.47	6.68
Re-12 HF HIMONYA RESIDENCE	5.75	5.09	4.64	5.07	5.37	5.65
Re-14 HF MINAMIAZABU RESIDENCE	2.58	3.74	4.16	4.43	4.04	4.29
Re-16 HF GAKUGEIDAIGAKU RESIDENCE	4.38	4.30	4.99	4.83	4.91	5.02
Re-17 HF HIGASHIKANDA RESIDENCE	6.41	6.55	7.01	6.51	4.26	6.65
Re-18 HF HIGASHINIHONBASHI RESIDENCE	6.69	7.43	5.89	7.38	4.38	6.56
Re-19 HF NERIMA RESIDENCE	6.66	4.76	7.46	3.80	7.14	6.25
Re-20 HF SHIROKANETAKANAWA RESIDENCE	5.52	5.83	5.14	5.95	5.52	5.91
Re-21 HF MEIDAIMAE RESIDENCE	4.58	3.94	4.46	4.85	4.21	4.98
Re-22 HF NIHONBASHI RESIDENCE	5.42	3.09	4.84	4.56	4.69	5.03
Re-23 HF KAMISHAKUJI RESIDENCE	5.36	5.67	6.16	5.69	5.99	5.65
Re-24 HF KINSHICHO RESIDENCE	5.21	3.10	4.59	5.15	4.92	4.95
Re-25 HF GINZA RESIDENCE EAST	4.16	4.02	4.04	3.67	3.87	4.00
Re-26 HF SHIN-YOKOHAMA RESIDENCE	4.87	4.81	4.73	4.55	4.87	4.67
Re-30 HF MAGOME RESIDENCE	4.79	4.75	4.59	5.05	4.36	4.69
Re-31 HF GAKUGEIDAIGAKU RESIDENCE II	3.00	3.23	3.79	2.23	3.56	3.95
Re-33 HF KAMEIDO RESIDENCE	4.95	5.06	3.93	4.61	5.06	5.06
Re-34 HF TANASHI RESIDENCE	4.57	4.96	4.94	4.84	5.17	5.36
Re-38 La Residence de Shirokanedai	5.50	4.17	4.98	5.67	5.92	5.01

Property Name	37th FP (20/5)	38th FP (20/11)	39th FP (21/5)	40th FP (21/11)	41st FP (22/5)	42nd FP (22/11)
Re-39 HF GINZA RESIDENCE EAST II	6.69	5.37	5.77	5.92	5.13	5.16
Re-40 HF HATCHOBORI RESIDENCE II	5.72	4.71	5.00	5.14	5.12	4.93
Re-41 HF HATCHOBORI RESIDENCE III	5.98	5.86	6.26	6.85	7.65	6.53
Re-42 HF GINZA RESIDENCE	3.41	6.31	5.16	6.61	6.49	6.21
Re-43 HF KOMAZAWA-KOEN RESIDENCE TOWER	5.14	4.71	4.94	5.21	4.67	5.02
Re-45 HF NAKANOSHIMA RESIDENCE	5.82	6.33	6.26	5.49	5.28	6.27
Re-46 HF AWAZA RESIDENCE	7.69	7.46	7.54	5.26	7.36	7.48
Re-47 HF MARUNOUCHI RESIDENCE	7.84	7.88	7.39	7.87	8.29	6.80
Re-48 HF HIRAO RESIDENCE	7.81	7.76	7.49	7.34	7.90	7.77
Re-49 HF KAWARAMACHI NIJO RESIDENCE	6.65	5.24	5.57	6.06	5.95	6.06
Re-53 HF SHIJO KAWARAMACHI RESIDENCE	7.31	7.41	6.76	6.94	7.14	6.98
Re-54 La Residence de Sendagi	6.36	5.62	5.98	6.00	6.52	5.73
Re-55 HF SENDAGI RESIDENCE	6.93	5.94	6.41	6.36	6.82	6.21
Re-56 HF KOMAZAWA-KOEN RESIDENCE	4.84	5.14	5.26	5.29	4.83	4.87
Re-57 HF MUSASHIKOYAMA RESIDENCE	6.56	6.61	6.75	5.89	6.38	6.11
Re-58 HF KOKUBUNJI RESIDENCE	6.48	6.76	5.51	4.08	6.11	6.34
Re-59 HF HISAYADORI RESIDENCE	6.80	5.67	6.50	6.09	6.33	7.19
Re-60 HF KARASUMA KURAMAGUCHI RESIDENCE	6.42	6.29	6.98	6.89	7.26	6.40
Re-61 HF NISHI-SHINJUKU RESIDENCE WEST	5.76	5.37	5.43	5.65	5.23	5.84
Re-62 HF NISHI-SHINJUKU RESIDENCE EAST	5.57	5.19	4.91	5.90	4.58	5.05
Re-63 HF HIGASHI-SHINJUKU RESIDENCE	6.23	5.86	5.66	5.33	4.94	4.82
Re-64 HF HIGASHI-SHINSAIBASHI RESIDENCE	6.70	6.53	6.37	6.66	5.59	5.95
Re-65 HF KITA-YOBANCHO RESIDENCE	7.81	7.26	8.34	8.55	7.74	8.49
Re-66 HF ATAGOBASHI RESIDENCE	8.90	7.91	8.83	8.42	8.38	2.70
Re-68 HF ASAKUSABASHI RESIDENCE	5.39	5.87	5.22	5.98	2.51	5.72
Re-69 HF ICHIBANCHO RESIDENCE	8.14	7.33	8.30	7.57	8.18	8.37
Re-70 HF HIGASHI-NAKANO RESIDENCE	5.68	4.81	5.70	5.85	5.64	5.70
Re-72 HF WASEDA RESIDENCE	5.92	5.56	5.86	5.59	5.60	5.91
Re-73 HF WASEDA RESIDENCE II	5.46	5.71	5.89	4.62	4.82	5.55
Re-74 HF WAKAMATSUKAWADA RESIDENCE	5.90	5.47	5.55	5.49	6.17	4.98
Re-75 HF SENDAI RESIDENCE EAST	6.48	6.20	6.45	6.61	5.97	7.46
Re-76 HF NISHIKOEN RESIDENCE	5.36	4.94	5.51	5.28	5.40	5.01
Re-77 HF BANSUIDORI RESIDENCE	5.21	3.72	5.42	5.72	5.26	5.60
Re-78 HF KANNAI RESIDENCE	5.71	5.69	5.52	6.22	5.94	5.33
Re-79 HF MEIEKI-KITA RESIDENCE	3.07	3.67	4.41	4.41	4.27	4.37
Re-80 HF HIGASHI-SAPPORO RESIDENCE	6.04	5.43	5.33	6.03	5.98	6.25
Re-81 HF HAKATA-HIGASHI RESIDENCE	4.88	4.74	4.47	5.09	5.14	5.27
Re-82 HF SENDAI TSUTSUBASHI RESIDENCE	4.65	4.06	4.28	4.22	4.65	4.24
Re-83 HF TABATA RESIDENCE	6.45	6.36	6.34	6.10	6.51	6.18
Re-84 HF RYOGOKU RESIDENCE	5.66	5.52	5.79	5.75	5.73	5.77
Re-85 HF HACHIOJI RESIDENCE	4.43	4.03	2.50	4.31	4.38	5.19
Re-86 HF MITA RESIDENCE II	4.10	3.74	3.62	3.82	3.98	3.82
Re-87 HF MONZEN-NAKACHO RESIDENCE	4.68	4.60	4.56	4.29	4.54	4.88
Re-88 HF MINAMI-SUNAMACHI RESIDENCE	5.04	5.10	4.59	5.23	4.80	4.49
Re-89 HF SENDAI NAGAMACHI RESIDENCE	4.81	5.32	4.84	4.86	5.01	3.97
Re-90 HF SHOKOJI AKABANE RESIDENCE	5.04	5.16	5.55	4.74	4.53	5.32
Re-91 HF SENDAI HONCHO RESIDENCE	-0.03	0.68	3.11	4.91	5.04	5.10
Re-92 HF OHORI RESIDENCE BAYSIDE	-	4.84	4.08	4.18	4.62	4.33
Re-93 HF HAKATA-HIGASHI RESIDENCE II	-	-	4.15	4.92	4.60	5.05
Re-94 HF FUKUOKA RESIDENCE EAST	-	-	4.68	4.90	4.99	5.75
Re-95 HF SHOKOJI AKABANE RESIDENCE II	-	-	-	5.15	5.47	4.87
Re-96 HF YAHIRO RESIDENCE	-	-	-	4.79	5.14	4.63
Re-97 HF SETAGAYAKAMIMACHI RESIDENCE	-	-	-	2.56	4.57	4.17
Re-98 HF SOKA RESIDENCE	-	-	-	4.85	4.38	4.50
Re-99 HF UENO IRIYA RESIDENCE	-	-	-	-	3.69	3.68
Re-100 HF TSUIJIDO RESIDENCE	-	-	-	-	4.02	3.97
Re-101 HF KAWAGUCHIEKIMAE RESIDENCE *2	-	-	-	-	-	5.07
Re-102 HF HIGASHIOGU RESIDENCE *2	-	-	-	-	-	5.29
<b>Total Residential Properties</b>	<b>5.38</b>	<b>5.16</b>	<b>5.24</b>	<b>5.30</b>	<b>5.24</b>	<b>5.34</b>
<b>Total properties in portfolio</b>	<b>5.44</b>	<b>5.32</b>	<b>5.35</b>	<b>5.27</b>	<b>5.20</b>	<b>5.16</b>

\*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 Transferred 50% of the quasi-co-ownership interest on June 3, 2022. Therefore, the amount equivalent to 50% of the appraisal value in the 41st fiscal period is stated.

\*2 Acquired on June 3, 2022

\*3 Properties sold before the 41st Fiscal Period are excluded.



## Historical NOI yield after depreciation

Property Name	37th FP (20/5)	38th FP (20/11)	39th FP (21/5)	40th FP (21/11)	41st FP (22/5)	42nd FP (22/11)
Of-05 SUITENGU HEIWA BUILDING	4.39	4.93	4.87	4.95	5.01	4.50
Of-06 HF MONZENNAKACHO BUILDING	4.80	5.01	3.57	4.44	4.65	2.98
Of-07 HF HAMAMATSUCHO BUILDING	4.23	4.33	4.34	4.26	4.43	3.93
Of-08 HF TAMEIKE BUILDING	3.63	3.27	3.42	4.03	4.05	3.41
Of-09 GRACE BUILDING SENGAKUJIMAE *1	6.78	5.88	6.09	5.99	6.58	3.27
Of-11 HF NIHONBASHI ODENMACHO BUILDING	3.32	3.24	3.20	2.92	2.65	3.09
Of-12 HF HATCHOBORI BUILDING	3.07	3.15	3.18	3.15	3.19	3.12
Of-17 HATCHOBORI MF BUILDING	3.34	3.25	3.17	3.16	3.58	3.44
Of-18 M2 HARAJUKU	4.52	4.04	4.11	2.08	2.11	3.03
Of-20 FUNABASHI FACE BUILDING	4.19	4.86	4.31	4.39	4.29	4.46
Of-21 ADESSO NISHIAZABU	1.96	1.73	1.03	0.93	2.64	2.36
Of-23 HF IKEBUKURO BUILDING	4.19	4.57	4.58	4.10	4.52	4.68
Of-24 HF YUSHIMA BUILDING	3.92	3.25	3.60	3.94	4.06	3.94
Of-25 KAYABACHO HEIWA BUILDING	7.23	7.26	7.29	7.28	7.25	7.14
Of-27 KOBE KYUKORYUCHI HEIWA BUILDING	5.26	5.07	5.41	5.28	5.39	5.83
Of-29 SAKAE MINAMI HEIWA BUILDING	6.70	6.56	5.62	6.71	6.96	6.84
Of-30 HF SAKURADORI BUILDING	5.87	5.84	6.50	6.56	6.47	6.41
Of-31 HF NIHONBASHI HAMACHO BUILDING	5.93	6.12	5.85	5.92	5.51	5.31
Of-32 HF SENDAI HONCHO BUILDING	4.89	5.69	6.41	6.30	6.35	6.14
Of-33 HF UENO BUILDING	4.88	4.89	4.93	4.70	4.93	4.81
Of-34 KOJIMACHI HF BUILDING	6.46	6.57	6.49	6.43	5.10	5.46
Of-35 HF KUDAN MINAMI BUILDING	4.29	3.87	4.18	4.48	3.93	2.42
Of-36 HF KANDA OGAWAMACHI BUILDING	4.63	4.56	4.66	4.53	4.50	4.61
Of-37 NISSO 5 BUILDING	3.94	3.88	3.86	3.74	3.76	3.52
Of-38 ACROSS SHINKAWA BUILDING	4.12	4.27	4.44	4.35	4.65	4.32
Of-39 SENJU MILDIX II	4.64	4.81	5.06	4.83	4.63	5.67
Of-40 ARK Mori Building	3.22	3.54	3.51	3.56	2.89	3.48
Of-41 Nihonbashi Horiomecho First	3.94	3.85	3.96	3.77	3.88	4.00
Of-42 SOUTHERN SKY TOWER HACHIOJI	4.64	4.83	4.64	4.82	4.61	4.85
Of-43 HAMACHO HEIWA BUILDING	4.11	4.11	3.99	3.69	3.21	3.41
Of-44 KINSHICHO SQUARE BUILDING	4.06	3.52	3.64	3.42	3.44	3.43
Of-45 KABUTO-CHO UNI-SQUARE	2.45	4.62	4.31	4.29	4.29	4.05
Of-46 TORYO BUILDING	-	-	3.94	3.58	3.03	3.38
Of-47 OSAKI CN BUILDING	-	-	-	2.84	3.06	3.16
Of-48 Faret East Building	-	-	-	5.19	5.34	4.32
Of-49 HF ESAKA BUILDING	-	-	-	-	3.22	2.75
Of-50 Shinsaibashi FRONT Building *2	-	-	-	-	-	4.18
Of-51 SAKAE CENTER BUILDING *2	-	-	-	-	-	4.48
Of-52 IWAMOTOCHO TWIN BUILDING *2	-	-	-	-	-	3.64
Of-53 IWAMOTOCHO TWIN SAKAE BUILDING *2	-	-	-	-	-	4.62
<b>Total Office Buildings</b>	<b>4.57</b>	<b>4.63</b>	<b>4.62</b>	<b>4.43</b>	<b>4.35</b>	<b>4.24</b>
Re-03 HF ICHIKAWA RESIDENCE	6.36	6.55	6.76	6.85	6.73	6.88
Re-05 HF MEGURO RESIDENCE	4.20	4.49	4.21	3.82	3.20	3.73
Re-09 HF KASAI RESIDENCE	5.71	5.75	5.76	6.01	5.64	5.94
Re-11 HF WAKABAYASHI-KOEN RESIDENCE	4.88	5.07	5.05	5.32	5.28	5.50
Re-12 HF HIMONYA RESIDENCE	4.93	4.26	3.80	4.23	4.55	4.83
Re-14 HF MINAMIAZABU RESIDENCE	1.96	3.09	3.51	3.77	3.40	3.64
Re-16 HF GAKUGEIDAIGAKU RESIDENCE	3.56	3.54	4.23	4.07	4.13	4.29
Re-17 HF HIGASHIKANDA RESIDENCE	3.95	4.04	4.46	4.73	2.48	4.81
Re-18 HF HIGASHINIHONBASHI RESIDENCE	4.38	5.08	3.47	5.65	2.61	4.75
Re-19 HF NERIMA RESIDENCE	4.20	2.25	4.90	1.91	5.25	4.33
Re-20 HF SHIROKANETAKANAWA RESIDENCE	4.34	4.63	3.93	5.00	4.73	5.10
Re-21 HF MEIDAIMAE RESIDENCE	3.46	2.81	3.66	4.03	3.36	4.10
Re-22 HF NIHONBASHI RESIDENCE	4.41	2.07	3.99	3.75	3.87	4.19
Re-23 HF KAMISHAKUJI RESIDENCE	3.85	4.13	4.59	4.23	4.56	4.67
Re-24 HF KINSHICHO RESIDENCE	4.15	2.03	3.69	4.29	4.04	4.07
Re-25 HF GINZA RESIDENCE EAST	3.09	2.95	2.93	2.74	3.12	3.23
Re-26 HF SHIN-YOKOHAMA RESIDENCE	3.50	3.43	3.33	3.13	3.41	3.27
Re-30 HF MAGOME RESIDENCE	3.52	3.46	3.31	3.75	3.03	3.34
Re-31 HF GAKUGEIDAIGAKU RESIDENCE II	2.13	2.34	2.90	1.46	2.89	3.27
Re-33 HF KAMEIDO RESIDENCE	3.78	3.84	2.66	3.33	3.76	3.75
Re-34 HF TANASHI RESIDENCE	2.28	2.64	2.60	2.59	2.89	3.06
Re-38 La Residence de Shirokanedai	4.53	3.19	4.00	4.69	5.17	4.23

Property Name	37th FP (20/5)	38th FP (20/11)	39th FP (21/5)	40th FP (21/11)	41st FP (22/5)	42nd FP (22/11)
Re-39 HF GINZA RESIDENCE EAST II	5.36	4.09	4.48	4.64	4.03	4.04
Re-40 HF HATCHOBORI RESIDENCE II	3.98	2.94	3.23	3.41	3.70	3.52
Re-41 HF HATCHOBORI RESIDENCE III	3.88	3.74	4.12	4.79	6.21	5.10
Re-42 HF GINZA RESIDENCE	1.09	3.93	2.73	4.27	5.19	4.82
Re-43 HF KOMAZAWA-KOEN RESIDENCE TOWER	3.84	3.41	3.64	3.94	3.57	3.87
Re-45 HF NAKANOSHIMA RESIDENCE	3.14	3.61	3.55	2.82	3.02	3.99
Re-46 HF AWAZA RESIDENCE	4.87	4.59	4.61	2.41	5.59	5.70
Re-47 HF MARUNOUCHI RESIDENCE	5.13	5.10	4.54	5.20	6.38	4.84
Re-48 HF HIRAO RESIDENCE	5.10	5.17	4.91	4.86	6.37	6.24
Re-49 HF KAWARAMACHI NIJO RESIDENCE	5.20	3.78	4.11	4.69	4.93	5.03
Re-53 HF SHIJO KAWARAMACHI RESIDENCE	6.21	6.31	5.63	5.78	5.96	5.77
Re-54 La Residence de Sendagi	5.59	4.85	5.19	5.20	5.70	4.95
Re-55 HF SENDAGI RESIDENCE	6.04	5.04	5.50	5.44	5.89	5.33
Re-56 HF KOMAZAWA-KOEN RESIDENCE	3.67	3.95	4.05	4.08	3.62	3.75
Re-57 HF MUSASHIKOYAMA RESIDENCE	5.77	5.81	5.93	5.06	5.52	5.22
Re-58 HF KOKUBUNJI RESIDENCE	5.49	5.75	4.46	3.01	5.01	5.29
Re-59 HF HISAYADORI RESIDENCE	5.50	4.32	5.13	4.70	4.94	5.81
Re-60 HF KARASUMA KURAMAGUCHI RESIDENCE	5.35	5.20	5.89	5.79	6.16	5.29
Re-61 HF NISHI-SHINJUKU RESIDENCE WEST	5.04	4.65	4.68	4.88	4.43	5.04
Re-62 HF NISHI-SHINJUKU RESIDENCE EAST	4.81	4.40	4.09	5.05	3.72	4.16
Re-63 HF HIGASHI-SHINJUKU RESIDENCE	5.23	4.83	4.60	4.26	3.84	3.70
Re-64 HF HIGASHI-SHINSAIBASHI RESIDENCE	5.73	5.55	5.40	5.67	4.59	4.94
Re-65 HF KITA-YOBANCHO RESIDENCE	6.07	5.47	6.48	6.60	5.73	6.45
Re-66 HF ATAGOBASHI RESIDENCE	6.89	5.85	6.67	6.20	6.10	0.47
Re-68 HF ASAKUSABASHI RESIDENCE	4.54	5.01	4.34	5.09	1.60	4.78
Re-69 HF ICHIBANCHO RESIDENCE	6.70	5.82	6.78	6.01	6.58	6.73
Re-70 HF HIGASHI-NAKANO RESIDENCE	4.83	3.93	4.80	4.93	4.69	4.72
Re-72 HF WASEDA RESIDENCE	5.15	4.78	5.06	4.76	4.76	5.06
Re-73 HF WASEDA RESIDENCE II	4.71	4.96	5.13	3.83	4.01	4.72
Re-74 HF WAKAMATSUKAWADA RESIDENCE	4.70	4.27	4.36	4.62	5.30	4.10
Re-75 HF SENDAI RESIDENCE EAST	4.53	4.22	4.44	4.58	3.91	5.41
Re-76 HF NISHIKOEN RESIDENCE	3.51	3.06	3.60	3.32	3.43	3.01
Re-77 HF BANSUIDORI RESIDENCE	3.40	1.88	3.54	3.80	3.30	3.61
Re-78 HF KANNAI RESIDENCE	4.31	4.25	4.04	4.71	4.39	3.76
Re-79 HF MEIEKI-KITA RESIDENCE	1.89	2.43	3.13	3.11	2.95	3.02
Re-80 HF HIGASHI-SAPPORO RESIDENCE	4.40	3.77	3.64	4.32	4.25	4.50
Re-81 HF HAKATA-HIGASHI RESIDENCE	3.70	3.55	3.25	3.87	3.91	4.02
Re-82 HF SENDAI ITSUTSUBASHI RESIDENCE	3.34	2.74	2.94	2.86	3.27	2.85
Re-83 HF TABATA RESIDENCE	5.06	4.95	4.93	4.67	5.07	4.74
Re-84 HF RYOGOKU RESIDENCE	4.40	4.25	4.51	4.46	4.44	4.46
Re-85 HF HACHIOJI RESIDENCE	3.64	3.24	1.63	3.45	3.51	4.30
Re-86 HF MITA RESIDENCE II	3.62	3.25	3.11	3.31	3.46	3.29
Re-87 HF MONZEN-NAKACHO RESIDENCE	3.84	3.74	3.70	3.43	3.68	4.01
Re-88 HF MINAMI-SUNAMACHI RESIDENCE	4.14	4.19	3.67	4.30	3.84	3.50
Re-89 HF SENDAI NAGAMACHI RESIDENCE	3.28	3.91	3.39	3.35	3.48	2.44
Re-90 HF SHOKOJI AKABANE RESIDENCE	3.69	4.07	4.45	3.63	3.41	4.20
Re-91 HF SENDAI HONCHO RESIDENCE	-1.85	-0.47	1.96	3.74	3.87	3.92
Re-92 HF OHORI RESEIDENCE BAYSIDE	-	3.96	3.17	3.22	3.65	3.35
Re-93 HF HAKATA-HIGASHI RESIDENCE II	-	-	3.11	4.13	3.78	4.22
Re-94 HF FUKUOKA RESIDENCE EAST	-	-	2.82	3.49	3.53	4.27
Re-95 HF SHOKOJI AKABANE RESIDENCE II	-	-	-	4.01	4.35	3.74
Re-96 HF YAHIRO RESIDENCE	-	-	-	3.64	4.00	3.49
Re-97 HF SETAGAYAKAMIMACHI RESIDENCE	-	-	-	1.82	3.84	3.44
Re-98 HF SOKA RESIDENCE	-	-	-	3.37	3.35	3.44
Re-99 HF UENO IRIYA RESIDENCE	-	-	-	-	2.86	2.93
Re-100 HF TSUJIDO RESIDENCE	-	-	-	-	3.20	3.11
Re-101 HF KAWAGUCHIEKIMAE RESIDENCE *2	-	-	-	-	-	4.08
Re-102 HF HIGASHIOGU RESIDENCE *2	-	-	-	-	-	4.34
<b>Total Residential Properties</b>	<b>4.05</b>	<b>3.82</b>	<b>3.93</b>	<b>4.06</b>	<b>4.08</b>	<b>4.18</b>
<b>Total properties in portfolio</b>	<b>4.29</b>	<b>4.18</b>	<b>4.25</b>	<b>4.23</b>	<b>4.21</b>	<b>4.21</b>

\*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 Transferred 50% of the quasi-co-ownership interest on June 3, 2022. Therefore, the amount equivalent to 50% of the appraisal value in the 41st fiscal period is stated.

\*2 Acquired on June 3, 2022

\*3 Properties sold before the 41st Fiscal Period are excluded.

Property Name	31-May-2022	30-Jun-2022	31-Jul-2022	31-Aug-2022	30-Sep-2022	31-Oct-2022	30-Nov-2022
Of-05 SUITENGU HEIWA BUILDING	100	100	100	100	100	100	100
Of-06 HF MONZENNAKACHO BUILDING	100	100	86.91	86.91	86.91	86.91	100
Of-07 HF HAMAMATSUCHO BUILDING	100	100	100	88.81	88.81	88.81	88.81
Of-08 HF TAMEIKE BUILDING	98.12	84.59	100	100	90.87	90.87	90.87
Of-09 GRACE BUILDING SENGAKUJIMAE *1	100	100	100	100	100	100	100
Of-11 HF NIHONBASHI ODENMACHO BUILDING	100	100	100	100	100	100	100
Of-12 HF HATCHOBORI BUILDING	100	100	100	100	100	100	100
Of-17 HATCHOBORI MF BUILDING	100	100	100	100	100	100	100
Of-18 M2 HARAJUKU	100	100	100	100	100	100	100
Of-20 FUNABASHI FACE BUILDING	100	100	100	100	100	100	100
Of-21 ADESSO NISHIAZABU	100	100	100	100	100	100	100
Of-23 HF IKEBUKURO BUILDING	100	100	100	100	100	100	100
Of-24 HF YUSHIMA BUILDING	100	100	100	100	100	100	100
Of-25 KAYABACHO HEIWA BUILDING	100	100	100	100	100	100	100
Of-27 KOBE KYUKYORYUCHI HEIWA BUILDING	100	100	100	100	100	100	100
Of-29 SAKAE MINAMI HEIWA BUILDING	100	100	100	100	100	100	100
Of-30 HF SAKURADORI BUILDING	100	100	100	100	100	100	98.92
Of-31 HF NIHONBASHI HAMACHO BUILDING	100	100	100	100	100	100	100
Of-32 HF SENDAI HONCHO BUILDING	100	100	100	100	100	100	100
Of-33 HF UENO BUILDING	100	100	100	100	100	100	100
Of-34 KOJIMACHI HF BUILDING	87.82	87.82	100	100	100	100	100
Of-35 HF KUDAN MINAMI BUILDING	100	100	100	73.45	73.45	73.45	100
Of-36 HF KANDA OGAWAMACHI BUILDING	100	100	100	100	100	100	100
Of-37 NISSO 5 BUILDING	100	100	100	100	100	100	100
Of-38 ACROSS SHINKAWA BUILDING	100	100	98.06	98	98.06	100	97.83
Of-39 SENJU MILDIX II	100	100	100	100	100	100	100
Of-40 ARK Mori Building	100	100	100	100	100	100	100
Of-41 Nihonbashi Horidomecho First	100	100	100	100	100	100	100
Of-42 SOUTHERN SKY TOWER HACHIOJI	100	100	100	100	100	100	100
Of-43 HAMACHO HEIWA BUILDING	88.01	88.01	100	100	100	100	100
Of-44 KINSHICHO SQUARE BUILDING	97.33	97.33	97.33	97.33	97.33	97.33	100
Of-45 KABUTO-CHO UNI-SQUARE	100	100	100	100	100	100	100
Of-46 HF SENDAI ICHIBANCHO BUILDING	98.13	98.13	98.13	98.13	98.13	98.13	98.13
Of-47 OSAKI CN BUILDING	100	100	100	100	100	100	100
Of-48 Faret East Building	100	100	100	100	100	100	100
Of-49 HF ESAKA BUILDING	100	100	100	100	100	100	93.61
Of-50 Shinsaibashi FRONT Building *2	-	100	100	100	100	100	100
Of-51 SAKAE CENTER BUILDING *2	-	94.83	94.83	94.83	94.83	94.83	100
Of-52 IWAMOTOCHO TWIN BUILDING *2	-	100	100	100	100	100	100
Of-53 IWAMOTOCHO TWIN SAKAE BUILDING *2	-	100	100	100	100	88.67	88.67
<b>Total Office Buildings</b>	<b>99.27</b>	<b>98.84</b>	<b>99.18</b>	<b>98.41</b>	<b>98.23</b>	<b>98.24</b>	<b>99.21</b>
Re-03 HF ICHIKAWA RESIDENCE	100	100	100	100	100	100	100
Re-05 HF MEGURO RESIDENCE	93.69	93.69	95.07	95.07	95.07	95.07	100
Re-09 HF KASAI RESIDENCE	95.81	97.87	93.75	93.75	97.94	93.75	93.67
Re-11 HF WAKABAYASHI-KOEN RESIDENCE	99.11	96.86	97.92	97.92	97.88	100	100
Re-12 HF HIMONYA RESIDENCE	100	100	100	100	98.36	98.36	95.65
Re-14 HF MINAMIAZABU RESIDENCE	95.00	94.98	93.32	96.64	96.64	96.64	96.64
Re-16 HF GAKUGEIDAIGAKU RESIDENCE	100	96.18	96.18	100	100	96.93	100
Re-17 HF HIGASHIKANDA RESIDENCE	93.83	93.83	93.80	100	96.91	98.44	98.44
Re-18 HF HIGASHINIHOHONBASHI RESIDENCE	94.96	96.13	98.77	96.35	96.35	93.93	96.30
Re-19 HF NERIMA RESIDENCE	98.08	98.08	96.16	94.24	96.16	96.16	93.70
Re-20 HF SHIROKANETAKANAWA RESIDENCE	94.59	98.09	96.23	98.14	98.14	98.94	98.07
Re-21 HF MEIDAIMAE RESIDENCE	94.20	94.20	100	100	97.90	98.21	96.41
Re-22 HF NIHONBASHI RESIDENCE	90.41	97.04	100	98.28	100	98.28	100
Re-23 HF KAMISHAKUJI RESIDENCE	98.64	98.50	100	100	98.64	97.19	97.28
Re-24 HF KINSHICHO RESIDENCE	100	98.29	100	98.08	98.21	98.21	100
Re-25 HF GINZA RESIDENCE EAST	95.63	95.90	94.82	96.06	97.90	97.16	97.42
Re-26 HF SHIN-YOKOHAMA RESIDENCE	95.44	96.47	95.77	94.95	95.82	96.49	98.51
Re-30 HF MAGOME RESIDENCE	94.33	100	100	94.64	94.64	100	100
Re-31 HF GAKUGEIDAIGAKU RESIDENCE II	100	100	100	100	100	100	95.12
Re-33 HF KAMEIDO RESIDENCE	98.35	98.38	100	93.49	96.74	98.38	98.37
Re-34 HF TANASHI RESIDENCE	100	100	100	100	97.00	97.00	100
Re-38 La Residence de Shirokanedai	92.95	96.51	96.51	96.51	92.95	96.39	96.44

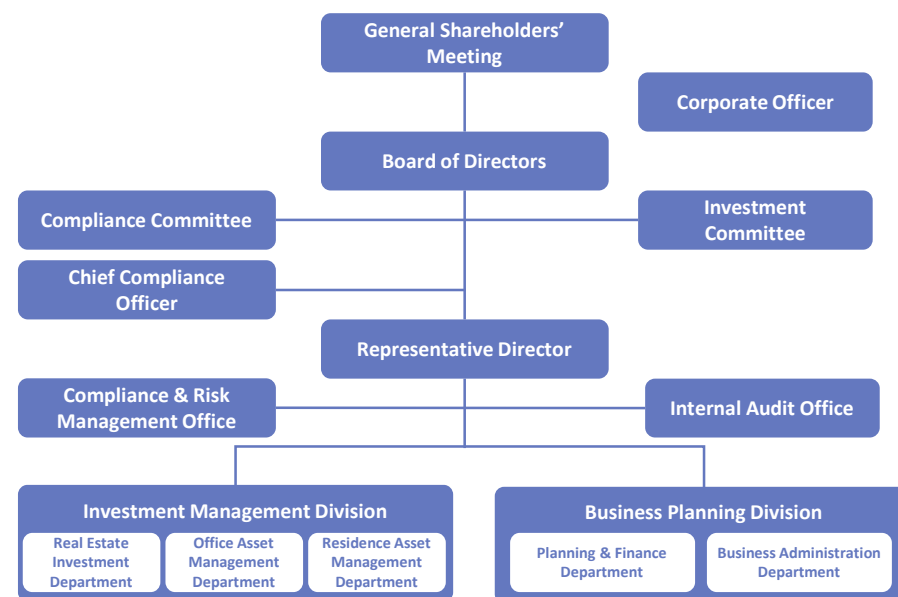
Property Name	31-May-2022	30-Jun-2022	31-Jul-2022	31-Aug-2022	30-Sep-2022	31-Oct-2022	30-Nov-2022
Re-39 HF GINZA RESIDENCE EAST II	98.75	96.24	94.99	98.75	93.17	94.30	95.67
Re-40 HF HATCHOBORI RESIDENCE II	93.89	95.17	92.55	96.27	97.51	99.08	97.25
Re-41 HF HATCHOBORI RESIDENCE III	100	94.74	94.74	97.37	92.83	95.46	100
Re-42 HF GINZA RESIDENCE	97.85	97.85	98.13	93.83	97.85	96.00	98.13
Re-43 HF KOMAZAWA-KOEN RESIDENCE TOWER	95.80	95.59	95.69	97.34	97.66	97.25	95.91
Re-45 HF NAKANOSHIMA RESIDENCE	93.88	93.88	91.84	94.46	100	92.84	92.84
Re-46 HF AWAZA RESIDENCE	100	98.32	96.63	96.66	96.82	96.82	95.44
Re-47 HF MARUNOUCHI RESIDENCE	97.23	95.82	90.30	88.90	90.30	91.66	91.66
Re-48 HF HIRAO RESIDENCE	95.87	95.84	95.48	96.05	96.92	95.63	96.43
Re-49 HF KAWARAMACHI NIJO RESIDENCE	98.06	100	98.06	98.06	96.07	98.21	96.12
Re-53 HF SHIJO KAWARAMACHI RESIDENCE	96.30	96.91	96.91	98.79	100	99.37	98.12
Re-54 La Residence de Sendagi	94.39	94.39	94.39	95.97	96.09	98.19	96.25
Re-55 HF SENDAGI RESIDENCE	93.97	93.97	100	96.91	100	100	100
Re-56 HF KOMAZAWA-KOEN RESIDENCE	97.22	94.44	94.44	97.22	94.44	94.45	94.45
Re-57 HF MUSASHI-KOYAMA RESIDENCE	96.40	98.20	96.40	95.87	98.24	96.44	94.60
Re-58 HF KOKUBUNJI RESIDENCE	100	98.30	96.65	94.68	96.72	100	100
Re-59 HF HISAYADOORI RESIDENCE	98.03	97.95	100.00	97.97	99.02	98.04	95.09
Re-60 HF KARASUMA KURAMAGUCHI RESIDENCE	97.98	97.98	97.98	95.84	95.95	95.95	97.98
Re-61 HF NISHI-SHINJUKU RESIDENCE WEST	95.91	94.99	98.75	98.75	96.25	95.92	95.00
Re-62 HF NISHI-SHINJUKU RESIDENCE EAST	82.92	93.59	100	97.59	97.59	100	98.49
Re-63 HF HIGASHI-SHINJUKU RESIDENCE	95.73	98.60	97.19	93.21	91.54	92.95	97.22
Re-64 HF HIGASHI-SHINSAIBASHI RESIDENCE	92.24	89.51	97.26	100	100	97.72	100
Re-65 HF KITA-YOBANCHO RESIDENCE	96.68	97.77	100	97.77	97.77	92.21	94.43
Re-66 HF ATAGOBASHI RESIDENCE	97.49	97.51	100	98.76	96.26	96.28	95.03
Re-68 HF ASAKUSABASHI RESIDENCE	97.44	97.44	97.44	100	97.44	97.44	97.44
Re-69 HF ICHIBANCHO RESIDENCE	97.02	98.82	98.20	97.02	98.82	100	100
Re-70 HF HIGASHI-NAKANO RESIDENCE	93.77	97.01	95.04	93.37	96.35	96.35	96.86
Re-72 HF WASEDA RESIDENCE	95.26	98.25	96.33	97.04	97.81	97.11	97.77
Re-73 HF WASEDA RESIDENCE II	98.27	98.27	96.54	94.51	98.27	96.54	96.54
Re-74 HF WAKAMATSUKAWADA RESIDENCE	94.56	93.43	93.43	90.14	86.86	93.43	96.35
Re-75 HF SENDAI RESIDENCE EAST	99.39	98.18	98.79	99.39	96.22	98.64	98.79
Re-76 HF NISHIKOEN RESIDENCE	96.12	97.09	95.99	93.08	99.03	98.91	98.06
Re-77 HF BANSUI-DORI RESIDENCE	95.45	96.97	100	100	100	96.97	95.45
Re-78 HF KANNAI RESIDENCE	97.35	96.57	93.97	93.17	91.43	93.25	98.28
Re-79 HF MEIKI-KITA RESIDENCE	94.51	95.48	95.72	95.60	97.32	98.30	96.60
Re-80 HF HIGASHI-SAPPORO RESIDENCE	99.45	98.91	99.45	100	98.91	96.73	95.39
Re-81 HF HAKATA-HIGASHI RESIDENCE	97.44	100	98.72	98.72	100	97.44	98.70
Re-82 HF SENDAI ITSUTSUBASHI RESIDENCE	96.36	96.36	98.18	96.37	100	90.91	94.54
Re-83 HF TABATA RESIDENCE	98.61	98.61	95.63	97.01	98.61	98.61	98.61
Re-84 HF RYOGOKU RESIDENCE	94.53	95.45	98.74	100	98.78	98.74	100
Re-85 HF HACHIOJI RESIDENCE	97.78	97.78	95.72	94.26	97.78	98.52	95.58
Re-86 HF MITA RESIDENCE II	95.20	89.45	97.47	100	97.73	95.35	95.35
Re-87 HF MONZEN-NAKACHO RESIDENCE	95.45	97.73	100	100	100	100	97.73
Re-88 HF MINAMI-SUNAMACHI RESIDENCE	93.76	97.99	100	95.77	97.88	97.99	95.88
Re-89 HF SENDAI NAGAMACHI RESIDENCE	96.86	95.24	95.15	93.54	96.77	90.93	98.38
Re-90 HF SHOKUJI AKABANE RESIDENCE	100	100	100	100	100	100	100
Re-91 HF SENDAI HONCHO RESIDENCE	97.09	98.55	97.11	97.11	100	98.55	97.11
Re-92 HF OHORI RESIDENCE BAYSIDE	97.21	95.83	94.44	93.04	94.44	94.42	94.42
Re-93 HF HAKATA-HIGASHI RESIDENCE II	96.99	96.10	98.95	99.30	98.95	97.35	97.00
Re-94 HF FUKUOKA RESIDENCE EAST	97.34	96.39	97.24	96.52	100	99.04	98.33
Re-95 HF SHOKUJI AKABANE RESIDENCE II	97.74	93.17	100	96.65	98.93	96.80	98.93
Re-96 HF YAHIRO RESIDENCE	97.37	91.32	89.73	94.47	96.58	95.78	96.58
Re-97 HF SETAGAYAKAMIMACHI RESIDENCE	93.31	96.61	96.67	96.67	100	96.66	93.36
Re-98 HF SOKA RESIDENCE	95.00	99.00	96.00	98.00	98.00	100	97.00
Re-99 HF UENO IIRYA RESIDENCE	97.48	92.43	94.95	90.91	95.96	95.96	100
Re-100 HF TSUJIDO RESIDENCE	97.53	95.06	97.53	100	97.53	100	95.06
Re-101 HF KAWAGUCHIEKIMAE RESIDENCE *2	-	97.02	98.01	99.01	98.01	96.03	97.02
Re-102 HF HIGASHIOGU RESIDENCE *2	-	97.38	100	97.41	100	98.77	100
<b>Total Residential Properties</b>	<b>96.57</b>	<b>96.74</b>	<b>97.04</b>	<b>97.02</b>	<b>97.43</b>	<b>97.17</b>	<b>97.21</b>
<b>Total properties in portfolio</b>	<b>97.59</b>	<b>97.57</b>	<b>97.89</b>	<b>97.57</b>	<b>97.75</b>	<b>97.60</b>	<b>98.01</b>

\*1 Transferred 50% of the quasi-co-ownership interest on June 3, 2022. Therefore, the amount equivalent to 50% of the appraisal value in the 41st fiscal period is stated.

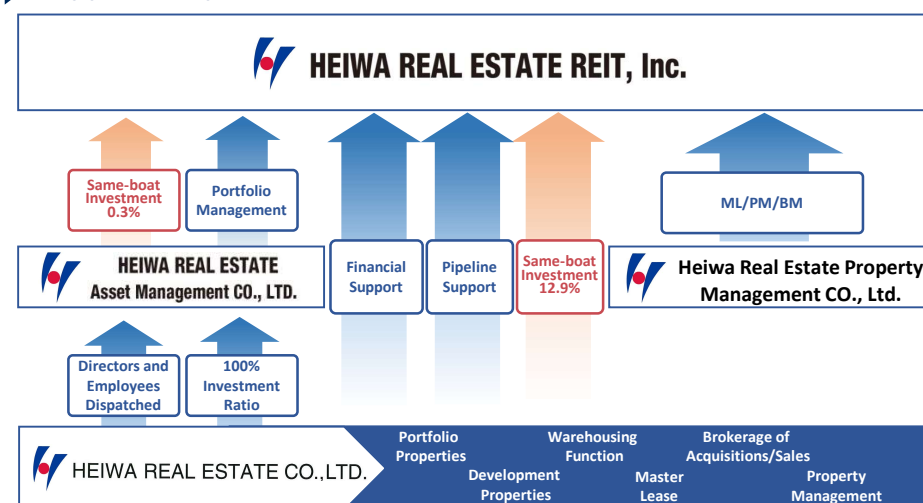
\*2 Acquired on June 3, 2022

\*3 Properties sold before the 41st Fiscal Period are excluded.

### ► Organization chart



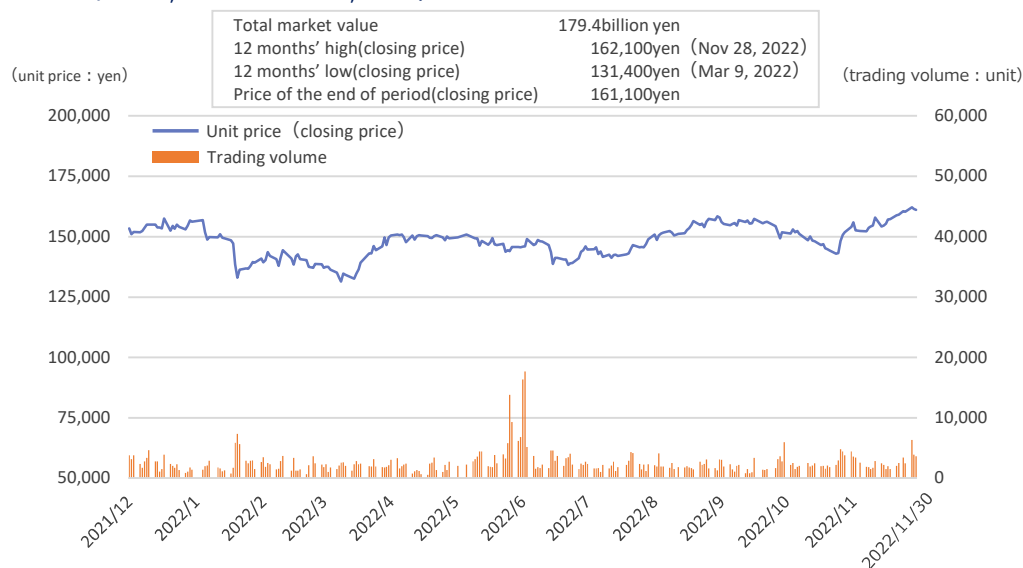
### ► Support of Sponsors





### History of Investment Unit Price

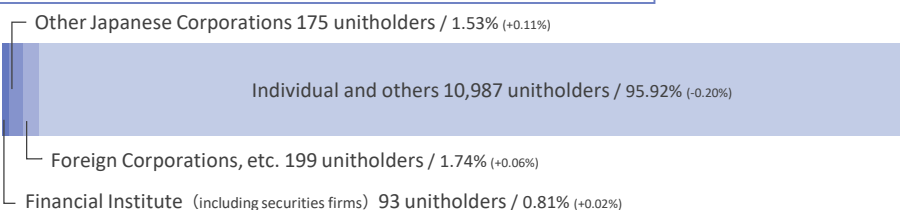
(Dec. 1, 2021 – Nov. 30, 2022)



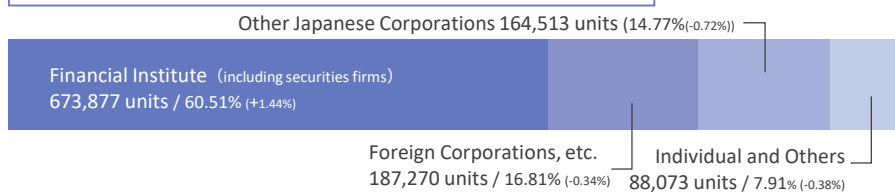
(Source : Refinitiv)

### Status of Unitholders (as of November 30, 2022)

#### Number of Unitholders by Type (11,454 unitholders (+248 people))



#### Ownership by Unitholders (1,113,733 units)

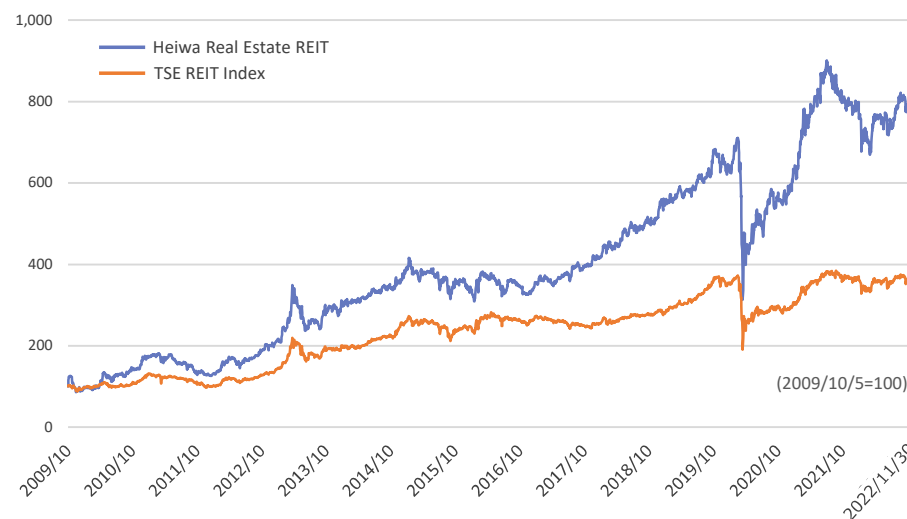


※The ratios in the charts are rounded to the third decimal place.

※Figures in the parentheses show differences from respective composition ratios for the previous fiscal period.

### Change in Investment Unit Price (Distribution reinvestment basis)

(Oct.5, 2009 – Nov. 30, 2022)



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

### Top 10 Unitholders (as of November 30, 2022)

	Name	Units Owned (Units)	Share (%)
1	Custody Bank of Japan, Ltd. (trust account)	317,666	28.52
2	The Master Trust Bank of Japan, Ltd. (trust account)	203,434	18.27
3	Heiwa Real Estate Co., Ltd.	143,845	12.92
4	The Nomura Trust and Banking Co., Ltd. (trust account)	43,058	3.87
5	STATE STREET BANK WEST CLIENT -TREATY 505234	16,293	1.46
6	SSBTC CLIENT OMNIBUS ACCOUNT	12,752	1.14
7	JP MORGAN CHASE BANK 385781	12,510	1.12
8	SMBC Nikko Securities Inc.	12,429	1.12
9	BNP PARIBAS LUXEMBOURG/2S/BNP PARIBAS LUXEMBOURG/2S/JASDEC/SECURITIES-AIFM	11,399	1.02
10	JP MORGAN CHASE BANK 385771	10,397	0.93
Total		783,783	70.37

【 MEMO 】

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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)

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